AMALGAMATION AGREEMENT

AMONG:

RICHMOND ROAD CAPITAL CORP.

“PubCo”

AND:

FREDONIA MANAGEMENT LTD.

“Target”

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AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is dated as of the 7th day of April, 2021.

AMONG:

RICHMOND ROAD CAPITAL CORP., a corporation incorporated under the laws of the Province of Alberta

("**PubCo**");

AND:

FREDONIA MANAGEMENT LTD., a company incorporated under the laws of the British Virgin Islands

("**Target**");

WHEREAS:

(A) It is intended that Target, and SubCo, a corporation to be incorporated as a wholly-owned subsidiary of PubCo, will merge with Target, with Target being the surviving company pursuant to Sections 169 to 174 of the *BVI Business Companies Act, 2004* (the "**Amalgamation**");

(B) PubCo is a reporting issuer in the provinces of British Columbia and Alberta and upon completion the of Amalgamation it is intended that the common shares of PubCo will be listed on the TSX Venture Exchange;

(C) Upon the Amalgamation taking effect, shareholders of Target will receive common shares of PubCo in the proportion and to the extent set out herein;

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto do hereby covenant and agree as follows:

PART 1
INTERPRETATION

Definitions

1.1 In this Agreement, the following defined terms have the meanings hereinafter set forth:

(a) "**ABBCA**" means the *Business Corporations Act* (Alberta), as amended, including the regulations promulgated thereunder;

(b) "**Act**" means the *BVI Business Companies Act, 2004*, as amended, including the regulations promulgated thereunder;

(c) "**Action**" means, with respect to any Person, any litigation, legal action, lawsuit, claim, audit, arbitration or other proceeding (whether civil, administrative, quasi-criminal or criminal) before any Governmental Authority against such Person or its business or affecting any of its assets;

(d) "**Agreement**" means this Amalgamation Agreement (including the exhibits hereto) as supplemented, modified or amended, and not to any particular article, section, schedule, exhibit or other portion hereof;

(e) "**Amalco**" means the surviving company continuing from the Amalgamation under the laws of the British Virgin Islands;

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

(g) "**Amalgamation**" means the amalgamation of SubCo and Target under the provisions of the Act on the terms and conditions set forth in this Agreement;

(h) "**Amalgamation Resolutions**" means the written resolution in respect of the Amalgamation to be considered and if thought advisable, authorize, approve and adopt the Amalgamation Resolutions and related matters by the Target directors and Shareholders and the SubCo directors and Shareholder;

(i) "**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date;

(j) "**Applicable Laws**" means, in the context that refers to one or more Persons, any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;

(k) "**Articles**" means the Articles of Amalco to be in substantially the form set out in Exhibit "A" to this Agreement;

(l) "**Business**" means the business and activities carried on by Target or the Target Subsidiaries or any of them, as applicable;

(m) "**Business Day**" means a day other than a Saturday, Sunday or other day when banks in the City of Calgary, Albert or the City of Toronto, Ontario, are not generally open for business;

(n) "**Concurrent Financing**" means the private placement of Target Subscription Receipts at a price of CDN$0.17 per subscription receipt for gross proceeds of at least CDN$5,000,000;

(o) "**Claims**" means any and all debts, costs, expenses, liabilities, obligations, losses and damages, penalties, proceedings, actions, suits, assessments, reassessments or claims of whatsoever nature or kind including regulatory or administrative (whether or not under common law, on the basis of contract, negligence, strict or absolute liability or liability in tort, or arising out of requirements of Applicable Laws), imposed on, incurred by, suffered by, or asserted against any Person or any property, absolute or contingent, and, except as otherwise expressly provided herein, includes all reasonable out-of-pocket costs, disbursements and expenses paid or incurred by such Person in defending any action;

(p) "**Constating Documents**" means as to each of the Parties and the Target Subsidiaries, its respective certificate of incorporation, notice of articles, articles and bylaws, memorandum of association and articles of association, as applicable, as in effect as of the date of this Agreement;

(q) "**Corporate Records**" means, the corporate records of each of the Parties and the Target Subsidiaries, including its respective Constating Documents, share registers, registers of directors, list of bank accounts and signing authorities and minutes of shareholders' and directors' meetings;

(r) "**Dissenting Shareholder**" has the meaning ascribed thereto in Section 2.14

(s) "**Effective Date**" means the effective date of the Amalgamation as set forth in the Certificate of Merger issued to Amalco;

(t) "**Effective Time**" means the effective time of the Amalgamation as set forth in the Certificate of Merger issued to Amalco;

(u) "**Encumbrances**" means any encumbrance of any kind whatsoever and includes any pledge, lien, charge, security interest, lease, title retention agreement, mortgage, hypothec, restriction, royalty, right of first refusal, development or similar agreement, option or adverse claim or encumbrance of any kind or character whatsoever or howsoever arising, and any right or privilege capable of becoming any of the foregoing;

(v) "**Environmental Approvals**" means, with respect to any Person, all permits, certificates, licences, authorizations, consents, instructions, registrations, directions, approvals, decisions, decrees, conditions, notifications, orders, demands or Claims issued or required by any Governmental Entity pursuant to any Environmental Laws, which are binding upon or applicable to such Person or its business, assets or securities;

(w) "**Environmental Laws**" means all Applicable Laws whether foreign or domestic, including applicable common law and civil law, for the protection of the natural environment and human health and safety and for the regulation of contaminants, pollutants, waste, toxic and hazardous substances, and includes Environmental Approvals;

(x) "**Exchange**" means the TSX Venture Exchange;

(y) "**Filing Statement**" means the TSXV Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction* in respect of the Qualifying Transaction pursuant to the policies of the Exchange;

(z) "**Final Exchange Bulletin**" means the Exchange bulletin which is issued following completion of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the listing of the Post-Consolidation PubCo Shares;

(aa) "**Governmental Authority**" means any federal, state, provincial and municipal government, regulatory authority, governmental department, ministry, agency, commission, bureau, official, minister, crown corporation, court, board, tribunal, stock exchange, dispute settlement panel or body or other law, rule or regulation-making entity having jurisdiction;

(bb) "**IFRS**" means International Financial Reporting Standards applicable as of the date of the financial statements, document or event in question;

(cc) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to a Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, results of operations, assets, capitalization, financial condition, rights, liabilities or prospects, contractual or otherwise, of such Person and its subsidiaries, if applicable, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a Party to the other Party prior to the date of this Agreement; (ii) any action or inaction taken by such Person to which the other Person had consented in writing; (iii) the announcement of the transactions contemplated by the Amalgamation, this Agreement; or (iv) general economic, financial, currency exchange, securities, banking or commodity market conditions in the United States, Canada or worldwide;

(dd) "**Material Change**" and "**Material Fact**" has the meanings ascribed thereto under the Applicable Canadian Securities Laws;

(ee) "**Material Contract**" means those contracts, agreements, understandings or arrangements entered into by Target or the Target Subsidiaries which have individual payment obligations on the part of Target or the Target Subsidiaries that exceed $25,000, are for a term extending one year after the Effective Time, have been entered into out of the ordinary course of business, or are otherwise material to the Business;

(ff) "**Name Change**" has the meaning ascribed thereto in Section 5.9;

(gg) "**Outside Date**" means June 30, 2021;

(hh) "**Parties**" means, collectively, the parties to this Agreement, and "**Party**" means any one of them;

(ii) "**Plan of Merger**" means the plan of merger to be approved by the directors and the shareholders of Target and SubCo to the directors of the Parties, as contemplated by the Act, in substantially the form set out in Exhibit "B" hereto;

(jj) "**Person**" is to be broadly interpreted and means any individual, partnership, limited partnership, limited liability partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

(kk) "**Post-Consolidation PubCo Share**" means a common share of PubCo as constituted following the PubCo Consolidation;

(ll) "**Public Record**" means all information filed by PubCo with any securities commission or similar regulatory authority which are available through the SEDAR website as of the date hereof;

(mm) "**PubCo**" means Richmond Road Capital Corp., a corporation existing under the laws of the Province of Alberta;

(nn) "**PubCo Consolidation**" means the consolidation of the PubCo Shares on the basis of 1 post-consolidation PubCo Share for 1.36 pre-consolidation PubCo Shares resulting in an aggregate of 4,411,765 Post-Consolidation PubCo Shares to be completed prior to the Effective Time;

(oo) "**PubCo Shareholders**" means the holders of PubCo Shares;

(pp) "**PubCo Shares**" means the common shares in the capital of PubCo;

(qq) "**Qualifying Transaction**" means the proposed business combination of PubCo, SubCo and Target to form the Resulting Issuer pursuant to Policy 2.4 of the Corporate Finance Manual of the Exchange, to be completed in accordance with the terms of the Amalgamation Agreement;

(rr) “**Resulting Issuer**” means PubCo upon completion of the Amalgamation and the listing of the Post-Consolidation PubCo Shares on the Exchange;

(ss) **"Resulting Issuer Stock Option Plan"** means the stock option plan of the Resulting Issuer in the form agreed to by the Parties that is acceptable to the Exchange;

(tt) “**Securities Act**” means the *Securities Act* (Alberta), as amended, including the regulations promulgated thereunder;

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

(vv) “**SubCo**” means a corporation to be incorporated under BVI corporate law as a wholly-owned subsidiary of PubCo;

(ww) “**SubCo Shares**” means common shares in the capital of SubCo;

(xx) “**SubCo Shareholder**” means the holder of all the SubCo Shares, being PubCo;

(yy) “**Target**” means Fredonia Management Ltd., corporation incorporated under the laws of the British Virgin Islands;

(zz) “**Target Financial Statements**” means the audited annual financial statements of Target for the two years ended September 30, 2018 and September 30, 2019, and the interim financial statements for December 31, 2020;

(aaa) “**Target Shareholders**” means the holders of Target Shares;

(bbb) “**Target Shares**” means common shares in the capital of Target;

(ccc) “**Target Subscription Receipts**” means subscription receipts of Target issued pursuant to the Concurrent Financing which will automatically convert into Target Shares or Target Units immediately prior to the Effective Time in accordance with their terms on the basis of one Target Share, or if applicable, one Target Unit, for each outstanding subscription receipt;

(ddd) **Target Subsidiaries**” means Minera Fredonia S.A., Seis R Inc., and 5R S.A.;

(eee) “**Target Unit**” means one unit comprised of one (1) Target Share and one half (0.5) Target Warrant;

(fff) “**Target Warrant**” means a warrant to purchase one-half of one common share of the Target or the Resulting Issuer;

(ggg) “**Target Property**” means the El Dorado-Monserrat property located in Santa Cruz Province in Southern Argentina;

(hhh) “**Transfer Agent**” means the TSX Trust Company of Canada, being the transfer agent for the PubCo Shares;

(iii) "**U.S. Person**" means a "U.S. person" as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and

(jjj) "**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended, and the rules, regulations and orders promulgated thereunder.

Interpretation

1.2 For the purposes of this Agreement, except as otherwise expressly provided:

(a) the division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereto", "herein" and "hereunder" and similar expressions refer to this Agreement (including exhibits hereto) and not to any particular article, section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto;

(b) words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders;

(c) the word "including", when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope;

(d) if any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place;

(e) any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time, and to any regulations promulgated thereunder. References to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time;

(f) all sums of money that are referred to in this Agreement are expressed in lawful money of Canada unless otherwise noted;

(g) unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature are required to be made shall be made in a manner consistent with IFRS;

(h) all representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principals of equity);

(i) where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, with respect to Target it refers to the actual knowledge of Estanislao Auriemma and Carlos Espinosa and with respect to PubCo it refers to the actual knowledge of Michael Doyle, in each case after due inquiry; and

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

Exhibits

1.3 The following exhibits attached hereto are incorporated into and form an integral part of this Agreement:

Exhibit "A" – Form of Articles of Amalco

Exhibit "B" – Form of Plan of Merger

PART 2
THE AMALGAMATION

Agreement to Amalgamate

2.1 The Parties agree that SubCo and Target shall amalgamate pursuant to the provisions of the Act as of the Effective Date and continue as one corporation on the terms and conditions set out in this Agreement.

Effect of Amalgamation

2.2 Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time:

(a) Target and SubCo shall be merged and Target shall continue as the surviving company;

(b) SubCo shall cease to exist having merged into Target and Target shall become Amalco;

(c) the property of each of SubCo and Target shall continue to be the property of Amalco;

(d) Amalco shall continue to be liable for the obligations of each of SubCo and Target; and

(e) the memorandum of association and articles of association attached hereto as Exhibit "A" shall be the memorandum and articles of association of Amalco.

Name

2.3 The name of Amalco shall be Fredonia Mining Ltd. or such other name as determined by the directors of Target.

Registered Office

2.4 The registered office of Amalco shall continue to be the registered office of Target.

Authorized Shares and Restrictions on Share Transfers

2.5 Amalco shall be authorized to issue an unlimited number of common shares without par value, which shall have the rights, privileges, restrictions and conditions set out in the Articles. No shares of Amalco may be transferred except in compliance with the restrictions set out in the Articles.

Fiscal Year

2.6 The fiscal year end of Amalco shall be September 30 of each calendar year.

Business

2.7 There shall be no restriction on the business which Amalco is authorized to carry on.

Initial Directors of Amalco

2.8 The first directors of Amalco shall be the persons whose name and address appear below:

Name	Address
Estanislao Auriemma	*[REDACTED]*
Carlos Espinosa	*[REDACTED]*

Such directors shall hold office until the first annual meeting of shareholders of Amalco or until their successors are elected or appointed.

Initial Officers of Amalco

2.9 The first officers of Amalco shall be the persons whose name and position appear below:

Name	Position
Estanislao Auriemma	Chief Executive Officer and President
Carlos Espinosa	Chief Financial Officer and Corporate Secretary

Directors and Officers of PubCo Post-Closing

2.10 At or prior to the Effective Date, PubCo shall use commercially reasonable efforts to cause:

(a) the board of directors of PubCo post-closing to consist of up to five directors, or such other number of directors as determined by Target, all of whom will be nominated by Target; and

(b) its officers to resign without payment by or any liability to Target or PubCo, including any change in control or bonus payments and commitments.

2.11 At no additional consideration, Target and PubCo shall enter into mutual releases with all former directors and officers of PubCo, in a form acceptable to PubCo and Target, acting reasonably, at the Effective Time.

Exchange of SubCo Shares and Target Shares

2.12 Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time:

(a) each Target Shareholder will receive one Post-Consolidation PubCo Share in exchange for each Target Share held by such holder and the Target Shares may be cancelled;

(b) each holder of SubCo Shares will receive one Amalco Share in exchange for each SubCo Share held by such holder and the SubCo Shares will be cancelled; and

(c) in consideration for PubCo’s issuance of Post-Consolidation PubCo Shares referenced in Section 2.12(a), Amalco shall issue to PubCo one Amalco Share for each Post-Consolidation PubCo Share issued by PubCo under Section 2.12(a).

Convertible Securities

2.13 The Parties acknowledge that, as at the Effective Time, all securities of Target convertible into Target Shares will cease to represent a right to acquire Target Shares and will provide the right to acquire PubCo Shares, all in accordance with the adjustment provisions provided in the certificates representing such securities. It is intended that, to the extent applicable, the provisions of subsection 7(1.4) of the *Income Tax Act* (Canada) apply to any exchange of options to acquire Target Shares for options to acquire Post-Consolidation PubCo Shares.

Dissenting Shareholders

2.14 Registered Target Shareholders entitled to vote on the Amalgamation Resolutions will be entitled to exercise dissent rights with respect to their Target Shares in connection with the Amalgamation pursuant to and in the manner set forth in the Act. In general, the dissent procedure would be as follows:

(a) Within 20 days of the approval by the majority the Target should give notice of that approval to the shareholders who have not consented (the "**Dissenting Shareholders**").

(b) Thereafter, those Dissenting Shareholders have 20 days following the date of the notice in 2.14(a) above to give notice of their election to dissent and request fair value payment for their shares.

(c) Upon giving the notice in 2.14(b) above the Dissenting Shareholders' rights cease and they are only entitled to payment of fair value for their shares.

(d) Thereafter in accordance with section 179 of the Act the surviving company (the Target) should make an offer of fair value for the Dissenting Shareholders' shares.

(e) If the parties cannot agree then they each appoint an appraiser who together appoints a third appraiser. The three appraisers then fix the fair value.

Completion of the Amalgamation and Effective Date

2.15 Upon the satisfaction or waiver of the conditions herein contained in favour of each Party, Target and SubCo shall deliver to the Registrar of Corporate Affairs in the British Virgin Islands the Plan of Merger and such other documents as may be required to give effect to the Amalgamation. The Amalgamation shall become effective at the Effective Time.

Acknowledgment of Escrow and Resale Restrictions

2.16 Target acknowledges and agrees that in accordance with the policies of the Exchange, the PubCo Shares issued to certain Target Shareholders will be subject to escrow, seed share resale restrictions or both under the policies of the Exchange and Applicable Laws.

2.17 In addition to any other resale restrictions that may be imposed, any Target Shareholder who is a U.S. Person will receive PubCo Shares in exchange for such Target Shareholder's Target Shares which will bear a legend substantially in the following form:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (I) RULE 144 OR (II) RULE 144A, THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE COMPANY AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE COMPANY TO SUCH EFFECT.
>
> THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT "GOOD DELIVERY" OF THE SECURITIES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE."

Agency Agreement

2.18 The Parties acknowledge that Target shall, subject to PubCo's prior approval, such approval not be unreasonably withheld, enter into an agency agreement with a reputable investment bank in respect of the Concurrent Financing.

PART 3
COVENANTS

Mutual Covenants

3.1 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as otherwise expressly permitted or specifically contemplated by this Agreement or as required by Applicable Laws, each of the Parties shall:

(a) carry on its business in the usual, regular and ordinary course of business consistent with its past practice;

(b) not incur any indebtedness other than in the ordinary course of business consistent with its past practice, or as required in connection with the transactions contemplated by this Agreement;

(c) not alter or amend its Constating Documents as the same exist at the date of this Agreement, except as required in connection with the transactions contemplated by this Agreement;

(d) take, or cause to be taken, all action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Amalgamation, including using reasonable commercial efforts:

  (i) to obtain all necessary consents, assignments, waivers and amendments to or terminations of any agreements and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated hereby;

  (ii) to effect all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Amalgamation;

  (iii) to obtain Exchange acceptance of the Qualifying Transaction and the listing of the Resulting Issuer as a Tier 1 or Tier 2 mining Issuer;

  (iv) to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Amalgamation and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby; and

  (v) to reasonably cooperate with the other Parties and their tax advisors in structuring the Amalgamation and other transactions contemplated to occur in conjunction with the Amalgamation in a tax effective manner and assist the other Parties and their tax advisors in making such investigations and enquiries with respect to such Parties in that regard, as the other Parties and its tax advisors shall consider necessary, acting reasonably;

(e) not take any action that would render, or may reasonably be expected to render, any representation or warranty made by such Party in this Agreement untrue in any material respect;

(f) use reasonable commercial efforts to obtain and maintain the third party approvals applicable to them and provide the same to the other Parties on or prior to the Effective Date;

(g) use reasonable commercial efforts to complete the Amalgamation as soon as reasonably practicable and in any event no later than the Outside Date;

(h) except as provided in this Agreement, not amalgamate or consolidate with, or enter into any other corporate reorganization with, any other corporation or Person or perform any act or enter into any transaction or negotiation which, in the opinion of Target or PubCo acting reasonably, interferes or is inconsistent with the completion of the transactions contemplated hereby. Without limiting the foregoing, except as provided in this Agreement, none of the Parties shall (i) make any distribution by way of dividend, return of capital or otherwise to or for the benefit of its shareholders, (ii) subdivide, consolidate or reclassify their share capital, other than the PubCo Consolidation, or (iii) issue any of its shares or other securities convertible into shares or enter into any commitment or agreement (other than on the exercise of convertible securities) except pursuant to the Concurrent Financing;

(i) furnish to the other Parties such information, in addition to the information contained in this Agreement, relating to its financial condition, business, properties and affairs as may reasonably be requested by another Party, which information shall be true and complete in all material respects and shall not contain an untrue statement of any Material Fact or omit to state any Material Fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances in which they are made, not misleading and will notify the other Parties of any significant development or Material Change relating to it promptly after becoming aware of any such development or change;

(j) promptly notify the other Parties in writing of any change in any representation or warranty provided in this Agreement which change is or may be of such a nature as to render any representation or warranty misleading or untrue in any material respect and the Parties shall in good faith discuss with the other Parties such change in circumstances (actual, anticipated, contemplated, or to its knowledge, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other Parties pursuant to this Section 3.1(j);

(k) promptly notify the other Parties in writing of any material breach by such Party of any covenant, obligation or agreement contained in this Agreement; and

(l) not, directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into discussions or negotiations with any Person other than the other Parties hereto, with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of such Party, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is required as a result of the duties of directors and officers of the applicable Party in compliance with Applicable Laws.

Additional Covenants of PubCo

3.2 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, PubCo covenants and agrees that:

(a) PubCo shall, and following the formation of SubCo, shall cause SubCo to, use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.3 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of PubCo or SubCo, as the case may be;

(b) PubCo shall, as the sole shareholder of SubCo, approve by special resolution the Amalgamation, together with such matters as are required to effect the Amalgamation;

(c) PubCo shall use reasonable commercial efforts to seek approval of the PubCo Consolidation and the Name Change, together with the approval of any other matters as are required to effect the Amalgamation;

(d) PubCo shall cause, as of the Effective Time, the PubCo Board of Directors and PubCo management to be reconstituted with such directors and officers as determined by Target in accordance with Section 2.10 and Section 2.11; and

(e) PubCo shall, on the Effective Date, provide to the Transfer Agent a direction authorizing and directing the Transfer Agent to issue the PubCo Shares issuable under the Amalgamation to holders of the Target Shares and shall direct the Transfer Agent to distribute the PubCo Shares to the holders of the Target Shares in accordance with the terms of the Amalgamation.

Additional Covenants of Target

3.3 From the date of this Agreement until the earlier of the Effective Date and the termination of this Agreement in accordance with Part 9, except as expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws, Target covenants and agrees that:

(a) Target will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 7.1 and Section 7.2 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Target;

(b) Target shall use reasonable commercial efforts to seek written approval of the Amalgamation Resolution together with the approval of such matters as are required to effect the Amalgamation. In the event written approval of the Amalgamation Resolution cannot be obtained Target will use reasonable commercial efforts to hold a meeting of shareholders to obtain approval of the Amalgamation Resolution;

(c) Target shall use its best efforts to obtain comprehensive insurance in respect of its business, including, without limitation, directors' and officers' insurance and general liability insurance;

(d) In the event that PubCo is able to obtain run off Directors and Officers insurance for a period of 3 years from the closing date of the Transaction in respect of the PubCo directors and officers who are resigning in connection with the Transaction, Target shall pay for such insurance up to a maximum of $20,000;

(e) In the event that closing of the Transaction has not occurred by May 30, 2021 and PubCo is required to have its Q2 interim financial statements reviewed for inclusion in the Filing Statement, Target shall cover the costs of PubCo's auditor in completing such review up to a maximum of $5,000;

(f) Target shall promptly advise PubCo of the number of Target Shares for which Target receives notices of dissent or written objections to the Amalgamation; and

(g) Upon completion of the Transaction, Target will, at the next annual general meeting of the Resulting Issuer's shareholders, put forth shareholder resolutions necessary to enable the Resulting Issuer to comply with and adopt TSXV Policy 2.4 – *Capital Pool Companies* (as at January 1, 2021) (the "**New CPC Policy**"), which will, among other things, authorize and direct the Resulting Issuer to amend the CPC Escrow Agreements (as such term is defined in the policies of the TSXV) to which it is a party to reduce the length of the term of any escrow provision to a term that is not less than as is permitted by the New CPC Policy and to immediately release from escrow any securities that were issued at or above $0.10 and that are held by a member of the Pro Group who is not a Principal of the Resulting Issuer (as such terms are defined in the New CPC Policy). Target will use commercially reasonable efforts to solicit proxies in favour of the aforementioned shareholder resolutions.

PART 4
REPRESENTATIONS AND WARRANTIES

Representations and Warranties of PubCo

4.1 PubCo represents and warrants to Target as follows, and acknowledge that Target is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) PubCo has good and sufficient right and authority to enter into this Agreement and carry out its intentions hereunder;

(b) PubCo is duly incorporated or continued, as the case may be, under the ABBCA, is currently in good standing, has all corporate powers required to carry on its business as now conducted and is not subject to any regulatory decision or order prohibiting or restricting trading in its shares;

(c) PubCo is a "reporting issuer" (as such term is defined in the Securities Act) in good standing in British Columbia and Alberta and has not been placed on the list of defaulting issuers as maintained by the securities commissions of such jurisdictions;

(d) PubCo is authorized to issue an unlimited number of PubCo Shares, of which 6,000,000 PubCo Shares are issued and outstanding as at the date hereof and 4,411,765 PubCo Shares will be issued and outstanding immediately following the Consolidation;

(e) the issued and outstanding PubCo Shares have been duly authorized, validly allotted and issued as fully paid, non-assessable shares in the capital of PubCo and in compliance in all material respects with applicable corporate and securities Laws. The Post-Consolidation PubCo Shares to be issued in connection with the Amalgamation will be, at the Effective Time, duly authorized, validly allotted and, except with respect to the Post-Consolidation PubCo Shares issuable upon the due exercise of convertible securities, issued as fully paid, non-assessable shares in the capital of PubCo and in compliance with applicable corporate and securities Laws;

(f) other than the securities referred to in Section 4.1(d) and Section **Error! Reference source not found.** there are no other shares, options, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a "security" of PubCo (as that term is defined in the Securities Act and Applicable Laws) and, except as provided in this Agreement, PubCo has no agreements or commitments of any character whatsoever convertible into, or exchangeable or exercisable for or otherwise requiring the issuance, sale or transfer by PubCo of any PubCo Shares or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any PubCo Shares;

(g) there are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting PubCo at law or in equity or before or by any Governmental Authority, nor are there, to their knowledge, any pending or threatened;

(h) this Agreement is a binding agreement on PubCo, enforceable against it in accordance with its terms and conditions (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally, and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to waiver, indemnity and contribution, and the ability to sever unenforceable terms, may be limited by applicable law);

(i) PubCo is not a party to any material contracts other than this Agreement;

(j) neither the execution and delivery of this Agreement, nor the consummation of the Amalgamation, will conflict with or result in any breach of any of the terms or provisions of, or constitute a default under, the material contracts and the Constating Documents of PubCo, director or shareholder minutes of PubCo, any agreement or instrument to which PubCo is a party or by which PubCo is bound, or any order, decree, statute, regulation, covenant or restriction applicable to PubCo;

(k) PubCo has no liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind whatsoever, and, there is no basis for assertion against PubCo of any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind, other than liabilities disclosed or reflected in the financial statements of PubCo, incurred in the ordinary course of business following the dates of the most recent financial statements of PubCo or for professional fees accrued but not yet invoiced, and PubCo has not granted general security over its assets or security in any particular asset;

(l) the financial statements of PubCo are prepared in accordance with IFRS and present fairly, in all material respects, the financial position of PubCo as at such date, and do not omit to state any material fact that is required by applicable Laws to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;

(m) PubCo has never had any employees and it is not a party to any written or verbal contracts of employment and there are currently no plans for retirements, bonus, stock purchase, stock option, severance or termination pay for the benefit of any current or former director, officer or consultant;

(n) there has never been a "disagreement" (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the past or present auditors of PubCo;

(o) the documents and materials comprising the Public Record of PubCo are, to PubCo' knowledge, in all material respects accurate and up to date and contain no misrepresentation, nor omit any facts, the omission of which makes the Public Record or any particulars therein, materially misleading or incorrect;

(p) the information in the Filing Statement relating to PubCo will be true, correct and complete in all material respects and not contain any untrue statement of any material fact, nor omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;

(q) PubCo is up to date and current with all filings and fees required by the Securities Commissions of British Columbia and Alberta and other than as disclosed to Target all such filings were true and accurate in all material respects as at the respective dates thereof and PubCo has not filed any confidential material change reports;

(r) PubCo has not made any tax filings and to the knowledge of PubCo no such tax filings are currently required to be filed by it prior to the date hereof;

(s) the Corporate Records of PubCo are complete and accurate in all material respects and all corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all Applicable Laws and with the Constating Documents of PubCo. Without limiting the generality of the foregoing, in respect of the Corporate Records of PubCo (i) the minute books contain complete and accurate minutes of all meetings of the directors and shareholders held since incorporation and all such meetings were properly called and held, (ii) the minute books contain all resolutions passed by the directors and shareholders (and committees, if any) and all such resolutions were properly passed, (iii) the share certificate books, register of shareholders and register of transfers are complete and accurate, all transfers have been properly completed and approved and any tax payable in connection with the transfer of any securities has been paid, and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers were properly elected or appointed, as the case may be;

(t) no proceedings have been taken, are pending or authorized by PubCo or by any other Person, in respect of the bankruptcy, insolvency, liquidation or winding up of PubCo;

(u) as at the date hereof, there are no reasonable grounds for believing that any creditor of PubCo will be prejudiced by the Amalgamation;

(v) as at the date hereof, PubCo has no subsidiaries; provided that PubCo intends to incorporate SubCo prior to Closing;

(w) there are no agreements, covenants, undertakings, rights of first refusal or other commitments of either PubCo or any instruments binding on it or its assets:

(i) which would preclude it from entering into this Agreement;

(ii) under which the Amalgamation would have the effect of imposing restrictions or obligations on Amalco greater than those imposed upon PubCo;

(iii) which would give a third party, as a result of the transactions contemplated in this Agreement, the right to terminate any material agreement to which PubCo is a party or to purchase any of PubCo's or Amalco's assets; or

(iv) which would impose restrictions on the ability of Amalco:

(A) to carry on any business which it might choose to carry on within any geographical area;

(B) to acquire property or dispose of its property and assets as an entirety;

(C) to pay dividends, redeem shares or make other distributions to its shareholders;

(D) to borrow money or to mortgage and pledge its property as security therefore; or

(E) to change its corporate status;

(x) PubCo and its subsidiaries and the operation of their business are in compliance with Applicable Laws and neither PubCo or any of its subsidiaries has received written notice, correspondence or warning of any alleged violation, offence or breach of, and to the knowledge of PubCo, is not under investigation or subject to any Action or complaint with respect to and has not been threatened to be charged with or notified of any alleged violation, offence or breach of, any Applicable Law, or any other applicable licences and permits issued by any applicable Governmental Authority, in each case except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to PubCo, its subsidiaries or both;

(y) neither PubCo nor any of its subsidiaries is a party to any agreement, nor is PubCo aware of any agreement, which in any manner affects the voting control of any of the PubCo Shares or other securities of PubCo or its subsidiaries;

(z) all information supplied by PubCo or its representatives to Target in the course of Target's due diligence review in respect of the transactions contemplated by this Agreement, is accurate and correct in all material respects; and

(aa) the representations, warranties or statements of fact made in this section do not contain any untrue statement of a material fact or omit to state any material fact necessary to make any such warranty or representation not misleading to Target in seeking full information as to PubCo and its assets, liabilities and business.

Representations and Warranties of Target

4.2 Target represents and warrants to PubCo as follows, and acknowledges that PubCo is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) it has good and sufficient right and authority to enter into this Agreement and carry out its intentions hereunder;

(b) it is duly incorporated under the Act and is currently in good standing, and is not subject to any regulatory decision or order prohibiting or restricting trading in its shares;

(c) Target and each of the Target Subsidiaries has full corporate power, capacity and authority and is duly qualified, licensed or registered to or possesses all material certificates, authority, permits and licenses issued by the appropriate Government Authority to undertake and conduct its Business as now conducted by it, and as proposed to be conducted, in all jurisdictions in which the nature of Target's assets or Business makes such qualification necessary, and it conducts its Business in compliance in all material respects with such certificates, authorities, permits or licenses and has not received any notice of proceedings related to the revocation or modification of any such certificate, authority, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the Business, operations, financial condition or income of Target;

(d) it is authorized to issue an unlimited number of Target Shares, of which 109,006,378 Target Shares are issued and outstanding as at the date hereof. All Target Shares have been duly issued and have been issued in compliance with all Applicable Laws including, without limitation, Applicable Securities Laws;

(e) other than the securities referred to in Section 4.2(d), and securities which may be issued in connection with the Concurrent Financing, or as otherwise contemplated by this Agreement, there are no other shares, options (other than those stock options contemplated to be granted by the Resulting Issuer as described in the Filing Statement), warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a "security" of Target (as that term is defined in the Securities Act) and Target has no agreements or commitments of any character whatsoever convertible into, or exchangeable or exercisable for or otherwise requiring the issuance, sale or transfer by Target of any Target Shares or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Target Shares;

(f) Target has no subsidiaries other than the Target Subsidiaries and neither Target nor any of the Target Subsidiaries is a partner, co-tenant, joint venture or otherwise in any partnership, co-tenancy or other similarly joint owned business;

(g) each of the Target Subsidiaries is duly incorporated in its respective jurisdiction and is currently in good standing, and is not subject to any regulatory decision or order prohibiting or restricting trading in its securities;

(h) Target is not a "reporting issuer" nor an associate of a "reporting issuer" (as such term is defined in the Securities Act) and the Target Shares do not trade on any exchange;

(i) there are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting Target or any Target Subsidiary at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency of any kind whatsoever nor are there, to its knowledge, any pending or threatened;

(j) this Agreement is a binding agreement on Target, enforceable against it in accordance with its terms and conditions (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally, and except as limited by the application of equitable principles when equitable remedies are sought and by the fact that rights to waiver, indemnity and contribution, and the ability to sever unenforceable terms, may be limited by applicable law);

(k) a complete and accurate list of all Material Contracts of Target and the Target Subsidiaries as of the date of this Agreement have been provided to PubCo counsel;

(l) neither the execution and delivery of this Agreement, nor the consummation of the Amalgamation, will conflict with or result in any breach of: (i) any of the terms or provisions of, or constitute a default under, the Material Contracts, the Constating Documents of Target or the Target Subsidiaries, director or shareholder minutes of Target or of any Target Subsidiary, any agreement or instrument to which Target or a Target Subsidiary is a party or by which Target or a Target Subsidiary is bound; (ii) consent, approval, authorization or order of any court or governmental agency, body or Governmental Authority; or (iii) any statute or regulation of any Governmental Authority which is binding on Target or any of the Target Subsidiaries;

(m) none of Target nor any Target Subsidiary is in material default under any Material Contract to which it is a party and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any Material Contract by Target or any Target Subsidiary, as applicable. Each Material Contract is in full force and effect, unamended by written or oral agreement, and either Target or a Target Subsidiary, as applicable, is entitled to the full benefit and advantage of each Material Contract in accordance with its terms. Neither Target nor any Target Subsidiary has received any notice of a default by Target or its Target Subsidiaries, as applicable, or a dispute between Target or a Target Subsidiary and any other party in respect of any Material Contract;

(n) neither Target nor any Target Subsidiary has any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind whatsoever, and, there is no basis for assertion against Target or any Target Subsidiary of any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind, other than liabilities disclosed or reflected in or provided for in the Target Financial Statements or incurred in the ordinary course of business following the dates of the Target Financial Statements;

(o) the Target Financial Statements are prepared in accordance with IFRS and present fairly, in all material respects, the financial position of Target and the Target Subsidiaries as at such date, and do not omit to state any material fact that is required by applicable Laws to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;

(p) except as disclosed in the Target Financial Statements, in this Agreement or as disclosed in the Filing Statement in relation to the grant of stock options by the Resulting Issuer, there are currently no plans for retirements, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by Target or any of the Target Subsidiaries for the benefit of any current or former director, officer, employee or consultant of Target or any of the Target Subsidiaries;

(q) policies of insurance are in force as of the date hereof naming Target as an insured that adequately cover all risks as are customarily covered in the industry in which Target operates. Target's assets are insured in such amounts and against such risks adequately cover all risks as are customarily covered by companies in the industry in which Target operates. Target is not in default with respect to any of the provisions contained in the insurance policies, the payment of any premiums under any insurance policy and has not failed to give any notice or to present any claim under any insurance policy in a due and timely fashion. There has not been any Material Adverse Change in the relationship of Target with any insurers, the availability of coverage, or in the premiums payable pursuant to the policies. Target maintains all insurance coverage as may be required by any Material Contract;

(r) Target is not aware of any legislation, or proposed legislation published by a legislative body as at the date of this Agreement, which it anticipates will materially and adversely affect the Business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of Target or any of the Target Subsidiaries;

(s) To the knowledge of Target, neither Target nor any of the Target Subsidiaries is infringing upon the rights of any other Person with respect to any such trademarks, patents, copyrights or trade secrets and, no Person has infringed any such trademark, patents, copyrights or trade secrets;

(t) none of Target nor any Target Subsidiary has any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind whatsoever, and, there is no basis for assertion against Target nor any Target Subsidiary of any liabilities, obligations or indebtedness (whether accrued, absolute, contingent or otherwise) of any kind, other than liabilities disclosed or reflected in the Target Financial Statements, incurred in the ordinary course of business following the dates of the most recent Target Financial Statement or for professional fees accrued but not yet invoiced and none of Target nor any Target Subsidiary has granted general security over its assets or security in any particular asset;

(u) the information in the Filing Statement relating to Target and the Target Subsidiaries will be true, correct and complete in all material respects and will not contain any untrue statement of any material fact, nor omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;

(v) neither Target nor any Target Subsidiary has any outstanding taxes due and payable and there exist no facts or circumstances which may reasonably be expected to result in the issuance of assessment or reassessment of tax;

(w) the Target and the Target Subsidiaries has duly and on a timely basis prepared and filed all tax returns required to be filed by it prior to the date hereof and such returns and documents are complete and correct. Target has no knowledge of any contingent tax liabilities or any ground which would prompt an assessment or reassessment of any of such returns or reports, including aggressive treatment of income and expenses in filing any tax returns. Complete and correct copies of all such returns and other documents filed in respect of the last fiscal year ending prior to the date hereof have been provided to PubCo prior to the date hereof;

(x) the Corporate Records of Target and the Target Subsidiaries are complete and accurate in all material respects and all corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all Applicable Laws and with the Constating Documents of Target and each Target Subsidiary, as applicable. Without limiting the generality of the foregoing, in respect of the Corporate Records of Target (i) the minute books contain complete and accurate minutes of all meetings of the directors and shareholders held since incorporation and all such meetings were properly called and held, (ii) the minute books contain all resolutions passed by the directors and shareholders (and committees, if any) and all such resolutions were properly passed, (iii) the share certificate books, register of shareholders and register of transfers are complete and accurate, all transfers have been properly completed and approved and any tax payable in connection with the transfer of any securities has been paid, and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers were properly elected or appointed, as the case may be;

(y) no proceedings have been taken, are pending or authorized by Target or a Target Subsidiary or by any other Person, in respect of the bankruptcy, insolvency, liquidation or winding up of Target or any Target Subsidiary;

(z) as at the date hereof there are no reasonable grounds for believing that any creditor of Target will be prejudiced by the Amalgamation;

(aa) to the knowledge of Target, after due inquiry, all the properties in which Target or the Target Subsidiaries have any freehold, leasehold, licence or other interest are free and clear of any hazardous or toxic material, pollution, or other adverse environmental conditions which may give rise to any and all Claims (including, without limitation, attorneys' fees and costs, experts' fees and costs, and consultant's fees and costs) of any kind or of any nature whatsoever that are asserted against Target or any of the Target Subsidiaries, alleging liability (including, without limitation, liability for studies, testing or investigatory costs, cleanup costs, response costs, removal costs, remediation costs, contaminant costs, restoration costs, corrective action costs, closure costs, reclamation costs, natural resource damages, property damages, business losses, personal injuries, penalties or fines) arising out of, based on or resulting from (i) the presence, release, threatened release, discharge or emission into the environment of any hazardous materials or substances existing or arising on, beneath or above properties and/or emanating or migrating and/or threatening to emanate or migrate from such properties to off-site properties; (ii) physical disturbance of the environment; and (iii) the violation or alleged violation of all Applicable Laws aimed at reclamation or restoration of such properties; abatement of pollution; protection of the environment, protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural and historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including without limitation, ambient air, surface water and groundwater; and all other Environmental Laws; and to the knowledge of Target, after due inquiry, all environmental approvals required pursuant to Environmental Laws with respect to activities carried out on any part of the lands covered by such properties, have been obtained, are valid and in full force and effect and have been complied with; and there are no proceedings commenced or threatened to revoke or amend any such environmental approvals;

(bb) except as disclosed in the Target Financial Statements or inter-corporate debt which is consolidated and not reflected in the Target Financial Statements or any expenses paid in advance to employees or officers in the ordinary course of business and not reflected in the Target Financial Statements, none of Target nor any of the Target Subsidiaries has any loan or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person not dealing at "arm's length" (as such term is defined in the Income Tax Act)

(cc) there are no outstanding labour disputes, (whether filed or lodged with Target or any of the Target Subsidiaries or any other Person or organization), and to the knowledge of Target there are no pending labour disruptions or pending unionization with respect to Target or any of the Target Subsidiaries;

(dd) neither Target nor any of the Target Subsidiaries is bound by or a party to any collective bargaining agreement;

(ee) Target has been and is being operated in compliance, in all material respects, with Applicable Laws relating to employment, including employment standards, occupational health and safety, human rights, labour relations, workers compensation, pay equity and employment equity and Target has not received notice of any outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workers' compensation legislation and Target has not been reassessed in any material respect under such legislation;

(ff) except for any expenses paid in advance to employees or officers in the ordinary course of business, or as disclosed in the Target Financial Statements, neither Target nor any of the Target Subsidiaries is party to any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money ("**Debt Instrument**") or any agreement contract or commitment to create, assume or issue any Debt Instrument;

(gg) there are no agreements, covenants, undertakings, rights of first refusal or other commitments of Target or the Target Subsidiaries or any instruments binding on their assets:

(i) which would preclude Target from entering into this Agreement;

(ii) under which the Amalgamation would have the effect of imposing restrictions or obligations on Amalco greater than those imposed upon Target;

(iii) which would give a third party, as a result of the transactions contemplated in this Agreement, the right to terminate any material agreement to which Target or any of the Target Subsidiaries is a party or to purchase any of Target's, a Target Subsidiary's or Amalco's assets; or

(iv) which would impose restrictions on the ability of Amalco:

(A) to carry on any business which it might choose to carry on within any geographical area except pursuant to area of interest restrictions in existing contracts;

(B) to acquire property or dispose of its property and assets as an entirety except pursuant to area of interest restrictions in existing contracts;

(C) to pay any dividends, redeem shares or make other distributions to its shareholders;

(D) to borrow money or to mortgage and pledge its property as security therefor; or

(E) to change its corporate status;

(hh) Target and the Target Subsidiaries and the operation of their Business are in compliance with Applicable Laws and neither Target or any Target Subsidiary has received written notice, correspondence or warning of any alleged violation, offence or breach of, and to the knowledge of Target, is not under investigation or subject to any Action or complaint with respect to and has not been threatened to be charged with or notified of any alleged violation, offence or breach of, any Applicable Law, or any other applicable licences and permits issued by any applicable Governmental Authority, any Applicable Laws relating in whole or in part to information privacy, personal information, employment, employment practices, labour (including pay equity and wages, termination and severance, and unfair labour practice), health and safety and/or Environmental Laws, laws relating to bribery of the foreign public officials (including the *Corruption of Foreign Public Officials Act*) and anti-money laundering and proceeds of crime legislation (including the *Proceeds of Crime (Money Laundering) Act*), in each case except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to Target, the Target Subsidiaries or both;

(ii) neither of Target or the Target Subsidiaries has any responsibility or obligation to pay any commission, royalty, licence, fee or similar payment to any Person;

(jj) at the Effective Time, Target or the Target Subsidiaries, as applicable, will have good and valid title to all material real estate and personal property owned or leased by it, free and clear of any Encumbrances other than Permitted Encumbrances, except as would not have a Material Adverse Effect with respect to Target, the Target Subsidiaries or both;

(kk) neither Target nor the Target Subsidiaries are subject to any obligation to make any investment in or to provide funds by way of loan, capital contribution or otherwise to any Person;

(ll) neither Target nor any of the Target Subsidiaries is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Target or any of the Target Subsidiaries to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Target or the Target Subsidiaries or which would prohibit or restrict Target or any of the Target Subsidiaries from entering into and completing the Amalgamation;

(mm) neither Target nor any of the Target Subsidiaries is aware of any pending or contemplated change to any Applicable Law or governmental position that would materially affect the Business taken as a whole or the legal environments under which Target and the Target Subsidiaries operate;

(nn) neither Target nor the Target Subsidiaries is a party to any agreement, nor is Target aware of any agreement, which in any manner affects the voting control of any of the Target Shares or other securities of Target or the Target Subsidiaries;

(oo) all information supplied by Target or its representatives to PubCo in the course of PubCo's due diligence review in respect of the transactions contemplated by this Agreement, is accurate and correct in all material respects; and

(pp) the representations, warranties or statements of fact made in this section do not contain any untrue statement of a material fact or omit to state any material fact necessary to make any such warranty or representation not misleading to PubCo in seeking full information as to Target and each Target Subsidiary and its assets, liabilities and Business.

Survival of Representation and Warranties

4.3 The representations and warranties herein shall survive the performance of the Parties respective obligations hereunder and the termination of this Agreement but shall expire one year after the Effective Date.

PART 5
AGREEMENTS

Qualifying Transaction

5.1 Target and PubCo shall:

(a) as soon as practicable apply to the Exchange and diligently seek the approval of the Exchange for the Qualifying Transaction and the listing of the Post-Consolidation PubCo Shares;

(b) as soon as practicable deliver to the Exchange the Filing Statement as contemplated by this Agreement;

(c) use their reasonable commercial efforts to consummate the transactions contemplated by this Agreement; and

(d) in the event that the Resulting Issuer is not able to obtain an exemption from the sponsorship requirements of the Exchange, mutually agree upon the appointment of a sponsor for the Qualifying Transaction.

Filing Statement

5.2 As soon as practicable following the execution of this Agreement, and in compliance with Applicable Laws (including Applicable Canadian Securities Laws) and the policies of the Exchange:

(a) Target and PubCo shall cooperate in the preparation of the Filing Statement, in a form mutually acceptable to the Parties, acting reasonably, and PubCo shall provide to Target the necessary information in respect of PubCo to ensure that the Filing Statement provides information in compliance in all material respects with Exchange policies on the date of filing thereof; and

(b) Target and PubCo shall make commercially reasonable efforts to cause the Filing Statement to be filed with applicable regulatory authorities in all jurisdictions where the same is required to be filed.

Preparation of SubCo and Filings

5.3 PubCo and Target will work cooperatively to assist PubCo with the incorporation and organization of SubCo as contemplated in this Agreement; provided that the Parties agree that SubCo shall be formed as close to the date of closing of the Transaction as possible (but no later than is necessary to complete the Transaction) and that all directors and officers of SubCo shall be nominees of the Target (subject to compliance in all material respects with the requirements of the Exchange).

5.4 PubCo and Target shall, and PubCo shall cause SubCo, once incorporated, to, cooperate in the taking of all such action as may be required under the Act, Applicable Canadian Securities Laws, Exchange policies and other Applicable Laws in connection with the transactions contemplated by this Agreement.

5.5 After approval of the Amalgamation by the Parties pursuant to the Amalgamation Resolutions, the Articles of Merger must be executed by the Parties and filed with the registrar under the Act.

5.6 PubCo and Target shall promptly furnish to the other all information concerning it as may be required for the effectuation of the actions described in this Agreement and the provisions of this Section 5.5.

PubCo Consolidation

5.7 Conditional upon receipt of PubCo Shareholder approval, prior to the Effective Time, PubCo shall effect the PubCo Consolidation. All outstanding securities of PubCo will be adjusted accordingly.

Concurrent Financing

5.8 Target will use commercially reasonable efforts to complete the Concurrent Financing prior to the Effective Date. Pursuant to the Concurrent Financing, Target will issue subscription receipts at an issuance price of $CAD0.17 per subscription receipt which will automatically convert into Target Shares or Target Units, immediately prior to the Effective Time in accordance with their terms on the basis of one Target Share, or, if applicable, one Target Unit, for each outstanding subscription receipt. In connection with the Concurrent Financing, Target may pay cash fees in connection with the Concurrent Financing.

Name Change

5.9 On or prior to the Effective Date, PubCo shall change its name to Fredonia Mining Ltd. or such other name as may be agreed by the Parties, subject to the approval of the Exchange and as may be accepted by the Companies Registrar (the "**Name Change**").

PART 6
<u>INDEMNIFICATION</u>

Indemnification by Target

6.1 Subject to Section 6.3, Target hereby covenants and agrees with each of PubCo and SubCo, and their respective directors, officers, employees, agents, advisors and representatives (the Persons being indemnified by Target are hereinafter individually referred to as the "**PubCo Indemnified Party**"), to indemnify and save harmless the PubCo Indemnified Party from and against any and all Claims which may be suffered or incurred by the PubCo Indemnified Party as a result of, or arising out of:

(a) any non-fulfillment of any covenant or agreement on the part of Target under this Agreement; or

(b) any incorrectness in or breach of any representation or warranty of Target contained in this Agreement,

except that Target shall not be liable in any such case to the extent that any such Claims arise out of or are based upon the negligence of a PubCo Indemnified Party or the material non-compliance by a PubCo Indemnified Party with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement.

Indemnification by PubCo

6.2 Subject to Section 6.3, PubCo hereby covenants and agrees with Target and its directors, officers, employees, agents, advisors and representatives (the Persons being indemnified by PubCo are hereinafter individually referred to as the "**Target Indemnified Party**"), to indemnify and save harmless the Target Indemnified Party from and against any and all Claims which may be suffered or incurred by the Target Indemnified Party as a result of, or arising out of:

(a) any non-fulfillment of any covenant or agreement on the part of PubCo under this Agreement; or

(b) any incorrectness in or breach of any representation or warranty of PubCo contained in this Agreement,

except that PubCo shall not be liable in any such case to the extent that any such Claims arise out of or are based upon the negligence of a Target Indemnified Party or the material non-compliance by a Target Indemnified Party with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement.

Limitation on Indemnification

6.3 The indemnification obligations of Target pursuant to Section 6.1 and the indemnification obligations of PubCo pursuant to Section 6.2 (each an "**Indemnifying Party**") shall be subject to the following:

(a) the Claim shall have been made in writing in accordance with Section 6.4 within one year of the Effective Date; and

(b) an Indemnifying Party shall not be required to indemnify a PubCo Indemnified Party or a Target Indemnified Party, as applicable (each an "**Indemnified Party**") until the aggregate Claims sustained by that Indemnified Party exceeds a value of $25,000, in which case, the Indemnifying Party shall be obligated to the Indemnified Party for all Claims.

Procedure for Indemnification

6.4 The following provisions shall apply to any Claims for which the Indemnifying Party may be obligated to indemnify an Indemnified Party pursuant to this Agreement:

(a) upon receipt from a third party by the Indemnified Party of notice of a Claim or the Indemnified Party becoming aware of any Claims in respect of which the Indemnified Party proposes to demand indemnification from the Indemnifying Party, the Indemnified Party shall give notice to that effect to the Indemnifying Party with reasonable promptness, provided that failure to give such notice shall not relieve the Indemnifying Party from any liability it may have to the Indemnified Party except to the extent that the Indemnifying Party is prejudiced thereby;

(b) in the case of Claims arising from third parties, the Indemnifying Party shall have the right by notice to the Indemnified Party not later than 30 days after receipt of the notice described in Section 6.4(a) above to assume the control of the defense, compromise or settlement of the Claims, provided that such assumption shall, by its terms, be without costs to the Indemnified Party and the Indemnifying Party shall at the Indemnified Party's request furnish it with reasonable security against any costs or other liabilities to which it may be or become exposed by reason of such defense, compromise or settlement;

(c) upon the assumption of control by the Indemnifying Party as aforesaid, the Indemnifying Party shall diligently proceed with the defense, compromise or settlement of the Claims at its sole expense, including employment of counsel reasonably satisfactory to the Indemnified Party and, in connection therewith, the Indemnified Party shall co-operate fully, but at the expense of the Indemnifying Party, to make available to the Indemnifying Party all pertinent information and witnesses under the Indemnified Party's control, make such assignments and take such other steps as in the opinion of counsel for the Indemnifying Party are necessary to enable the Indemnifying Party to conduct such defense; provided always that the Indemnified Party shall be entitled to reasonable security from the Indemnifying Party for any expense, costs or other liabilities to which it may be or may become exposed by reason of such co-operation;

(d) the final determination of any such Claims arising from third parties, including all related costs and expenses, will be binding and conclusive upon the Parties as to the validity or invalidity, as the case may be, of such Claims against the Indemnifying Party hereunder; and

(e) should the Indemnifying Party fail to give notice to the Indemnified Party as provided in Section 6.4(b) above, the Indemnified Party shall be entitled to make such settlement of the Claims as in its sole discretion may appear reasonably advisable, and such settlement or any other final determination of the Claims shall be binding upon the Indemnifying Party.

Sole Remedy

6.5 No Party may make any Claim against any other Party except by making a Claim pursuant to and in accordance with the provisions of this Article 6; provided, however, that if the provisions of this Article 6 shall be invalid or unenforceable, the Parties shall have any other rights and remedies available to them under law or in equity.

PART 7
CONDITIONS PRECEDENT

Mutual Conditions Precedent

7.1 The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the completion of the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

(a) the Amalgamation Resolution shall have been passed by the requisite majority of Target Shareholders and directors and SubCo Shareholder and directors pursuant to the Act;

(b) PubCo shall have received all shareholder and/or board approvals necessary or desirable in connection with the Amalgamation, including, without limitation, approval of the PubCo Consolidation and the Name Change;

(c) PubCo shall have effected the PubCo Consolidation and the Name Change on or prior to the Effective Date;

(d) the Amalgamation shall have become effective on or prior to the Outside Date;

(e) the completion of the Concurrent Financing;

(f) PubCo and Target shall have executed and delivered a copy of the Filing Statement to the Exchange and such Filing Statement shall have been conditionally accepted by the Exchange subject only to customary conditions of closing, provided that if the Amalgamation is rejected by the Exchange, (i) all recourse or rights of appeal as contemplated hereby will have been exhausted, and (ii) the Party wishing to terminate this Agreement on this basis will have first used commercially reasonable efforts to negotiate the terms of the Qualifying Transaction objectionable to the Exchange on terms acceptable to the Parties, acting reasonably;

(g) the Exchange shall have accepted the Target Property as a Tier 1 or Tier 2 Property (as such terms are defined in the policies of the Exchange) and Target shall have prepared a NI 43-101 compliant Geological Report in respect of the Target Property that sets out an exploration program of no less than the minimum required under Exchange Policy;

(h) PubCo shall not be in default of the requirements of the NEX tier of the Exchange and any securities commission and no order shall have been issued and currently in effect preventing the Amalgamation or the trading of any securities of PubCo;

(i) all other consents, orders and approvals, including regulatory and third party approvals and orders, necessary or desirable for the completion of the transactions provided for in this Agreement and the Amalgamation shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances;

(j) this Agreement shall not have been terminated under Part 9;

(k) dissent rights shall not have been exercised with respect to the Amalgamation by Target Shareholders which in the aggregate represent 50.1% or more of the Target Shares outstanding on the record date for the Target Meeting;

(l) the availability of prospectus exemptions for the Amalgamation under Applicable Canadian Securities Laws and the availability of registration exemptions for the Amalgamation under applicable securities laws of the United States in respect of any PubCo Shares to be issued in the United States;

(m) the Resulting Issuer shall be exempt from the Sponsorship requirement or a Sponsor shall have filed an acceptable Sponsor's report with the Exchange; and

(n) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Amalgamation.

The foregoing conditions are for the mutual benefit of PubCo on the one hand and Target on the other hand and may be waived, in whole or in part, jointly by the Parties at any time. If any of the foregoing conditions are not satisfied or waived on or before the Effective Date then a Party may terminate this Agreement by written notice to the other Parties in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of such terminating Party's breach of this Agreement.

Additional Conditions to Obligations of PubCo

7.2 The obligations of PubCo to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

(a) Target shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by it on or before the Effective Date pursuant to the terms of this Agreement and that the representations and warranties of Target made in this Agreement shall be true and correct in all material respects as at the Effective Date with the same force and effect as if such representations and warranties had been made on and as of such date;

(b) Target shall have paid in full all accounts payable of PubCo outstanding as of the date hereof, which are:

(i) $98,880.14 owed to PubCo's legal counsel ("**Prior Legal Fees**"), which for greater certainty does not include any fees or disbursements related to the Transaction, as such fees and disbursements have not been invoiced as of the date hereof;

(ii) $10,680.74 owed to MNP LLP;

(iii) $1,112.64 owed to Computershare Trust Company of Canada; and

(iv) $1,200.73 owed to the TSX Venture Exchange Inc.,

and shall provide evidence of the same in a form satisfactory to PubCo;

(c) Target shall have furnished PubCo with:

(i) certified copies of the resolutions duly passed by the board of directors of Target approving this Agreement and the consummation of the transactions contemplated hereby;

(ii) certified copies of the Amalgamation Resolutions approved by the directors and shareholders of Target;

(iii) certified copies of Target's Constating Documents;

(iv) a certificate of good standing of Target and its material subsidiaries, including the Target Subsidiaries, dated within one day of the Effective Date;

(v) if applicable, duly executed investment agreements, including accredited investor certifications, for any shareholders of Target resident in the United States, in a form satisfactory to PubCo and its counsel, acting reasonably;

(vi) a certificate of Target addressed to PubCo and dated the Effective Date, signed on behalf of Target by two senior officers of Target, confirming that the conditions in Section 7.2(a), (d) and (f) have been satisfied;

(d) at or prior to the Effective Date and effective upon completion of the Amalgamation, the Resulting Issuer and Target shall have executed and delivered releases to the resigning directors and officers of PubCo, in a form acceptable to such directors and officers;

(e) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting Target or any Target Subsidiary before or by any domestic or foreign court, tribunal or Governmental Agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of PubCo, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting Target taken as a whole or would materially impede the ability of the Parties to complete the Amalgamation;

(f) there shall not have occurred any Material Adverse Change of Target taken as a whole;

(g) PubCo shall have received from counsel to Target favourable legal opinions concerning such matters with respect to the Amalgamation as are customary in similar transactions and as PubCo and its counsel may reasonably request, including with respect to the corporate existence and ownership of the Target Subsidiaries;

(h) the Exchange escrow agreement shall be duly executed and delivered by all Parties thereto;

(i) PubCo shall have received consents from the Target nominees to act as directors of PubCo with effect as of the Effective Date; and

(j) the holders of the issued and outstanding Target Shares holding marketable title thereto, free and clear of any and all encumbrances, liens, charges and demands of whatsoever nature.

The conditions in this Section 7.2 are for the exclusive benefit of PubCo and may be asserted by PubCo regardless of the circumstances or may be waived by PubCo in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which PubCo may have. If any of the foregoing conditions in this Section 7.2 are not satisfied or waived on or before the Effective Date then PubCo may terminate this Agreement by written notice to Target in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of PubCo's breach of this Agreement.

Additional Conditions to Obligations of Target

7.3 The obligations of Target to consummate the transactions contemplated hereby, and in particular to complete the Amalgamation, is subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions:

(a) PubCo shall have performed, satisfied and complied with all obligations, covenants and agreements to be performed and complied with by them on or before the Effective Date pursuant to the terms of this Agreement and that the representations and warranties of PubCo made in this Agreement shall be true and correct in all material respects as at the Effective Date with the same force and effect as if such representations and warranties had been made on and as of such date;

(b) the Post-Consolidation PubCo Shares to be issued to the Target Shareholders pursuant to the Amalgamation shall be issued as fully paid and non-assessable common shares in the capital of PubCo, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those pursuant to any relevant Exchange policies or applicable securities laws;

(c) between the date of this Agreement and the Effective Time, PubCo shall not have incurred or otherwise accepted liability for any contractual obligation, liability or expense out of the ordinary course of its business, which for purposes hereof, will include any contractual obligation, liability or expense in excess of $2,500, other than a contractual obligation, liability or expense of PubCo directly related to the Qualifying Transaction;

(d) PubCo shall have furnished Target with:

(i) certified copies of the resolutions duly passed by the boards of directors of PubCo approving this Agreement and the consummation of the transactions contemplated hereby;

(ii) certified copies of the resolutions duly passed by the shareholders of PubCo approving the PubCo Consolidation, the Name Change, the Resulting Issuer Stock Option Plan;

(iii) certified copies of the resolutions of PubCo, as the sole shareholder of SubCo, approving this Agreement and the consummation of the transactions contemplated hereby;

(iv) certified copies of PubCo and SubCo's Constating Documents;

(v) evidence that PubCo is a reporting issuer in the Province of British Columbia and Alberta and is not in default of any of the provisions therein;

(vi) certificates of good standing of PubCo and SubCo dated within one day of the Effective Date; and

(vii) a certificate of PubCo addressed to Target and dated the Effective Date, signed on behalf of PubCo by a senior officer of PubCo, confirming that the conditions in Section 7.3(a), (e), and (f) have been satisfied;

(e) no act, action, suit, proceeding, objection or opposition shall have been taken against or affecting PubCo before or by any domestic or foreign court, tribunal or Governmental Agency or other regulatory or administrative agency or commission by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law and no law, regulation, policy, judgment, decision, order, ruling or directive (whether or not having the force of law) shall have been enacted, promulgated, amended or applied, which in the sole judgment of Target, acting reasonably, in either case has had or, if the Amalgamation was consummated, would result in a Material Adverse Change respecting PubCo or would materially impede the ability of the Parties to complete the Amalgamation;

(f) there shall not have occurred any Material Adverse Change of PubCo or SubCo;

(g) Target shall have received from counsel to PubCo favourable legal opinions concerning such matters with respect to the Amalgamation as are customary in similar transactions and as Target and its counsel may reasonably request;

(h) at the time of the closing of the Amalgamation, each of the directors and officers of PubCo and SubCo, shall have provided a resignation and mutual release in form and substance satisfactory to Target, acting reasonably, and PubCo shall have taken all necessary action to cause the board of directors and officers of

PubCo post-closing to be comprised of the directors and officers set forth in Section 2.10 and Section 2.11.

The conditions in this Section 7.3 are for the exclusive benefit of Target and may be asserted by Target regardless of the circumstances or may be waived by Target in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Target may have. If any of the foregoing conditions in this Section 7.3 are not satisfied or waived on or before the Effective Date then Target may terminate this Agreement by written notice to PubCo in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of Target's breach of this Agreement.

Notice and Effect of Failure to Comply with Conditions

7.4 Each of PubCo and Target shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

Satisfaction of Conditions

7.5 The conditions set out in this Part 7 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, the Plan of Merger and Articles are filed under the Act to give effect to the Amalgamation.

PART 8
AMENDMENT

Amendment

8.1 This Agreement may at any time and from time to time on or before the Effective Date be amended by written agreement of the Parties hereto.

PART 9
TERMINATION

Termination

9.1 This Agreement may be terminated at any time in each of the following circumstances:

(i) by written agreement executed and delivered by PubCo and Target;

(ii) by any Party if the Effective Date shall not have occurred by the Outside Date unless the failure to complete the Amalgamation by such date is the result, directly or indirectly, of a breach of this Agreement by the Party seeking to terminate the Agreement, in which case this Agreement shall not be terminated pursuant to this Section 9.1;

(iii) as set out in Sections 7.1, 7.2 and 7.3 of this Agreement; or

(iv) by a non-breaching Party, in the event of a material breach of a material representation, warranty or covenant contained herein which is not cured within 10 Business Days of a non-breaching Party providing written notice of the breach to the breaching Party.

If this Agreement is terminated in accordance with the foregoing provisions of this Section 9.1, this Agreement shall forthwith become void and no Party shall have any liability or further obligation to the other Parties hereunder except for each Party's obligations under Sections 10.7, 10.8, 10.8, 10.9, 10.10 and 10.11 hereunder, which shall survive such termination, and provided that neither the termination of this Agreement nor anything contained in this Section 9.1 shall relieve any Party from any liability for any breach by it of this Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made herein, prior to the date of such termination.

PART 10
GENERAL

Notices

10.1 All notices that may be or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by courier or sent by electronic transmission:

(a) in the case of PubCo to:

Richmond Road Capital Corp.
1900, 520 3rd Ave. SW
Calgary, AB T2P 0R3
Attn: Michael Doyle – Chief Executive Officer
Email: mdoyle@canpetro.com

with a copy to:

Borden Ladner Gervais LLP
Suite 1900, 520 3rd Ave. SW
Calgary, AB T2P 0R3

Attention: Robb McNaughton
Email: rmcnaughton@blg.com

(b) in the case of Target, to:

Fredonia Management Ltd.
Av. Del Libertador 828 - 1ºA - (C1001ABV)
Ciudad de Buenos Aires, Argentina
Attn: Estanislao Auriemma – Chief Executive Officer and Ali Mahdavi, Chairman
Email: ea@FredoniaMining.com and AM@spinnakercmi.com

with a copy to:

Fasken Martineau DuMoulin LLP
Bay Adelaide Centre
333 Bay Street, Suite 2400
Toronto, Ontario M5H 2T6
Attention: Paul Fornazzari
Email: pfornazzari@fasken.com

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

Binding Effect

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

Assignment

10.3 Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties hereto without the prior written consent of the other Parties hereto.

Entire Agreement

10.4 This Agreement, together with the agreements and documents referred to herein, constitute the entire agreement among the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

Public Communications

10.5 Each of PubCo and Target agree to consult with each other prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Amalgamation or making any filing with any Governmental Authority with respect thereto.

Without limiting the generality of the foregoing, no Party shall issue any press release regarding the Amalgamation, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Party and reasonable opportunity for comment; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use all commercially reasonable efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

No Shop

10.6 Each of the Parties will not, nor will it permit any of its respective directors, officers, affiliates, employees, representatives or agents (including and without limitation, investment bankers, attorneys and accountants) directly or indirectly to, solicit, discuss, encourage or accept any offer for the purchase of such Party or the business or the assets of such Party, whether as a primary or backup offer, or take any other action with the intention or reasonable foreseeable effect of leading to any commitment or agreement to sell such Party or business or the assets of such Party (an "**alternative transaction**"). In addition, each of the Parties will conduct its respective operations according to its ordinary and usual course of business consistent with past practices and will not enter into any material transactions or incur any material liabilities (including without limitation, issuing or agreeing to issue any securities other than as expressly contemplated in this Agreement) without obtaining the consent of the other Parties, which consent will not be unreasonably withheld or delayed. Notwithstanding the foregoing, nothing herein will restrict the Parties from taking such actions as may be required in order to discharge their obligations pursuant to applicable corporate laws.

Each Party represents and warrants to the other that it is not currently in any discussions or negotiations with any other Person with respect to any alternative transaction. Each Party will promptly notify the other Parties of any alternative transaction of which any director, senior officer or agent of the Party is or becomes aware of, any amendment to any of the foregoing or any request for non-public information relating to the Party. Such notice will include a description of the material terms and conditions of any such proposal and the identity of the Person making such proposal, inquiry, request or contact.

Costs

10.7 In the event that the Transaction does not close, each party will bear its respective costs incurred in connection with the due diligence investigation to be undertaken by such party and the preparation, execution, and performance of this Agreement and the transactions contemplated hereby, including all fees and expenses of agents, representatives, legal counsel, and accountants. Target and its counsel will be responsible for preparing the first drafts of all documentation required to effect the Transaction and all ancillary matters referred to herein or otherwise. Target and its counsel will also be responsible for preparing and submitting the Filing Statement to the TSXV, including all documentation required by the TSXV in connection therewith, including without limitation any foreign local counsel opinions. Target will be responsible for paying all TSXV filing, listing and other fees in respect of the Transaction.

Target also agrees that any outstanding amounts owed by PubCo in connection with the Transaction or otherwise shall be paid at the time of closing prior to the change of Pubco's directors and officers. For greater certainty, in the event that the Transaction closes, as a matter of law, all of the liabilities of the Amalgamated Entity will merge and the pre-existing liabilities of Richmond Road will be paid and such liabilities will be paid as set out herein.

The Parties agree that PubCo's legal counsel has agreed to a firm cap on its legal fees for its work on the Transaction of C$60,000 plus tax and disbursements. For greater certainty, the Parties agree that any work done by PubCo's legal counsel for PubCo prior to the date of the letter of intent entered into by the Parties in respect of the Transaction, including the entire amount of the Prior Legal Fees, shall not be considered to be work on the Transaction, and all fees in respect thereof shall be outside of, and not form part of, the C$60,000 cap.

Confidentiality

10.8 Each Party acknowledges that all information to be disclosed by the other Party in connection with the Qualifying Transaction is highly sensitive, confidential and proprietary in nature. Except as and to the extent required by law, each Party and its affiliates and Representatives (as applicable, the "**Receiving Party**") shall not disclose or use, and it shall cause its affiliates and Representatives not to disclosure or use, any Confidential Information (as defined below) with respect to the other Party, its affiliates or Representatives (the "**Disclosing Party**") furnished, or to be furnished, by the Disclosing Party to the Receiving Party in connection herewith at any time or in any manner, other than in connection with the evaluation of the Qualifying Transaction and in accordance with this Agreement.

10.9 "**Confidential Information**" means all information of a Party that a prudent business person would deem to be of such sensitive nature that its unauthorized dissemination would cause material harm, including, without limitation: information concerning or relating to the Disclosing Party's business, affairs, financial position, assets, operations, activities, prospects, trade secrets, technology, technical, information, marketing information and marketing plans and strategies, customer and prospective customer lists, records, and information, together with all compilations, notes, or other documents prepared by or for the Disclosing Party containing or based upon such information, but shall not include:

(a) information which is or becomes available to the public, other than as a result of disclosure by the Receiving Party;

(b) information which the Receiving Party can prove was, at the time of disclosure, already in the possession of the Receiving Party on a non-confidential and lawful basis; or

(c) has become available to the Receiving Party or its Representatives on a non-confidential basis from a person who is not, to the knowledge of the Receiving Party or its Representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the Receiving Party or its Representatives.

10.10 Except with the prior written consent of the Disclosing Party, each Receiving Party will hold all Confidential Information in strictest confidence, except such information and documents that are required to be disclosed by applicable law.

10.11 If this Agreement is terminated pursuant to Section 9.1: (a) each Receiving Party shall promptly upon request return to the Disclosing Party any Confidential Information in the Receiving Party's possession; and (b) the terms of Sections 10.9, 10.10 and 10.11 shall survive termination of this Agreement for a period of two years from the Termination Date.

Severability

10.12 If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Further Assurances

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

10.14 The Parties acknowledge that the Filing Statement and the listing of the Post-Consolidation PubCo Shares will require the acceptance of the Exchange and the Parties intend, at the appropriate time, to use all reasonable commercial efforts to obtain such acceptance. PubCo and Target will fully cooperate in the compilation and drafting of the Filing Statement, to be submitted by PubCo to the Exchange to list the Post-Consolidation PubCo Shares on the Exchange upon completion of the Qualifying Transaction.

Time of Essence

10.15 Time shall be of the essence of this Agreement.

Applicable Law and Enforcement

10.16 This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of Alberta and the laws of Canada. The Parties hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

Waiver

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

Counterparts

10.18 This Agreement and any amendments thereto (and any other agreements, notices or documents contemplated thereby) may be executed and delivered by facsimile transmission or other form of electronic recorded transmission (including via electronic mail via the Internet) and in any number of counterparts and all such facsimile or other electronically transmitted copies and counterparts shall be deemed to be an original hereof and for all purposes constitute one agreement, be binding on the Parties, provided each Party has executed and delivered at least one counterpart to the other Parties, and each may be relied upon by each Party as such for any and all purposes.

[remainder of page intentionally left blank - signature page immediately follows]

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

RICHMOND ROAD CAPITAL CORP.

Per: ______________________________
Authorized Signatory

FREDONIA MANAGEMENT LTD.

Per: ______________________________
Authorized Signatory

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

RICHMOND ROAD CAPITAL CORP.

Per: ______________________________
Authorized Signatory

FREDONIA MANAGEMENT LTD.

Per: ______________________________
Authorized Signatory

EXHIBIT "A"

FORM OF ARTICLES OF AMALCO

ARTICLES OF MERGER

These Articles of Merger entered into this [ ] day of [ ], 2021 by and between Fredonia Management Limited (the "**Surviving Company**") and [Sub Co] (the "**Merging Company**"), **WITNESSETH** as follows:

1. The parties hereto do hereby adopt the Plan of Merger a copy of which is annexed hereto to the intent that the merger shall be effective on [ ], 2021 (the "**effective date**").

2. The Memorandum and Articles of the Merging Company were filed with the Registrar of Corporate Affairs in the British Virgin Islands on the [ ] day of [ ], 2021.

3. The Memorandum and Articles of the Surviving Company were filed with the Registrar of Corporate Affairs in the British Virgin Islands on the 22nd day of March, 2010.

4. The Merger was approved for both the Surviving Company and the Merging Company by resolutions of directors dated the [ ] day of [ ], 2021.

5. The Merger was approved for both the Surviving Company and the Merging Company by resolutions of members dated the [ ] day of [ ], 2021.

6. The Surviving Company and the Merging Company have complied with all the provisions of the laws of the British Virgin Islands, to enable them to merge upon the effective date.

7. These Articles of Merger may be executed in counterparts which when taken together shall constitute one instrument.

IN WITNESS WHEREOF the parties hereto have caused these Articles of Merger to be executed on this [ ] day of [ ], 2021

SIGNED and DELIVERED for and	)	______________________
on behalf of	)	[ ]
FREDONIA MANAGEMENT LIMITED	)	
by [ ]	)	
a duly authorised director	)	
before me:	)	

____
Name

____
Address

____
NOTARY PUBLIC

SIGNED and DELIVERED for and	)	______________________________
on behalf of	)	[ ]
[ ]	)	
by [ ] a duly authorized director	)	
before me:	)	

____
Name

____
Address

____
NOTARY PUBLIC

EXHIBIT “B”

FORM OF PLAN OF MERGER

PLAN OF MERGER

This Plan of Merger is made the [ ] day of [ ], 2021 between Fredonia Management Limited (sometimes hereinafter referred to as the "**Surviving Company**") and [Sub Co] (the "**Merging Company**").

WHEREAS the Surviving Company is a BVI Business Company existing under and by virtue of the BVI Business Companies Act (the "**Act**") and is entering into this Plan of Merger pursuant to the provisions of the Act.

AND WHEREAS the Merging Company is also a BVI Business Company existing under and by virtue of the Act and is entering into this Plan of Merger pursuant to the provisions of the Act.

AND WHEREAS the parties hereto deem it desirable and in the best interest of the companies and their members as the case may be that the Merging Company be merged into the Surviving Company.

NOW THEREFORE this Plan of Merger witnesseth as follows:

1. The constituent companies to this plan of Merger are Fredonia Management Limited and [Sub Co].

2. The surviving company is Fredonia Management Limited.

3. The Merging Company has [ ] voting shares in issue. The Surviving Company has [ ] voting shares in issue. The shares issued by the said companies are each entitled to vote on the merger as one class.

4. Upon the merger, the separate corporate existence of the Merging Company shall cease and the Surviving Company shall become the owner, without other transfer, of all the rights and property of the constituent companies and the Surviving Company shall become subject to all liabilities, obligations and penalties of the constituent companies.

5. The manner and basis of converting the shares of the constituent companies into shares of the Surviving Company or other property shall be as follows:

   (a) each share of the Merging Company issued and outstanding on the effective date of the merger shall continue to be one share in the Surviving Company; and

   (b) each share of the Surviving Company issued and outstanding on the effective date shall be cancelled in exchange for one common share in the capital of Richmond Road Capital Corp.

6. The constituent documents of Fredonia Management Limited as amended on the effective date shall be the constituent documents of the Surviving Company until the same shall be altered or amended or until new constituent documents are adopted as provided therein.

7. This Plan of merger shall be submitted to the members of each of the constituent companies for their approval by a resolution of members.

8. The merger shall be effective as provided by the laws of the British Virgin Islands.

9. This Plan of Merger may be executed in counterparts which when taken together shall constitute one instrument.

In witness whereof the parties hereto have caused this Plan of Merger to be executed on this day of , 2021.

SIGNED and DELIVERED for and	)	______________________________
on behalf of	)	[ ]
FREDONIA MANAGMENT LIMITED	)	
by [ ]	)	
a duly authorised director	)	
before me:	)	

____
Name

____
Address

____
NOTARY PUBLIC

SIGNED and DELIVERED for and	) ______________________________
on behalf of	) [ ]
[ ]	)
by [ ] a duly authorized director	)
before me:	)

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Name

____
Address

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NOTARY PUBLIC