ACQUISITION AGREEMENT

THIS AGREEMENT made effective as of February 10, 2021.

AMONG:

> **CT DEVELOPERS LTD.**, a corporation incorporated under the laws of Canada ("**CT**")
>
> - and -
>
> **MAGNA MINING CORP.**, a corporation incorporated under the laws of the Province of Ontario ("**Magna**")
>
> - and -
>
> **2813443 ONTARIO INC.**, a corporation incorporated under the laws of the Province of Ontario ("**Newco**")

RECITALS:

1. Magna wishes to enter into a going-public transaction and has identified CT as a reverse take-over target for such purpose;

2. CT is a "CPC" (as defined in the CPC Policy) and is required to complete a "Qualifying Transaction" (as defined in the CPC Policy);

3. Newco is a corporation incorporated under the laws of the Province of Ontario and is a wholly-owned subsidiary of CT;

4. CT and Magna propose to complete a reverse take-over transaction, on the terms and subject to the conditions set forth herein, whereby Newco will acquire all of the issued and outstanding securities of Magna in exchange for securities of CT by way of a three-cornered amalgamation, including the amalgamation of Newco and Magna to form Amalco (as defined herein);

5. CT and Magna intend that, upon completion of the reverse take-over transaction on the terms and subject to the conditions set forth herein, the business and assets of Magna will become the primary business and primary assets of Amalco, which shall be a wholly-owned subsidiary of CT.

AGREEMENT

THIS AGREEMENT WITNESSES that in consideration of the covenants, agreements, warranties and payments herein set forth and provided for, the parties hereto respectively covenant and agree as set forth below.

ARTICLE 1
<u>INTERPRETATION</u>

1.1 Definitions

In this Agreement, including the recitals, unless otherwise stated:

(a) "**Agents**" means, collectively, Canaccord Genuity Corp., Paradigm Capital Inc., Desjardins Securities Inc. and Eight Capital;

(b) "**Agreement**" means this acquisition agreement, as the same may be supplemented or amended from time to time, and the expressions "above", "below", "herein", "hereto", "hereof" and similar expressions refer to this Agreement;

(c) "**Amalco**" means the amalgamated entity, to be named Magna Mining Corp., following the Amalgamation;

(d) "**Amalgamation**" means the amalgamation of Magna and Newco to be effected under the *Business Corporations Act* (Ontario) pursuant to the terms of the Amalgamation Agreement;

(e) "**Amalgamation Agreement**" means the amalgamation agreement to be entered into between CT, Magna and Newco in the form attached hereto as Schedule A;

(f) "**Business**" means the business of Magna;

(g) "**Business Day**" means a day which is not a Saturday, Sunday or a statutory holiday in the Province of Ontario or the City of Toronto;

(h) "**Business Permits**" means all licenses, permits and similar rights and privileges that are required and necessary under applicable legislation, regulations, rules and orders for Magna to own the Magna Assets and operate the Business;

(i) "**Closing**" means the closing of the Amalgamation;

(j) "**Closing Date**" means the day on which the Amalgamation is completed, which shall not be prior to the date upon which all required regulatory approvals have been obtained for the transactions described herein, including the conditional approval of the TSXV for the Amalgamation to be the Qualifying Transaction of CT, and all conditions contained in this Agreement have been met or waived;

(k) "**Concurrent Financing**" means the brokered private placement of up to 10,770,000 Magna Subscription Receipts at a price of $0.65 per Magna Subscription Receipt for gross proceeds of up to $7,000,500;

(l) "**Consideration Shares**" means the CT Shares to be issued to the Magna Shareholders in connection with the Transaction;

(m) "**Consolidation**" means the consolidation of the CT Shares on a 4:1 basis to be completed prior to the Amalgamation;

(n) "**CPC Escrow Agreement**" means the escrow agreement dated July 27, 2011 in the form of TSXV Form 2F – *CPC Escrow Agreement* for Tier 2 issuers, between CT, the Escrow Agent and certain CT Shareholders, pursuant to which the CPC Escrow Shares are currently held in escrow;

(o) "**CPC Escrow Shares**" means the 1,500,000 CT Shares held in escrow pursuant to the CPC Escrow Agreement;

(p) "**CPC Policy**" means Policy 2.4 – *Capital Pool Companies* in the Corporate Finance Manual of the TSXV;

(q) "**CT**" means CT Developers Ltd., a corporation incorporated under the laws of Canada;

(r) "**CT Assets**" means all of CT's right, title, estate and interest in and to its property and assets, real and personal, moveable and immoveable, of whatsoever nature and kind and wheresoever situate, including but without limitation, the assets as more particularly set forth and described in the CT Financial Statements;

(s) "**CT Exchange Broker Warrants**" means the non-transferable broker warrants of CT to acquire units of CT comprised of CT Shares and CT Warrants to be issued in replacement of the Magna Broker Warrants outstanding at the Effective Time;

(t) "**CT Exchange Options**" means the options to purchase CT Shares to be issued by CT in exchange for the Magna Options outstanding at the Effective Time;

(u) "**CT Exchange Warrants**" means the warrants to purchase CT Shares to be issued by CT in exchange for the Magna Warrants outstanding at the Effective Time;

(v) "**CT Financial Statements**" means the audited financial statements of CT for the year-ended June 30, 2020 and the unaudited financial statements of CT for the three months ended September 30, 2020;

(w) "**CT Material Contracts**" means any contract, agreement commitment, indenture, or other instrument to which CT is bound and which is material to CT;

(x) "**CT Meeting**" has the meaning set out in Section 5.1(h);

(y) "**CT Option Plan**" means the 10% rolling stock option plan of CT;

(z) "**CT Options**" means the 480,000 options granted under the CT Option Plan, entitling the holders thereof to purchase up to 480,000 CT Shares at a price of $0.06 per CT Share (in each case, on a pre-Consolidation basis) until October 23, 2022;

(aa) "**CT Shareholders**" means the holders of CT Shares and "**CT Shareholder**" means any one of them;

(bb) "**CT Shares**" means the common shares in the capital of CT;

(cc) "**Director**" means the director appointed under the *Business Corporations Act* (Ontario);

(dd) "**Effective Time**" means the time that the Articles of Amalgamation are filed with the Director on the Closing Date, or such other date as may be determined by CT and Magna;

(ee) "**Encumbrances**" means any royalty, pledge, lien (statutory or otherwise), mortgage, hypothec, charge, security interest, sublicense (in respect of real property), lease, sublease, title retention agreement, option, privilege, right of first refusal or first offer, interest in the production or profits from any asset, back-in rights, earn-in rights, mortgage, hypothec, or other similar interest or instrument charging, or creating a security interest in, or against, any title, easement, servitude or right-of-way (registered or unregistered), which affects the assets of a erson, and any contract, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

(ff) "**Escrow Release Conditions**" has the meaning set out in the Subscription Receipt Agreement;

(gg) "**Exchange Ratio**" means 1.625;

(hh) "**Filing Statement**" means the filing statement of CT to be prepared in accordance with the CPC Policy;

(ii) "**Governmental Authority**" means any government in Canada, or any foreign government and any agency, or department, tribunal, board, commission, court or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, as well as any arbitrator, arbitration tribunal or other tribunal or other quasi-governmental or private body exercising any regulatory including, without limitation, the TSXV, expropriation or taxation authority under or for the account of any of the foregoing;

(jj) "**Governmental Charges**" means all fees, levies and charges imposed by a Governmental Authority;

(kk) "**IFRS**" means International Financial Reporting Standards issued by the IFRS Foundation and the International Accounting Standards Board applicable as at the date on which a statement or calculation is made or required to be made;

(ll) "**Letter of Intent**" means the non-binding letter of intent dated October 26, 2020 between CT and Magna outlining the proposal for CT and Magna to complete the Transaction;

(mm) "**Magna**" means Magna Mining Corp., a corporation incorporated pursuant to the laws of the Province of Ontario;

(nn) "**Magna Assets**" means all of the right, title, estate and interest Magna has in and to its property, mineral rights and assets, real and personal, moveable and immoveable, of whatsoever nature and kind and wheresoever situated, including but without limitation, the assets as more particularly set forth and described in the Magna Financial Statements;

(oo) "**Magna Broker Warrants**" means the non-transferable broker warrants of Magna to be issued to the Agents in connection with the Concurrent Financing, each Magna Broker Warrant entitling the holder to purchase one Magna Unit at a price of $0.65 per Magna Unit for a period of 24 months from the date on which the Escrow Release Conditions are satisfied;

(pp) "**Magna Dissent Rights**" means the rights of dissent granted in favour of registered Magna Shareholders in respect of the Amalgamation in accordance with Section 185 of the *Business Corporations Act* (Ontario);

(qq) "**Magna Dissenting Shareholder**" means a Magna Shareholder who has duly exercised Magna Dissent Rights and who is ultimately entitled to be paid the fair value of the Magna Shares held by such Magna Shareholder;

(rr) "**Magna Financial Statements**" means the draft financial statements of Magna for the year ended December 31, 2019 and the draft unaudited financial statements of Magna for the three and nine months ended September 30, 2020;

(ss) "**Magna Material Contracts**" means any contract, agreement, commitment, indenture, or other instrument to which Magna is bound and which is material to the Business;

(tt) "**Magna Options**" means any options to acquire Magna Shares outstanding at the Effective Time;

(uu) "**Magna Securities**" means, collectively, the Magna Options, Magna Shares, Magna Subscription Receipts, Magna Warrants and Magna Broker Warrants, and "**Magna Security**" means any such security;

(vv) "**Magna Shareholders**" means the holders of Magna Shares and "**Magna Shareholder**" means any one of them;

(ww) "**Magna Shares**" means the common shares in the capital of Magna;

(xx) "**Magna Subscription Receipts**" means the subscription receipts of Magna to be issued and sold pursuant to the Concurrent Financing and pursuant to the terms of the Subscription Receipt Agreement, each such Magna Subscription Receipt being automatically converted, on satisfaction of the Escrow Release Conditions, into one Magna Unit, provided that in the event that the Escrow Release Conditions have not been satisfied by the Escrow Release Deadline (as defined in the Subscription Receipt Agreement), each of the then issued and outstanding Magna Subscription Receipts shall be cancelled;

(yy) "**Magna Subsidiary**" means Ursa Major Minerals Incorporated, a corporation incorporated pursuant to the laws of the Province of Ontario and which is a wholly-owned subsidiary of Magna;

(zz) "**Magna Units**" means notional units of Magna, each consisting of one Magna Share and one half of one Magna Warrant;

(aaa) "**Magna Warrants**" means warrants to purchase Magna Shares, with each warrant entitling the holder to purchase one Magna Share at a price of $1.00 per share for a period of 18 months from the date on which the Escrow Release Conditions are satisifed;

(bbb) "**Material Adverse Effect**" or "**Material Adverse Change**" means any effect, change, event or occurrence that (i) is, or is reasonably likely to be, materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, business or operations of Magna or CT, or (ii) would result in the Filing Statement containing a misrepresentation;

(ccc) "**Name Change**" means the change of the name of CT to "Magna Mining Inc.", subject to applicable regulatory approvals;

(ddd) "**Newco**" means 2813443 Ontario Inc., a corporation incorporated under the *Business Corporations Act* (Ontario);

(eee) "**Newco Shares**" means the common shares in the capital of Newco;

(fff) "**Orders**" means all material applicable orders, decisions, binding directives or the like rendered by any Governmental Authority;

(ggg) "**Permitted Encumbrances**" means:

(i) liens for Taxes not yet due or liens for Taxes which are due but the validity of which are being contested in good faith by Magna, provided that Magna has provided security in the form of a security interest in assets which in the opinion of CT, acting reasonably, is sufficient to prevent Encumbrance being enforced against Magna;

(ii) any reservations or exceptions contained in the original grants of land;

(iii) any and all licences, easements, covenants, restrictions, rights-of-way, rights in the nature of easements and other contracts with respect thereto, including contracts, easements, licences, rights-of-way and interests in the nature of easements for public ways, sewers, drains, utilities, gas, steam and water mains, electric light and power, or telephone and telegraphic conduits, poles, wires and cables which, in each and every case, whether or not registered in the Land Titles Office easements;

(iv) assignments of insurance provided to landlords (or their mortgagees) pursuant to the terms of any lease of real property, and liens or rights reserved in any lease of real property for rent or for compliance with the terms of such lease;

(v) security given in the ordinary course of business to any public utility, municipality or government or to any statutory or public authority in connection with the operations of the business of Magna, other than security for borrowed money;

(vi) unregistered purchase money security interests arising under contracts for the supply of goods and materials entered into in the ordinary course of business which secure the unpaid balance of the purchase price for goods and/or materials purchased thereunder which are due and payable (and have been outstanding) for not more than 60 days after delivery of the invoice therefor;

(vii) all rights reserved to, or vested in, any governmental entity by the terms of any patent, lease, licence, franchise, grant or permit held by it, or by any statutory provision to terminate any such patent, lease, licence, franchise, grant or permit, or to require annual or periodic payments as a condition of the continuance thereof, or to distrain against or to obtain an

Encumbrance on any of its property or assets in the event of failure to make such annual or other periodic payments;

(viii) any reservations, limitations, provisos and conditions expressed in the original grant from the Crown as the same may be varied by statute;

(ix) the terms, conditions, reservations and covenants contained in the Crown leases constituting the leased Mineral Properties, and any renewals or extensions of such leases;

(x) the lessor's title under any lease forming part of the Magna Assets for which the Magna is the lessee, including any lease that is in the process of being renewed or is to be renewed on or before Closing, any payment due under any such lease to the extent that such payment is the obligation of any Person and any Encumbrance arising from any of the foregoing;

(xi) Encumbrances that are due to zoning or subdivision, entitlement and other land use Laws or instruments, including official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances from such Laws or instruments, and all applicable building codes;

(xii) terms and conditions of, and encumbrances registered on title to the Magna Assets;

(xiii) the terms, conditions, reservations and covenants contained in the Crown leases constituting the leased Mineral Properties, and any renewals or extensions of such leases; and

(xiv) any royalty or other interest that runs with the land comprising the Magna Assets;

(hhh) "**Person**" includes any individual, corporation, company, partnership, association or other entity;

(iii) "**Personal Information**" means information about an identifiable individual, including without limitation, such information with respect to customers, suppliers, employees, officers, directors, shareholders, and agents;

(jjj) "**Privacy Laws**" means all laws of Canada or any applicable foreign government governing the collection, use, disclosure and retention of Personal Information including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada), *the Privacy Act* (Canada), and all relevant provincial statutes addressing privacy;

(kkk) "**Qualifying Transaction**" has the meaning as defined in Section 1.1 of the CPC Policy.

(lll) "**Subscription Receipt Agreement**" means the subscription receipt agreement to be entered into between TSX Trust Company, as subscription receipt agent, Magna and the Agents governing the Magna Subscription Receipts and pursuant to which a portion of the proceeds of the Concurrent Financing will be held in escrow until such time as the Escrow Release Conditions are satisfied;

(mmm) "**Taxes**" means all taxes, assessments, charges, dues, duties, tariffs, rates, imposts, levies and similar charges of any kind levied, assessed or imposed by any Governmental Authority, including all income taxes, including any tax on or based upon net income, gross income, income as specially defined, earnings or profits, windfall profits taxes, gross receipts taxes, withholding or similar taxes, branch taxes, surtaxes, sales taxes, use taxes, ad valorem taxes, value added taxes, excise taxes, carbon taxes or levies, goods and services tax, harmonized sales tax, capital taxes, stamp taxes, occupation taxes, premium taxes, property taxes, occupation taxes, land transfer taxes, mining taxes, environmental taxes, franchise taxes, licence taxes, health taxes, payroll taxes, employment taxes, severance taxes, social security premiums, employment insurance or compensation premiums, Canada or Quebec Pension Plan premiums, workers' compensation premiums, alternative or add-on minimum taxes, custom duties or charges, together with any interest, penalties or additions thereto and any interest in respect of such penalties or additions, and any liability, including under any agreements or arrangements, for any such amounts imposed by any Governmental Authority in respect of the relevant entity with respect to any other Person including any predecessor of or transferor to the relevant entity;

(nnn) "**Transaction**" means, collectively: (i) the Amalgamation of Newco and Magna in accordance with the terms of the Amalgamation Agreement, (ii) the Concurrent Financing, and (iii) all other transactions contemplated in this Agreement; and

(ooo) "**TSXV**" means the TSX Venture Exchange.

1.2 Canadian Dollars

All dollar amounts referred to in this Agreement are in Canadian funds, unless otherwise indicated herein.

1.3 Extended Meanings

In this Agreement, words importing the singular number include the plural and vice versa; words importing the masculine gender include the feminine and neuter genders; and references to any statute shall extend to and include orders-in-council or regulations passed under and pursuant thereto, any amendment or re-enactment of such statute, orders-in-council or regulations, or any statute, order-in-council or regulations substantially in replacement thereof.

1.4 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties, including the Letter of Intent and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. No amendment, supplement, modification or mutual termination of this Agreement shall be binding unless executed in writing by all parties. No waiver or unilateral termination shall be binding unless executed by the party granting such waiver or seeking such termination.

1.5 Headings

Section headings are not to be considered part of this Agreement and are included solely for convenience of reference and are not intended to be full or accurate descriptions of the contents thereof.

1.6 Successors and Assigns

No party shall assign any of its rights or obligations under this Agreement without the prior written consent of the other parties. All of the terms and provisions in this Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns.

ARTICLE 2
AMALGAMATION, COROLLARY MATTERS

2.1 Amalgamation

Subject to the terms and conditions herein, Newco and Magna shall complete the Amalgamation on the Closing Date pursuant to the terms of the Amalgamation Agreement. Without limiting the foregoing, on the Closing, pursuant to the terms of the Amalgamation Agreement:

(a) Magna and Newco will amalgamate and continue as Amalco;

(b) each Magna Share (other than those held by Magna Dissenting Shareholders) outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each holder of Magna Shares shall receive such number of fully paid and non-assessable Consideration Shares as is equal to the product arrived at by multiplying (x) the number of Magna Shares held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. No fractional Consideration Shares will be issued. To the extent any Magna Shareholder would otherwise be entitled to receive a fractional number of Consideration Shares on Closing, the number of Consideration Shares to be issued to such Magna Shareholder shall be rounded down to the nearest whole Consideration Share;

(c) each Newco Share outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, Amalco shall issue one Amalco Share to CT;

(d) each Magna Option outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each holder of Magna Options shall receive such number of CT Exchange Options issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Options held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any holder of Magna Options would otherwise be entitled to receive a fractional number of CT Exchange Options on Closing, the number of CT Exchange Options to be issued to such holder shall be rounded down to the nearest whole CT Exchange Option. Subject to the policies of the TSXV, each CT Exchange Option will be issued by CT on substantially the same terms as the Magna Option it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio) and shall be governed by the terms of the CT Option Plan. For greater certainty, the exercise price for each CT Exchange Option shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Option immediately prior to the Effective Time by (B) the Exchange Ratio;

(e) each Magna Warrant outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each holder of Magna Warrants shall receive (subject to the terms of the Amalgamation Agreement regarding fractional warrants) such number of CT Exchange Warrants issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Warrants held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any holder of Magna Warrants would otherwise be entitled to receive a fractional number of CT Exchange Warrants on Closing, the number of CT Exchange Warrants to be issued to such holder shall be rounded down to the nearest whole CT Exchange Warrant. Subject to the policies of the TSXV, each CT Exchange Warrant will be issued by CT on substantially the same terms as the Magna Warrant it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio). For greater certainty, the exercise price for each CT Exchange Warrant shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Warrant immediately prior to the Effective Time by (B) the Exchange Ratio;

(f) each Magna Broker Warrant outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each holder of Magna Broker Warrants shall receive (subject to the terms of the Amalgamation Agreement regarding fractional warrants) such number of CT Exchange Broker Warrants issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Broker Warrants held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any fractional number of CT Exchange Broker Warrants are issuable on Closing, the number of CT Exchange Broker Warrants to be issued shall be rounded down to the nearest whole CT Exchange Broker Warrant. Subject to the policies of the TSXV, each CT Exchange Broker Warrant will be issued by CT on substantially the same terms as the Magna Broker Warrant it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio). For greater certainty, the exercise price for each CT Exchange Broker Warrant shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Broker Warrant immediately prior to the Effective Time by (B) the Exchange Ratio;

(g) as consideration for the issuance of Consideration Shares to Magna Shareholders to effect the Amalgamation, Amalco will issue to CT one Amalco Share for each Consideration Share so issued;

(h) the property of each of Newco and Magna shall continue to be the property of Amalco and Amalco shall continue to be liable for the obligations of each of Newco and Magna; and

(i) Amalco will be a direct wholly-owned subsidiary of CT.

2.2 Purchase of Entire Interest

It is the intention of the parties hereto that this Agreement provides for the acquisition of all of the Magna Securities by CT by way of the Amalgamation.

ARTICLE 3
REPRESENTATIONS, WARRANTIES AND COVENANTS OF MAGNA

3.1 Representations, Warranties and Covenants of Magna

Magna hereby represents and warrants to CT as follows, and confirms that where a representation and warranty contained herein is stated to be made in accordance with the knowledge, information and belief of Magna, such representation and warranty shall be deemed to be made to the best of the knowledge of Magna after having made reasonable enquiries of the officers and directors of Magna. Magna confirms that CT is relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

(a) **Incorporation:** Magna is incorporated, existing and in good standing under the *Business Corporations Act* (Ontario).

(b) **Incorporation of the Magna Subsidiary:** The Magna Subsidiary is incorporated, existing and in good standing under the *Business Corporations Act* (Ontario). No proceedings have been taken against or authorized by the Magna Subsidiary in respect of its bankruptcy, reorganization, insolvency, liquidation, dissolution, or winding up.

(c) **Status, Constating Documents:** Magna has all necessary corporate power to own its assets and to carry on its businesses as it is now being conducted. The articles and by-laws of Magna and the Magna Subsidiary as made available to CT are complete and accurate.

(d) **Authority and Binding Obligation:** Magna has good right, full corporate power and authority to enter into this Agreement and to perform all of its obligations under this Agreement. Except for the approval of the Magna Shareholders necessary to complete the Amalgamation, Magna and its board of directors have taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, this Agreement.

(e) **Corporate Records:** As of the date hereof, the corporate records and minute books of Magna are materially complete and accurate. The register of security holders, register of transfers and register of directors and any similar corporate records of Magna are complete and accurate in all material respects.

(f) **Authorized and Issued Capital:** As of the date hereof, the authorized capital of Magna consists of an unlimited number of Magna Shares. The issued capital of Magna consists of 27,119,418 Magna Shares. CT acknowledges that Magna will issue the Magna Subscription Receipts and the Magna Broker Warrants pursuant to the Concurrent Financing and may issue up to such number of Magna Options as is equal to 10% of the total Magna Shares.

(g) **Authorized and Issued Capital of the Magna Subsidiary:** All of the issued and outstanding securities of the Magna Subsidiary are duly issued and are outstanding as fully-paid and non-assessable securities and Magna is the sole shareholder of all such securities.

(h) **Non-Arm's Length Loans:** Other than as disclosed to CT, or as described in the Filing Statement or the Magna Financial Statements, Magna has not made any payment or loan to, or borrowed any funds from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with Magna, except with respect to reasonable and bona fide expenses incurred by any such Person relating to the business and affairs of Magna.

(i) **Convertible Securities:** Subject to the grant of Magna Options from time to time in the ordinary course, except for 2,675,000 Magna Options, 3,000,000 Magna Warrants and the Magna Subscription Receipts (including the underlying Magna Units, Magna Shares and Magna Warrants) and Magna Broker Warrants to be issued pursuant to the Concurrent Financing, Magna does not have any outstanding subscriptions, options, rights, warrants or other agreements or commitments obligating Magna to sell or issue any additional Magna Shares or securities of any class of Magna, or any securities convertible into any shares of any class of Magna.

(j) **Subsidiaries and Other Interests:** Except for the Magna Subsidiary, Magna has no subsidiaries and does not own any securities issued by, or any equity or ownership interest in, any other Person. Other than as provided in this Agreement, neither Magna nor the Magna Subsidiary is subject to any obligation to make any investment in, or to provide funds by way of loan, capital contribution or otherwise, to any Person.

(k) **Title to Magna Assets:** Subject to Permitted Encumbrances, Magna is the owner of, and has good and marketable title to, all of the Magna Assets, including, without limitation, all Magna Assets reflected in the Magna Financial Statements and all Magna Assets acquired by Magna after the date of the Magna Financial Statements.

(l) **Magna Material Contracts:** Magna has provided or made available copies of all Magna Material Contracts to CT. Magna is not in material default or breach of any Magna Material Contract.

(m) **Contractual and Regulatory Approvals:** Except those consents which will have been obtained on or before Closing and the approval of the Magna Shareholders necessary to complete the Amalgamation, to the knowledge of Magna, Magna is under no obligation, contractual or otherwise, to request or obtain the consent of any Person, and no permits, licences, certifications, authorizations or approvals of, or notifications to, any Governmental Authority are required to be obtained by Magna:

   (i) in connection with the execution, delivery or performance by Magna of this Agreement or the completion of the Amalgamation;

   (ii) to avoid the loss of any permit, licence, certification or other authorization on or as a result of the Closing; or

   (iii) in order that the authority of Magna to carry on the Business in the ordinary course and in the same manner as presently conducted remains in good standing and in full force and effect as of and following the Closing,

except where the failure to obtain any of the foregoing would not result in a Material Adverse Effect with respect to Magna.

(n) **Transaction Compliance with Constating Documents, Agreements and Laws:** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by Magna, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of Magna under:

(i) any term or provision of any of the articles or by-laws of Magna;

(ii) the terms of any agreement, indenture, instrument or understanding or other obligation or restriction to which Magna is a party or by which it is bound; or

(iii) any term or provision of any of the Business Permits, Magna Material Contracts or any Order made against Magna or the Magna Assets or any law or regulation of any jurisdiction in which the Business is carried on which is applicable to Magna or the Magna Assets,

except where the same would not result in a Material Adverse Effect with respect to Magna.

(o) **Magna Financial Statements:**

(i) The Magna Financial Statements have been prepared in accordance with IFRS, are true, correct and complete in all material respects, and present fairly the financial condition of Magna, on a consolidated basis, as of their respective dates.

(ii) There has been no Material Adverse Change in the financial condition of Magna since the date of the most recent Magna Financial Statements.

(p) **Liabilities of Magna:** There are no material liabilities, contingent or otherwise, of Magna of any kind whatsoever, including, without limitation, any bonds, debentures, mortgages, promissory notes, loan agreements, inter-company debt, or liabilities for Governmental Charges, and there is no basis for assertion against Magna of any liabilities of any kind, other than:

(i) liabilities disclosed or reflected in or provided for in the Magna Financial Statements or this Agreement; and

(ii) liabilities incurred since the date of the Magna Financial Statements which were incurred in the ordinary course or in connection with the completion of the Amalgamation and an estimate of which have been disclosed in writing to CT.

(q) **Bankruptcy and Insolvency Matters:** To the knowledge of Magna, no action or proceeding has been commenced or filed by or against Magna which seeks or may lead to receivership, bankruptcy, a consumer proposal or any other similar proceeding in respect of Magna, the adjustment, compromise or composition of claims against Magna, or the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Magna with respect to any portion of the Magna Assets. No such action or proceeding has been authorized or is being considered by or on behalf of Magna and no creditor or equity security holder of Magna has threatened Magna, in writing, that it may commence any such action or proceeding. Magna has not made, nor is considering making, an assignment for the benefit of its creditors, and it has not requested nor is considering requesting a meeting of its creditors to seek a reduction, compromise, composition or other accommodation with respect to its indebtedness.

(r) **Absence of Certain Changes or Events:** Since the date of the Magna Financial Statements and except for costs incurred and actions taken in connection with the Amalgamation, Magna has not:

(i) incurred any material obligation or liability, fixed or contingent, except normal trade or business obligations incurred in the ordinary course of the Business, none of which is materially adverse to Magna;

(ii) paid or satisfied any material obligation or liability, fixed or contingent, except:

(1) current liabilities included in the Magna Financial Statements;

(2) current liabilities incurred since the date of the Magna Financial Statements in the ordinary course of the Business;

(3) re-scheduled payments pursuant to obligations under loan agreements or other contracts or commitments described in the Magna Financial Statements; and

(4) as specifically contemplated by this Agreement;

(iii) created any material Encumbrance upon any of its properties or the Magna Assets, other than Permitted Encumbrances;

(iv) sold, assigned, transferred, leased or otherwise disposed of any of its material properties or the Magna Assets other than in the ordinary course of Business;

(v) purchased, leased or otherwise acquired any material properties or assets other than in the ordinary course of Business;

(vi) waived, cancelled or written-off any material rights, claims, accounts receivable, or amounts payable to Magna;

(vii) entered into any transaction, contract, agreement or commitment, except in the ordinary course of the Business, as contemplated by this Agreement or as otherwise disclosed by Magna to CT; or

(viii) authorized, agreed or otherwise become committed to do any of the foregoing.

(s) **Dividends and Distributions:** Since the date of the Magna Financial Statements, Magna has not declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class, or reduced its authorized capital or issued capital, or agreed to any of the foregoing.

(t) **Tax Matters:**

(i) Magna has paid all material Taxes and other Governmental Charges which are due and payable by it on or before the date hereof. Adequate provision was made in the Magna Financial Statements for all Taxes and other Governmental Charges for the periods covered by the Magna Financial Statements. Magna has no liability for Taxes or other Governmental Charges other than those provided for in the Magna Financial Statements and those arising in the ordinary course since the date of the Magna Financial Statements and for which adequate provisions have been made on the books of Magna.

(ii) All Taxes and other Governmental Charges, assessments, levies and source deductions, if any, which Magna is required by law to withhold or to collect, including, without limitation, unemployment insurance, employment benefits, pension plan payments and non-resident withholding tax, have been, to the best of its knowledge, duly withheld or collected, and paid over to the proper Governmental Authorities, or held by Magna or on behalf of it as required, and such withholdings and collections and all other payments due in connection therewith are duly reflected in the Magna Financial Statements to the date as of which they were prepared and since that date will be duly entered in the accounts of Magna.

(iii) There are no agreements, waivers or other arrangements providing for any extension of time with respect to the filing of any tax return or other document or the payment of any Taxes or other Governmental Charges by Magna or the period for any assessment or reassessment of Taxes or other Governmental Charges.

(iv) On or before the Closing Date, all returns of Magna for capital, excise, sales or use tax required to be filed by Magna before the Closing Date shall be prepared and filed.

(u) **Litigation:** There are no unsatisfied judgments, consent decrees, or injunctions or embargos to which Magna is subject or bound, and there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Magna), including in relation to any Taxes, to the knowledge of Magna, pending or threatened, by or against or affecting Magna, at law or in equity, or before or by any Governmental Authority which will or may have a Material Adverse Effect upon Magna. To the knowledge of Magna, there are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success. Magna is not subject to any Order of any Governmental Authority which would prevent the discharge of the obligations of Magna arising pursuant to this Agreement or the consummation of the transactions herein contemplated.

(v) **Duly Authorized:** The Magna Shares, Magna Options, Magna Warrants and Magna Broker Warrants will be, immediately prior to the Effective Time, duly authorized, validly allotted and issued as fully paid, non-assessable securities in the capital of Magna, issued in compliance with applicable Canadian corporate and securities laws and rules.

(w) **Filing Statement:** The Filing Statement, as and when filed on SEDAR, will contain disclosure of all material facts relating to Magna as are required to be disclosed therein pursuant to the policies of the TSXV. All information about Magna in the Filing Statement will be true and correct in all material respects.

(x) **Employment Matters:** Magna is not subject to any current or, to the knowledge of Magna, pending, threatened or contemplated material litigation relating to employment or termination of employment of its employees, and Magna has operated in material compliance with all applicable laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights and labour relations, and there are no current or, to the knowledge of Magna, pending, threatened or contemplated proceedings before any Governmental Authority with respect thereto.

(y) **Permits and Licenses:** Magna possesses such permits, licences, approvals, consents and other authorizations (collectively, "**Governmental Licences**") issued by any Governmental Authority necessary to conduct the business and activities now conducted by it, except where the failure to so possess would not, individually or in the aggregate, have a Material Adverse Effect, and all such Governmental Licences are valid and existing and in good standing in all material respects.

(z) **Real Property:** Except for such matters as would not, individually or in the aggregate, have a Material Adverse Effect, Magna is not in default or breach of any mining lease, and Magna has not received any notice or other communication from the owner or manager of any leased Magna Assets that Magna is not in compliance with any mining lease, and to the knowledge of Magna, no such notice or other communication is pending or has been threatened.

ARTICLE 4
REPRESENTATIONS, WARRANTIES AND COVENANTS OF CT

4.1 Representations, Warranties and Covenants of CT

CT hereby represents and warrants to Magna as follows, and confirms that where a representation and warranty contained herein is stated to be made in accordance with the knowledge of CT, such representation and warranty shall be deemed to be made to the best of the knowledge of CT after having made reasonable enquiries of the officers and directors of CT. CT confirms that Magna is relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

(a) **Incorporation:** CT is a company duly incorporated, validly existing and in good standing under the laws of Canada. Newco is a company duly incorporated, validly existing and in good standing under the laws of the Province of Ontario. No proceedings have been taken or authorized by CT or Newco in respect of the bankruptcy, reorganization, insolvency, liquidation, dissolution or winding up of CT or Newco.

(b) **Status, Constating Documents:** Each of CT and Newco has all necessary corporate power to own its assets and to carry on its businesses as it is now being conducted. The articles, by-laws and other constating documents of each of CT and Newco as made available to Magna are complete and accurate and are in full force and effect, and no action has been taken, and no changes are planned, to amend the articles or by-laws of CT or Newco other than in connection with the Amalgamation, the Consolidation and the Name Change.

(c) **Authority and Binding Obligation:** Each of CT and Newco has good right, full corporate power and authority to enter into this Agreement and to perform all of its obligations under this Agreement. Each of CT and Newco and their respective boards of directors have taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, this Agreement. This Agreement constitutes a valid and binding obligation of CT and Newco enforceable against each of CT and Newco in accordance with its terms.

(d) **Corporate Records:** As of the date hereof, the corporate records and minute books of CT and Newco are materially complete and accurate. The register of security holders, register of transfers and register of directors and any similar corporate records of CT and Newco are complete and accurate in all material respects.

(e) **Authorized and Issued Capital:**

(i) As of the date hereof, the authorized capital of CT consists of an unlimited number of CT Shares. As at the date of this Agreement there are 7,538,446 CT Shares (on a pre-Consolidation basis) issued and outstanding, all of which have been duly issued and are outstanding as fully paid and non-assessable shares. Immediately prior to the Closing, following the completion of the Consolidation, there will be approximately 1,884,611 CT Shares outstanding.

(ii) As of the date hereof, the authorized capital of Newco consists of an unlimited number of Newco Shares, of which there are 100 common shares issued and outstanding, which are all legally and beneficially owned by CT and which have been duly issued and are outstanding as fully paid and non-assessable shares.

(f) **Prior Issuances of Securities, Foreign Registration**

(i) The offer and sale of all CT Shares, convertible securities, rights, warrants or options of CT issued and outstanding as of the date of this Agreement have complied with all applicable laws.

(ii) CT's securities are not registered with any securities commission or with any securities regulator in any non-Canadian foreign jurisdiction, and CT is not required to file periodic reports with the U.S. Securities and Exchange Commission pursuant to the United States *Securities Exchange Act of 1934*, as amended.

(iii) No order ceasing or suspending trading in any securities of CT, or prohibiting the sale of securities of CT or the trading of CT's issued securities, has been issued or threatened by any Governmental Authority (including the TSXV), and, to the knowledge of CT, no proceedings for such purpose are pending, threatened or contemplated, other than the suspension of trading imposed by the TSXV in accordance with the CPC Policy due to the announcement of the Transaction.

(g) **Non-Arm's Length Loans, Loans to Insiders, etc.:** CT has made no payment or loan to, or borrowed any funds from, or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with CT. CT is not a party to any contract with any officer, director, employee, shareholder or any other Person not dealing at arm's length with CT, other than as disclosed in the CT Financial Statements as "related party transactions".

(h) **Convertible Securities:** Except for the 480,000 CT Options (on a pre-Consolidation basis) outstanding as at the date of this Agreement, CT does not have any outstanding subscriptions, options, rights, warrants or other agreements or commitments of any kind whatsoever obligating CT to sell or issue any additional CT Shares or securities of any class of CT or any securities convertible into any shares of any class of CT. Newco does not have any outstanding subscriptions, options, rights, warrants or other agreements or commitments of any kind whatsoever obligating Newco to sell or issue any additional Newco Shares or securities of any class of Newco or any securities convertible into any shares of any class of Newco. There are no contracts, commitments, understandings, or arrangements by which CT or Newco may become bound to issue additional CT Shares or Newco Shares respectively, or rights convertible into CT Shares or Newco Shares.

(i) **Subsidiaries and Other Interests:** Except for Newco, CT has no subsidiaries and does not own any securities issued by, or any direct or indirect equity or ownership interest in, any other Person. Newco has no subsidiaries and does not own any securities issued by, or any equity or ownership interest in, any other Person. Neither CT nor Newco is subject to any obligation to make any investment in, or to provide funds by way of loan, capital contribution or otherwise, to any Person.

(j) **Jurisdictions.** Other than the required filings with the TSXV, no authorization, approval, order, consent of, or filing with, any Governmental Authority is, to the knowledge of CT, required on the part of CT or Newco in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement.

(k) **Title to CT Assets by CT:**

(i) There are no agreements or commitments by CT to purchase property or assets. In the manner described in the Filing Statement, CT owns, possesses and has good and marketable title to all of its undertaking, property and assets, including all of the undertaking, property and assets reflected in the most recent balance sheet included in the CT Financial Statements, free and clear of all Encumbrances. CT has valid leasehold interests in, or right to use by license or otherwise, all assets and properties leased, licensed or otherwise used by CT, in each case free and clear of all Encumbrances. CT has such rights by title, lease, license or otherwise in and to the assets and properties owned or used in the business of CT as are necessary to conduct CT's business as conducted on the date hereof.

(ii) CT has not received notice of any material defect in its title or claim to its assets or any notice from any third party claiming such an interest, and, for the period of time that CT has owned the assets, as applicable, all material relevant obligations of CT in relation to the assets have been performed and observed.

(iii) There are no outstanding material orders, notices or similar requirements relating to the CT assets issued by any Governmental Authority, including, without limitation, occupational health and safety authorities, and there are no matters under discussion between CT and any such authorities relating to orders, notices or similar requirements.

(l) **CT Material Contracts:** CT has provided or made available copies of all CT Material Contracts to Magna. CT is not in default or breach of any CT Material Contract, and to the knowledge of CT there exists no state of facts which, after notice or lapse of time or both, would constitute such a default or breach. No counterparty to any CT Material Contract is in default of any of its obligations under any CT Material Contract, CT is entitled to all benefits under each CT Material Contract, and CT has not received any notice of termination of any CT Material Contract, and, to the knowledge of Magna, no such terminations are pending, threatened or contemplated. There is no requirement to obtain any consent, approval or waiver of a party under any CT Material Contract in order to complete the Transaction.

(m) **Newco:** Other than this Agreement, Newco is not party to any agreement or contract of any kind and has no assets or liabilities. Newco was incorporated for the sole purpose of executing this Agreement and the Amalgamation Agreement, and completing the Amalgamation.

(n) **Contractual and Regulatory Approvals:** Other than TSXV approval, CT is not under any obligation, contractual or otherwise, to request or obtain the consent of any Person, and no permits, licenses, certifications, authorizations or approvals of, or notifications to, any Government Authority are required to be obtained by CT in connection with the execution, delivery or performance by CT or Newco of this Agreement or the completion of the Amalgamation.

(o) **Shareholders' Agreements:** To the best of the knowledge of CT, other than the CPC Escrow Agreement, there are no shareholders' agreements, escrow agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the CT Shares.

(p) **Transaction Compliance with Constating Documents, Agreements and Laws:** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by CT, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of CT under:

(i) any term or provision of any of the articles, by-laws or other constating documents of CT;

(ii) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which CT is a party or by which it is bound; or

(iii) subject to obtaining the regulatory consents from the TSXV, any term or provision of any of the CT Material Contracts or any Order or orders of any court or regulatory body or any law or regulation to which CT is subject.

(q) **Materially Accurate:** All information, records and data furnished by CT to Magna or its representatives and counsel in connection with the negotiation of this Agreement and Magna's due diligence review of CT, are accurate in all material respects.

(r) **CT Financial Statements:**

(i) The CT Financial Statements have been prepared in accordance with IFRS, are true, correct and complete in all material respects and present fairly the financial condition of CT as of their respective dates.

(ii) There has been no material adverse change in the financial condition of CT since the date of the most recent CT Financial Statements.

(s) **Liabilities of CT:** There are no liabilities, contingent or otherwise, of CT of any kind whatsoever, including, without limitation, any bonds, debentures, mortgages, promissory notes, loan agreements, inter-company debt, or liabilities for Governmental Charges, and there is no basis for assertion against CT of any liabilities of any kind, other than:

(i) liabilities disclosed or reflected in or provided for in the CT Financial Statements or this Agreement; and

(ii) liabilities incurred since the date of the CT Financial Statements which were incurred in the ordinary course or in connection with the completion of the Amalgamation and which have been disclosed in writing to Magna.

(t) **Personal Information:**

(i) All Personal Information in the possession of CT or Newco has been collected, used and disclosed in compliance with all applicable Privacy Laws in those jurisdictions in which CT conducts, or is deemed by operation of law in those jurisdictions to conduct, its business.

(ii) CT has disclosed to Magna all contracts and facts concerning the collection, use, retention, destruction and disclosure of Personal Information, and there are no other contracts, or facts which, on completion of the transactions contemplated by this Agreement, would restrict or interfere with the use of any Personal Information by CT.

(iii) There are no lawsuits, or claims pending or threatened, with respect to CT or Newco's collection, use, or disclosure of Personal Information.

(u) **Bankruptcy and Insolvency Matters:** No action or proceeding has been commenced or filed by or against CT or Newco which seeks or may lead to receivership, bankruptcy, a consumer proposal or any other similar proceeding in respect of CT or Newco, the adjustment, compromise or composition of claims against CT or Newco, or the appointment of a trustee, receiver, liquidator, custodian, or other similar officer for CT or Newco of any portion of the CT Assets. No such action or proceeding has been authorized or is being considered by or on behalf of CT or Newco, and no creditor or equity security holder of CT has threatened to commence or advised that it may commence any such action or proceeding. Neither CT nor Newco has made, nor is considering making, an assignment for the benefit of its creditors, nor has it requested nor is considering requesting a meeting of its creditors to seek a reduction, compromise, composition or other accommodation with respect to its indebtedness.

(v) **Absence of Certain Changes or Events:** Since the date of the CT Financial Statements and except for costs incurred and actions taken in connection with the Amalgamation, CT has not:

(i) incurred any obligation or liability, fixed or contingent, except normal trade or business obligations incurred in the ordinary course, none of which is materially adverse to CT;

(ii) paid or satisfied any obligation or liability, fixed or contingent, except:

(1) current liabilities included in the CT Financial Statements;

(2) current liabilities incurred since the date of the CT Financial Statements in the ordinary course;

(3) re-scheduled payments pursuant to obligations under loan agreements or other contracts or commitments described in the CT Financial Statements; and

(4) as specifically contemplated by this Agreement;

(iii) created any material Encumbrance upon any of the CT Assets;

(iv) sold, assigned, transferred, leased or otherwise disposed of any of the CT Assets;

(v) purchased, leased or otherwise acquired any material properties or assets;

(vi) waived, cancelled or written-off any material rights, claims, accounts receivable or any amounts payable to CT;

(vii) entered into any transaction, contract, agreement or commitment other than as contemplated by this Agreement or as otherwise disclosed by CT to Magna; or

(viii) authorized, agreed or otherwise become committed to do any of the foregoing.

(w) **Dividends and Distributions:** CT has never declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class, or reduced its authorized capital or issued capital, or agreed to any of the foregoing.

(x) **Tax Matters:**

(i) CT has duly and on a timely basis prepared and filed all tax returns and other documents required to be filed by it in respect of all Taxes and other Governmental Charges and such return and documents are complete and correct and clearly and fairly represent the information and tax status of CT for the relevant periods.

(ii) CT has paid all Taxes and Governmental Charges which are due and payable by it on or before the date hereof. Adequate provision was made in the CT Financial Statements for all Taxes and Governmental Charges for the periods covered by the CT Financial Statements. CT has no liability for Taxes or Governmental Charges other than those provided for in the CT Financial Statements and those arising in the ordinary course since the date of the CT Financial Statements and for which adequate provisions have been made on the books of CT.

(iii) All Taxes and Governmental Charges, assessments, levies and source deductions, if any, which CT is required by law to withhold or to collect, including, without limitation, unemployment insurance, employment benefits, pension plan payments and non-resident withholding tax, have been, to the best of its knowledge, duly withheld or collected, and paid over to the proper Governmental Authorities, or held by CT or on behalf of it as required, and such withholdings and collections and all other payments due in connection therewith are duly reflected in the CT Financial Statements to the date as of which they were prepared and since that date will be duly entered in the accounts of CT.

(iv) There are no agreements, waivers or other arrangements providing for any extension of time with respect to the filing of any tax return or other document or the payment of any Taxes or Governmental Charges by CT or the period for any assessment or reassessment of Taxes and Governmental Charges.

(v) On or before the Closing Date, CT will prepare and file all tax returns and other documents required to be filed by CT and such returns and documents will be complete and correct and clearly and fairly represent the information and tax status of CT for the relevant period, including and up to the Closing Date.

(vi) There are no actions, suits, or proceedings, in progress, pending, or, to the knowledge of CT, threatened against CT in connection with any Taxes or Governmental Charges.

(y) **Litigation:** There are no unsatisfied judgments, consent decrees, or injunctions or embargos to which CT is subject or bound, and there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of CT) pending or, to the knowledge of CT, threatened, by or against or affecting it, at law or in equity, or before or by any court or any Governmental Authority which will or may have a Material Adverse Effect upon CT. To the knowledge of CT, there are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success. CT is not subject to any Order which would prevent the discharge of the obligations of CT arising pursuant to this Agreement or the consummation of the transactions herein contemplated.

(z) **Reporting Issuer Status:**

(i) CT is a reporting issuer in the Provinces of Ontario, Alberta, British Columbia and Nova Scotia, and no material change relating to CT has occurred with respect to which the requisite material change report has not been filed under applicable securities laws in Ontario and no such disclosure is currently on file with any securities commissions of such provinces on a confidential basis.

(ii) All press releases, material change reports, financial statements and other documents filed by, or on behalf of, CT with the securities commissions of Ontario, Alberta, British Columbia and Nova Scotia were, at the respective dates of such filings, true and correct in all material respects and collectively provide disclosure of all material facts relating to CT required to be disclosed in accordance with applicable securities laws in such provinces, and each such document did not contain any misrepresentation as of the respective dates of such filings.

(iii) The outstanding CT Shares are listed for trading on the TSXV and are currently halted from trading at CT's request pending completion of the Amalgamation.

(iv) There are no current Orders ceasing or suspending trading in the securities of CT nor prohibiting the sale of such securities, nor is any such Order outstanding against CT or any director, officer or promoter of CT, and, to the best of the knowledge of CT, no investigations or proceedings for such purposes are pending or threatened.

(v) CT is not in material default of any applicable securities legislation of the Provinces of Ontario, Alberta, British Columbia or Nova Scotia or of its listing agreement with the TSXV or any policies of the TSXV.

(aa) **Duly Authorized:** The Consideration Shares, the CT Exchange Options, the CT Exchange Warrants and the CT Exchange Broker Warrants to be issued in exchange for Magna Shares, Magna Options, Magna Warrants and Magna Broker Warrants, as applicable, in connection with the Transaction will be, at the Effective Time, duly authorized, validly allotted and issued as fully paid, non-assessable securities in the capital of CT and in compliance with applicable Canadian corporate and securities laws and TSXV rules.

(bb) **Filing Statement.** The Filing Statement, as and when filed on SEDAR, will contain disclosure of all material facts relating to CT as are required to be disclosed therein pursuant to the policies of the TSXV. All information about CT in the Filing Statement will be true and correct in all material respects and will not omit to state a material fact necessary in order to make the statements and information contained therein not misleading.

(cc) **No Misrepresentation.** The covenants, representations and warranties of CT contained in Section 4.1 hereof and elsewhere in this Agreement, and in any certificate executed by CT or other material delivered by CT under this Agreement, do not contain any untrue statement of a material fact or, considered in the context in which presented, omit to state a material fact necessary in order to make the statements and information contained herein or therein not misleading.

(dd) **Employment Matters**: CT has no employees.

(ee) **No Broker's Commission**. Neither CT nor Newco has entered into any agreement that would entitle any Person to any valid claim against CT or Newco for a broker's commission, finder's fee or any like payment in respect of the Transaction or any other matter contemplated by this Agreement.

ARTICLE 5
COMPLETION OF ACQUISITION

5.1 Mutual Conditions

The obligation of each of CT, Newco and Magna to complete the transactions contemplated by this Agreement is subject to the fulfillment of each of the following conditions precedent, unless waived in writing by CT, Newco or Magna, as applicable:

(a) **Approvals.** At the Effective Time, there shall have been obtained all written consents and approvals, in form and substance satisfactory to each of CT, Newco and Magna, acting reasonably, of any Governmental Authority or other Person whose consent, waiver, forbearance or other approval to the transactions contemplated hereby is required (including pursuant to any contract), and all conditions imposed upon such consents, waivers, forbearance or other approvals shall have been satisfied, including without limitation, the conditional approval of the TSXV;

(b) **Listing of Securities.** The CT Shares issuable in connection with the Amalgamation, including but not limited to:

(i) the Consideration Shares to be issued in exchange for Magna Shares; and

(ii) the CT Shares issuable on exercise of the CT Exchange Options, the CT Exchange Warrants and the CT Exchange Broker Warrants,

shall have been conditionally approved for listing by the TSXV, subject to fulfilment of the TSXV's conditions, including the usual and ordinary listing requirements;

(c) **No Prohibition at Law.** At the Effective Time, there shall not be in force any applicable law, ruling, order or decree, and there shall not have been any action taken under any applicable law or by any Governmental Entity, that makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the consummation of the transactions contemplated by this Agreement in accordance with the terms hereof or results or could reasonably be expected to result in a judgment, order, decree or assessment of damages, directly or indirectly, relating to the Amalgamation or the other transactions contemplated by this Agreement which has, or could reasonably be expected to have a material adverse effect on Magna on a consolidated basis or CT;

(d) **Closing.** The Closing shall occur on or prior to May 31, 2021, unless Magna and CT mutually agree in writing to a later date;

(e) **Escrow.** Any Person who will be a post-Closing shareholder of CT and is required by the TSXV to sign an escrow agreement in accordance with the policies of the TSXV shall have signed and delivered such agreement;

(f) **Sponsorship.** The TSXV shall have received a Sponsorship Acknowledgement Form (as defined in the policies of the TSXV), and the accompanying documents as may be required by Policy 2.2 - *Sponsorship and Sponsorship Requirements*, or the sponsorship requirement shall have been waived by the TSXV or satisfied by other means acceptable to the TSXV;

(g) **Magna Meeting.** At the special meeting of shareholders of Magna, the Magna Shareholders shall have approved the Amalgamation and such other matters as may be agreed to in writing by the parties hereto from time to time;

(h) **CT Meeting.** At a special meeting of shareholders of CT (the "**CT Meeting**"), the CT Shareholders shall have approved:

(i) the Name Change;

(ii) the Consolidation;

(iii) an amended and restated CT Option Plan;

(iv) the election of the following directors, effective as of, and subject to, the Closing:

(1) Jason Jessup;

(2) Derrick Weyrauch;

(3) Vern Baker;

(4) John Seaman;

(5) Carl DeLuca; and

(6) any such other directors as determined by Magna and acceptable to the TSXV;

(v) change in auditor;

(vi) amendments to the by-laws of CT; and

(vii) such other matters as may be agreed to in writing by the parties hereto; and

(i) **Concurrent Financing.** Magna shall have completed the Concurrent Financing.

(j) **No Termination.** This Agreement shall not have been terminated in pursuant to Article 7 hereof.

5.2 CT's Conditions

The obligation of CT to complete the transactions contemplated by this Agreement is subject to the fulfillment of each of the following conditions precedent, unless waived in writing by CT:

(a) **Magna's Representations, Warranties and Covenants.** At the Effective Time, Magna shall have executed, delivered and performed all covenants on its part to be performed hereunder and all representations and warranties contained in Section 3.1 hereto shall be true and correct at the Effective Time, with the same effect as if made on and as of such date, and a certificate to that effect signed by a duly authorized officer of Magna shall have been delivered to CT as of the Effective Time;

(b) **No Material Adverse Change.** At the Effective Time, there shall not have been any Material Adverse Change in the condition (financial or otherwise), of the Magna Assets, liabilities, capitalization, or Business from that described in this Agreement, and a certificate to that effect signed by a duly authorized officer of Magna shall have been delivered to CT as of the Effective Time;

(c) **Corporate Proceedings.** At the Effective Time, all necessary steps and corporate proceedings shall have been taken by Magna, its board of directors and shareholders to permit the Closing; and

(d) **Closing Documents.** Magna shall have executed and delivered to CT, or caused to be executed and delivered, the Amalgamation Agreement and such other customary certificates, resolutions and other documents as CT may reasonably request for the purposes of completing the Amalgamation in accordance with the terms of this Agreement.

If any such conditions shall not be fulfilled or waived in writing by CT at or prior to the Effective Time, CT may rescind this Agreement by written notice to Magna and, in such event, CT and Magna shall be released from all obligations hereunder.

5.3 Magna's Conditions

The obligation of Magna to complete the transactions contemplated by this Agreement is subject to the fulfillment of each of the following conditions precedent, unless waived in writing by Magna:

(a) **CT's Representations, Warranties and Covenants.** At the Effective Time, CT shall have executed, delivered and performed all covenants on its part to be performed hereunder and all representations and warranties contained in Section 4.1 shall be true and correct at the Effective Time, with the same effect as if made on and as of such date, and a certificate to that effect signed by a duly authorized officer of CT shall have been delivered to Magna as of the Effective Time;

(b) **No Material Adverse Change.** At the Effective Time, there shall not have been any Material Adverse Change in the condition (financial or otherwise), of the CT Assets, liabilities, capitalization or business from that described in this Agreement, and a certificate to that effect signed by a duly authorized officer of CT shall have been delivered to Magna as of the Effective Time;

(c) **Corporate Proceedings.** At the Effective Time, all necessary steps and corporate proceedings, as approved by Magna, shall have been taken by CT, its board of directors and shareholders to permit the Closing;

(d) **Closing Documents.** CT and Newco shall have executed and delivered to Magna, or caused to be executed and delivered, such customary agreements, certificates, resolutions and other documents as Magna may reasonably request for the purposes of completing the Amalgamation in accordance with the terms of this Agreement;

(e) **Consolidation and Name Change.** CT shall have filed articles of amendment with the Ministry of Government Services for the Province of Ontario implementing the Name Change and Consolidation;

(f) **Consideration Shares.** The Consideration Shares shall be authorized for issuance as fully paid and non-assessable CT Shares, free and clear of any Encumbrances, except those imposed pursuant to escrow requirements of the TSXV (if applicable) and Magna shall be satisfied, acting reasonably, that the conditions set forth in the conditional approval letter of the TSXV will be satisfied as of or within a reasonable period of time after the Effective Date;

(g) **Resignation and Appointment of Officers and Directors.** CT shall have delivered resignations and mutual releases of all current officers and directors of CT, to take effect on Closing, which resignations shall be staged in such a manner that new directors as directed by Magna can be appointed by the remaining board members to fill each vacancy, as applicable, and the board members of CT shall have signed such resolutions as may be necessary to give effect to this reorganization of the CT board of directors on Closing with the result that the nominees of Magna, as determined in the sole discretion of Magna, shall become the board of directors of CT post-Closing.

(h) **Minimum Working Capital.** At the Effective Time, CT shall have net working capital equal to or greater than $50,000.

(i) **Due Diligence.** Magna shall have completed satisfactory due diligence of the business and affairs of CT.

(j) **Termination of Prior Agreements.** CT shall have delivered evidence of termination of all prior agreements entered into with parties other than Magna in connection with a Qualifying Transaction.

If any such conditions shall not be fulfilled or waived in writing by Magna at or prior to the Effective Time, Magna may rescind this Agreement by written notice to CT and, in such event, CT and Magna shall be released from all obligations hereunder.

ARTICLE 6
INTERIM OPERATIONS

6.1 Magna Carrying on Business to Closing

(a) Up to the Effective Time, Magna shall (1) carry on the Business in the normal and ordinary course; (2) preserve the ongoing goodwill of Magna; and (3) ensure that key employees and independent contractors, if any, continue their association with Magna, and Magna undertakes to notify CT of any event or occurrence during such period which might reasonably be considered to have a Material Adverse Effect on the Magna Assets or the Business.

(b) Unless otherwise contemplated herein or approved by CT in writing, which approval shall not be unreasonably withheld, during the period from the date hereof until the earlier of the Closing Date or termination of this Agreement, Magna shall not:

(i) except in the ordinary course of business, sell, transfer or dispose of or create any Encumbrance on or in respect of the whole or any part of any material Magna Assets;

(ii) issue, sell or agree to issue or sell any shares, rights, options, warrants or other securities of Magna, except for options granted to directors, officers, employees and consultants in the ordinary course of business pursuant to Magna's stock option plan (such options to be exchanged for CT Exchange Options pursuant to the terms of this Agreement) and any Magna Securities issued in connection with the Concurrent Financing;

(iii) initiate, propose, assist or participate in any activities in opposition to or in competition with this Agreement, and without limiting the generality of the foregoing, undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation or take actions of any kind which may reduce the likelihood of success of the Amalgamation; or

(iv) do anything that would cause any of the representations and warranties of Magna contained in this Agreement to be materially false or misleading.

(c) Magna shall provide to CT, upon written request, such information as may be necessary for CT to include in the Filing Statement or to satisfy any other requirements of the TSXV or applicable securities laws.

6.2 CT Carrying on Business to Closing

(a) Up to the Effective Time, CT and Newco shall (1) carry on its business in the normal and ordinary course; (2) preserve the ongoing goodwill of CT; and (3) ensure that key employees, if any, and key independent contractors continue their association with CT and CT undertakes to notify CT of any event or occurrence during such period which might reasonably be considered to have a materially adverse effect on the CT Assets or the Business.

(b) Unless otherwise contemplated herein or approved by Magna in writing, which approval shall not be unreasonably withheld, during the period from the date hereof until the earlier of the Closing Date or termination of this Agreement, neither CT nor Newco:

(i) except in the ordinary course of business, sell, transfer or dispose of or create any mortgage, pledge, waiver or other encumbrance or a security interest on or in respect of the whole or any part of the CT Assets;

(ii) issue, sell or agree to issue or sell any shares, rights, options, warrants or other securities of CT;

(iii) change, amend or modify the constating documents or articles of CT other than to complete the Consolidation and Name Change;

(iv) initiate, propose, assist or participate in any activities in opposition to or in competition with this Agreement, and without limiting the generality of the foregoing, undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation or take actions of any kind which may reduce the likelihood of success of the Amalgamation; or

(v) do anything that would cause any of the representations and warranties of CT contained in this Agreement to be false or misleading.

6.3 CT Meeting Information Circular

CT shall give Magna and its legal counsel a reasonable opportunity to review and comment on any amendments or supplements to CT's information circular with respect to the CT Meeting and other related documents. CT agrees to not send any such documents for printing or delivery to CT Shareholders without the prior written consent of Magna, which consent shall not be unreasonably withheld.

ARTICLE 7
TERMINATION AND WAIVER

7.1 Termination

(a) The parties hereto may terminate this Agreement at any time prior to Closing upon written agreement of all of the parties. In addition, this Agreement shall terminate automatically if the Amalgamation is not closed by 5:00 pm (Toronto time) on May 31, 2021 or such later date as CT and Magna may agree upon in writing.

(b) If, at any time prior to Closing, any representation and warranty, or covenant (which by its terms must be complied with or fulfilled at such time) made or given by Magna in this Agreement is not, in the case of a representation and warranty, true and correct with the same force and effect as if given at and of such time, and, in the case of a covenant, is not being complied with or fulfilled in all material respects, and if such representation and warranty or covenant is not made true and correct or complied with or fulfilled in all material respects by action of Magna within 20 days of Magna receiving notice to that effect from CT, then CT, at the expiry of such period, by giving written notice to Magna, may terminate this Agreement and its obligations hereunder.

(c) If, at any time prior to Closing, any representation and warranty, or covenant (which by its terms must be complied with or fulfilled at such time) made or given by CT in this Agreement is not, in the case of a representation and warranty, true and correct with the same force and effect as if given at and of such time, and, in the case of a covenant, is not being complied with or fulfilled in all material respects, and if such representation and warranty or covenant is not made true and correct or complied with or fulfilled in all material respects by action of CT within 20 days of CT receiving notice to that effect from Magna, then Magna, at the expiry of such period, by giving written notice to CT, may terminate this Agreement and its obligations hereunder.

(d) If this Agreement is terminated, this Agreement will forthwith have no further force or effect and there will be no obligation on the part of Magna or CT hereunder.

(e) Nothing in this Section 7.1 will relieve any party from liability for any breach of this Agreement occurring prior to termination.

7.2 Amendment

This Agreement may be amended by mutual agreement between the parties hereto. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the parties hereto.

7.3 Waiver

Either of CT or Magna may:

(a) extend the time for the performance of any of the obligations or other acts of the other;

(b) waive compliance with any of the other's agreement or the fulfilment of any conditions to its own obligations contained herein; or

(c) waive inaccuracies in any of the other's representations or warranties contained herein or in any document delivered by the other party hereto;

provided, however, that any such extension or waiver will be valid only if set forth in an instrument in writing signed on behalf of such party.

7.4 Survival

The covenants, representations and warranties of each of CT, Newco, and Magna as set out herein shall merge on Closing.

ARTICLE 8
GENERAL

8.1 Expenses

Each of Magna and CT shall be responsible for their own costs and charges incurred in connection with the Transaction, including, without limitation, all costs and charges incurred prior to the date of the Letter of Intent and all legal and accounting fees and disbursements, relating to preparing the

Transaction documents or otherwise relating to the Transaction. CT's legal fees in connection with the Transaction (excluding taxes and disbursements) shall not exceed $50,000.

8.2 Time of the Essence

Time shall be of the essence of this Agreement.

8.3 Governing Law

This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the parties attorn to the non-exclusive jurisdiction of the courts of such province.

8.4 Counterparts and Delivery

This Agreement may be executed in several counterparts and delivered by an email copy of an original execution page bearing the signature of each party hereto, each of which when so executed and delivered shall be deemed to be an original, and such counterparts or email copies thereof together shall comprise one and the same instrument and, notwithstanding their date of execution, shall be deemed to bear the date as of the date above written.

8.5 Notices

Any notice required or permitted to be given by a party hereto to the other shall be given in writing and addressed:

(a) if to CT at:

Unit 1, 1764 Rathburn Road East
Mississauga, Ontario L4W 2N8

Attention: Norm Eyolfson
Email: **[*Redacted – Personal Information*]**

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

Harder & Company
Suite 1400 – 1125 Howe Street
Vancouver, British Columbia V6Z 2K8

Attention: Glen Harder
Email: gharder@har-law.com

(b) if to Magna at:

45 Oak Street
P.O. Box 103
Dowling, Ontario P0M 1R0

Attention: Jason Jessup
Email: **[*Redacted – Personal Information*]**

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

Bennet Jones LLP
3400 One First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

Attention: Abbas Ali Khan
Email: alikhana@bennettjones.com

Any such notice shall be delivered by hand, by prepared courier or prepaid registered post or by e-mail. Any notice delivered as aforesaid shall be deemed to have been received by the party hereto to which it is so delivered at the time on the date of its being so delivered. Any notice mailed as aforesaid shall be deemed to have been received by the party hereto to which it is so mailed on the fifth Business Day next following the time on the date of it being so mailed. Any such notice sent by email shall be deemed to be given and received on the first Business Day following the day on which it is sent. Any party may change its address for notice by giving notice to that effect.

8.6 Enurement

This Agreement shall enure to the benefit of the parties, their respective heirs, successors and permitted assigns.

8.7 Further Assurances

The parties hereto will from time to time, at the reasonable request of the other parties hereto, execute and deliver all such other additional instruments, notices, releases, acquaintances and other documents and shall do all such other acts and things as may be reasonably necessary to carry out the terms and conditions of this Agreement in accordance with their true intent.

[*remainder of page intentionally left blank*]

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

CT DEVELOPERS LTD.

Per: *"Norm Eyolfson"*
Name: Norm Eyolfson
Title: President & CEO

MAGNA MINING CORP.

Per: *"Jason Jessup"*
Name: Jason Jessup
Title: CEO

2813443 ONTARIO INC.

Per: *"Norm Eyolfson"*
Name: Norm Eyolfson
Title: President & CEO

SCHEDULE A

AMALGAMATION AGREEMENT

See attached.

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made as of the [●], 2021 by and between CT Developers Ltd. ("**CT**"), 2813443 Ontario Inc. ("**Newco**") and Magna Mining Corp. ("**Magna**").

WHEREAS Magna is incorporated under the OBCA (as hereinafter defined);

AND WHEREAS Newco is incorporated under the OBCA;

AND WHEREAS Newco is a wholly owned subsidiary of CT;

AND WHEREAS Newco and Magna propose to amalgamate and continue as one corporation pursuant to the OBCA upon the terms and subject to the conditions hereinafter set out;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants and agreements hereinafter set out, the parties hereto covenant and agree as follows:

1. Definitions

In this Agreement, including the recitals hereto, the following words and expressions shall have the respective meanings ascribed to them below:

"**Acquisition Agreement**" means the Acquisition Agreement dated February 10, 2021 between the parties hereto;

"**Agreement**" means this amalgamation agreement as the same may be amended, modified or supplemented from time to time;

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

"**Amalco Shares**" means the common shares in the capital of Amalco;

"**Amalgamation**" means the amalgamation of Newco and Magna contemplated by this Agreement;

"**Certificate of Amalgamation**" means the articles of amalgamation endorsed with a certificate by the Director in respect of the Amalgamation;

"**Consideration Shares**" means the CT Shares to be issued to the Magna Shareholders in connection with the Amalgamation;

"**CT**" means CT Developers Ltd., a corporation incorporated under the laws of Canada;

"**CT Exchange Broker Warrants**" means the non-transferable broker warrants of CT to acquire units of CT comprised of CT Shares and CT Warrants to be issued in replacement of the Magna Broker Warrants outstanding at the Effective Time;

"**CT Exchange Options**" means the options to purchase CT Shares to be issued by CT in exchange for the Magna Options outstanding at the Effective Time;

"**CT Exchange Warrants**" means the warrants to purchase CT Shares to be issued by CT in exchange for the Magna Warrants outstanding at the Effective Time;

"**CT Option Plan**" means the stock option plan of CT;

"**CT Shares**" means the common shares in the capital of CT;

"**Director**" means the Director appointed under the OBCA;

"**Effective Date**" means the date of the Certificate of Amalgamation;

"**Effective Time**" means the time that the Articles of Amalgamation are filed with the Director on the Effective Date, or such other date as may be determined by CT and Magna;

"**Exchange Ratio**" means 1.625;

"**Meeting**" means the meeting of Magna Shareholders or resolution in lieu thereof to, among other things, consider and approve the Amalgamation;

"**Magna**" means Magna Mining Corp., a corporation incorporated pursuant to the laws of the Province of Ontario;

"**Magna Broker Warrants**" means the non-transferable broker warrants of Magna to be issued to the Agents in connection with the Concurrent Financing, each Magna Broker Warrant entitling the holder to purchase one Magna Unit at a price of $0.65 per Magna Unit for a period of 24 months from the date on which the Escrow Release Conditions are satisfied;

"**Magna Dissent Rights**" means the rights of dissent granted in favour of registered Magna Shareholders in respect of the Amalgamation in accordance with section 185 of the OBCA;

"**Magna Dissenting Shareholder**" means a Magna Shareholder who has duly exercised Magna Dissent Rights and who is ultimately entitled to be paid the fair value of the Magna Shares held by such Magna Shareholder;

"**Magna Shares**" means the common shares in the capital of Magna;

"**Magna Optionholders**" means the holders of Magna Options and "**Magna Optionholder**" means any one of them;

"**Magna Options**" means any options to acquire Magna Shares outstanding at the Effective Time;

"**Magna Shareholders**" means the holders of Magna Shares and "**Magna Shareholder**" means any one of them;

"**Magna Units**" means notional units of Magna, each consisting of one Magna Share and one half of one Magna Warrant;

"**Magna Warrantholders**" means the holders of Magna Warrants and "**Magna Warrantholder**" means any one of them;

"**Magna Warrants**" means warrants to purchase Magna Shares, with each warrant entitling the holder to purchase one Magna Share at a price of $1.00 per share for a period of 18 months from the date on which the Escrow Release Conditions are satisifed;

"**Newco**" means 2813443 Ontario Inc., a corporation incorporated under the OBCA;

"**Newco Shares**" means the common shares in the capital of Newco;

"**OBCA**" means the *Business Corporations Act* (Ontario), as amended;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended; and

"**TSXV**" means the TSX Venture Exchange.

2. Amalgamation

(a) Newco and Magna hereby agree to amalgamate and continue as one corporation under the provisions of the OBCA on the date first above written upon the terms and subject to the conditions hereinafter set out.

(b) Upon the Magna Shareholders and the shareholder of Newco approving, by special resolution, the Amalgamation, this Agreement and any variations thereof, and provided that the conditions to the completion of the Amalgamation specified herein and in the Acquisition Agreement have then been satisfied or waived, Newco and Magna shall jointly file, in duplicate, with the Director, articles of amalgamation in prescribed form providing for the Amalgamation and such other documents as may be required pursuant to the OBCA.

(c) Upon the Articles of Amalgamation becoming effective:

(i) the amalgamation of Magna and Newco and their continuance as one corporation under the OBCA shall become effective;

(ii) the respective property of Magna and Newco shall become the property of Amalco;

(iii) the obligations of Magna and Newco shall become the obligations of Amalco;

(iv) any existing cause of action, claim or liability to prosecution continues unaffected as a cause of action, claim or liability to prosecution of Amalco;

(v) a civil, criminal or administrative action or proceeding pending by or against Magna or Newco may be enforced by or against Amalco; and

(vi) the Articles of Amalgamation are deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation is deemed to be the certificate of incorporation of Amalco.

3. Name

The name of Amalco shall be "Magna Mining Corp."

4. Registered Office

The registered office of Amalco shall be located at 3400 One First Canadian Place, Toronto, Ontario M5X 1A4.

5. Authorized Capital

The authorized capital of Amalco shall consist of an unlimited number of Amalco Shares. The rights, privileges, restrictions and conditions attaching to the Amalco Shares are set forth in Schedule 1 to this Agreement.

6. Restricted Transfer of Shares

The right to transfer Amalco Shares shall be restricted in that no holder of Amalco Shares shall be entitled to transfer any Amalco Shares without either:

(a) if the transfer of such Amalco Shares is restricted by any shareholders' agreement, complying with such restrictions in such agreement; or

(b) if there are no such restrictions, either:

(i) the approval of the directors of Amalco expressed by a resolution passed by a majority of the directors at a meeting of the board of directors or by a resolution in writing signed by all of the directors of Amalco; or

(ii) the approval of the holders of at least a majority of the Amalco Shares entitling the holders thereof to vote in all circumstances (other than a separate class vote of the holders of another class of shares of Amalco) for the time being outstanding expressed by a resolution passed at a meeting of the holders of such Amalco Shares or by a resolution in writing signed by all of the shareholders of Amalco entitled to vote on that resolution (other than a separate class vote of the holders of another class of shares of Amalco).

7. Restricted Transfer of Securities

The right to transfer securities of Amalco (other than non-convertible debt securities of Amalco) shall be restricted in that no holder of such securities shall be entitled to transfer any securities without either:

(a) if the transfer of such securities is restricted by any security holders' agreement, complying with such restrictions in such agreement; or

(b) if there are no such restrictions, either:

(i) the approval of the directors of Amalco expressed by a resolution passed by a majority of the directors at a meeting of the board of directors or by a resolution in writing signed by all of the directors of Amalco; or

(ii) the approval of the holders of at least a majority of the securities of Amalco entitling the holders thereof to vote in all circumstances for the time being outstanding expressed by a resolution passed at a meeting of the holders of such securities or by a resolution in writing signed by all of the security holders of Amalco entitled to vote on that resolution.

8. Directors

The board of directors of Amalco shall consist of a minimum of one director and a maximum of ten directors. The number of directors of Amalco and the number of directors to be elected at the annual meeting of the shareholders of Amalco or by the signing of a resolution in lieu thereof, until changed in accordance with the OBCA, shall be two.

9. First Directors

The first directors of Amalco shall be Jason Jessup and Derrick Weyrauch.

Each of such first directors shall hold office until the first annual meeting of the shareholders of Amalco, or until a successor is elected or appointed. The subsequent directors shall be elected in accordance with the provisions of the OBCA. The affairs and business of Amalco shall be under the management of the board of directors of Amalco from time to time, subject to the provisions of the OBCA.

10. Business

There shall be no restrictions on the business that Amalco is authorized to carry on, or on the powers that Amalco may exercise.

11. Entitlements on Amalgamation

On the Effective Date:

(a) Magna and Newco will amalgamate and continue as Amalco;

(b) Each Magna Share (other than those held by Magna Dissenting Shareholders) outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each such holder of Magna Shares shall receive such number of fully paid and non-assessable Consideration Shares issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Shares held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. No fractional CT Shares will be issued. To the extent any Magna Shareholder would otherwise be entitled to receive a fractional number of CT Shares on Closing, the number of CT Shares to be issued to such Magna Shareholder shall be rounded down to the nearest whole CT Share;

(c) Each Newco Share outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, Amalco shall issue one Amalco Share to CT;

(d) Each Magna Option outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each such holder of Magna Options shall receive such number of CT Exchange Options issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Options held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any Magna Optionholder would otherwise be entitled to receive a fractional number of CT Exchange Options on Closing, the number of CT Exchange Options to be issued to such Magna Optionholder shall be rounded down to the nearest whole CT Exchange Option. Subject to the policies of the TSXV, each CT Exchange Option will be issued by CT on substantially the same terms as the Magna Option it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio) and shall be governed by the terms of the CT Option Plan. For greater certainty, the exercise price for each CT Exchange Option shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Option immediately prior to the Effective Time by (B) the Exchange Ratio;

(e) Each Magna Warrant outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each such holder of Magna Warrants shall receive such number of CT Exchange Warrants issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Warrants held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any Magna Warrantholder would otherwise be entitled to receive a fractional number of CT Exchange Warrants on Closing, the number of CT Exchange Warrants to be issued to such Magna Warrantholders shall be rounded down to the nearest whole CT Exchange Warrant. Subject to the policies of the TSXV, each CT Exchange Warrant will be issued by CT on substantially the same terms as the Magna Warrant it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio). For greater certainty, the exercise price for each CT Exchange Warrant shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Warrant immediately prior to the Effective Time by (B) the Exchange Ratio;

(f) Each Magna Broker Warrant outstanding immediately prior to the Effective Time shall be cancelled and, in consideration therefor, each such holder of Magna Broker Warrants shall receive such number of CT Exchange Broker Warrants issued by CT as is equal to the product arrived at by multiplying (x) the number of Magna Broker Warrants held by each such holder immediately prior to the Effective Time by (y) the Exchange Ratio. To the extent any fractional number of CT Exchange Broker Warrants are issuable on Closing, the number of CT Exchange Broker Warrants to be issued shall be rounded down to the nearest whole CT Exchange Broker Warrant. Subject to the policies of the TSXV, each CT Exchange Broker Warrant will be issued by CT on substantially the same terms as the Magna Broker Warrant it replaces (subject to appropriate adjustments to the exercise price to reflect the Exchange Ratio). For greater certainty, the exercise price for each CT Exchange Broker Warrant shall be equal to the quotient arrived at by dividing (A) the exercise price of the Magna Broker Warrant immediately prior to the Effective Time by (B) the Exchange Ratio;

(g) As consideration for the issuance of Consideration Shares to Magna Shareholders to effect the Amalgamation, Amalco will issue to CT one Amalco Share for each Consideration Share so issued;

(h) The property of each of Newco and Magna shall continue to be the property of Amalco and Amalco shall continue to be liable for the obligations of each of Newco and Magna; and

(i) Amalco will be a direct wholly-owned subsidiary of CT.

12. Representation and Warranty of CT

CT represents and warrants to and in favour of Magna (and acknowledges that Magna is relying upon such representation and warranty) that CT is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against CT in accordance with its terms.

13. Representation and Warranty of Magna

Magna represents and warrants to and in favour of CT and Newco (and acknowledges that CT and Newco are relying upon such representation and warranty) that Magna is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against CT in accordance with its terms.

14. Representation and Warranty of Newco

Newco represents and warrants to and in favour of Magna and CT (and acknowledges that Magna and CT are relying upon such representation and warranty) that Newco is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against Newco in accordance with its terms.

15. Conditions Precedent

The respective obligations of the parties hereto to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Effective Date, of the following conditions, any of which may be waived (subject to applicable law) by the consent of each of the parties without prejudice to their rights to rely on any other or others of such conditions:

(a) this Agreement and the transactions contemplated hereby, including, in particular, the Amalgamation, shall be approved by the sole shareholder of Newco;

(b) this Agreement and the transactions contemplated hereby, including, in particular, the Amalgamation, shall be approved by the Magna Shareholders, other than any Magna Dissenting Shareholders; and

(c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement including, without limitation, the Amalgamation.

16. Stated Capital

The stated capital in respect of the Amalco Shares will be equal to the aggregate of (i) the "paid-up capital" (as defined in the Tax Act) of the Newco Shares immediately prior to the Effective Date and (ii) the "paid-up capital" (as defined in the Tax Act) of the Magna Shares immediately prior to the Effective Date.

CT shall add to the stated capital account maintained in respect of the CT Shares an amount equal to the "paid-up capital" (as defined in the Tax Act) of the Magna Shares as determined immediately prior to the Effective Date.

17. Articles and Bylaws

The Articles and Bylaws of Magna shall be the Articles and Bylaws of Amalco with such amendments thereto as may be necessary to give effect to this Agreement until repealed, amended, altered or added to.

18. Amendment

This Agreement may at any time and from time to time before or after the holding of the Meeting be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation, change the time for performance of any of the obligations or acts of the parties hereto or waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties hereto; provided that no such amendment shall change the provisions hereof regarding the consideration to be received by Magna Shareholders in exchange for their Magna Shares without approval by the Magna Shareholders given in the same manner as required for the approval of the Amalgamation.

19. Termination

Subject to the terms of the Acquisition Agreement, this Agreement may be terminated by a resolution passed by the directors of Newco, CT or Magna at any time before the issue of the Certificate of Amalgamation, notwithstanding the approval of this Agreement by the shareholders of either or both of Newco and Magna. If this Agreement is terminated pursuant to this section, this Agreement shall forthwith become void and of no further force and effect.

20. Further Assurances

Each of the parties hereto agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Agreement.

21. Time of Essence

Time shall be of the essence of this Agreement.

22. Binding Effect

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

23. Assignment

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other parties.

24. Governing Law

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

25. Counterparts

This Agreement may be executed and delivered by the parties in one or more counterparts, and delivered by an email copy of an original execution page bearing the signature of each party hereto, each of which when so executed and delivered shall be deemed to be an original, and those counterparts will together constituted one and the same instrument.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have executed this Agreement by their duly authorized officers as of the day and year first above written.

CT DEVELOPERS LTD.	**MAGNA MINING CORP.**
Per: ______________________	Per: ______________________
Name: Norm Eyolfson	Name: Jason Jessup
Title: President & CEO	Title: CEO

2813443 ONTARIO INC.

Per: ______________________

Name: Norm Eyolfson
Title: President & CEO

SCHEDULE 1

TERMS OF THE AMALCO SHARES

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

1. Voting

The holders of the Common Shares shall be entitled to receive notice of and to attend and shall be entitled to one vote at any meeting of the shareholders of Amalco for each Common Share held.

2. Dividends

The holders of the Common Shares shall be entitled to receive dividends as and when the directors shall in their discretion declare dividends on the Common Shares and pay the same.

3. Dissolution

The holders of the Common Shares shall be entitled to receive the remaining property of Amalco in the event of any liquidation, dissolution or winding-up of Amalco, whether voluntary or involuntary, or other distribution of assets of Amalco among its shareholders for the purpose of winding-up its affairs.