SMITHE RESOURCES CORP.

\- and -

TGC GOLD CORP.

\- and -

**THE SHAREHOLDERS OF TGC GOLD CORP.
THAT HAVE EXECUTED AND DELIVERED A TGC SHAREHOLDER CONSENT AGREEMENT
SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS SCHEDULE "A"**

BUSINESS COMBINATION AGREEMENT

February 19, 2025

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BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT made as of the 19th day of February, 2025.

BETWEEN:

SMITHE RESOURCES CORP., a company existing under the laws of the Province of British Columbia

(hereinafter referred to as "**Smithe**")

- and -

TGC GOLD CORP., a company existing under the laws of the Province of British Columbia

(hereinafter referred to as "**TGC**")

- and -

THE SHAREHOLDERS OF TGC GOLD CORP. THAT HAVE EXECUTED AND DELIVERED A TGC SHAREHOLDER CONSENT AGREEMENT SUBSTANTIALLY IN THE FORM ATTACHED HERETO AS SCHEDULE "A"

WHEREAS Smithe is a reporting issuer pursuant to Securities Laws (as defined herein) whose common shares are listed on the TSX Venture Exchange (the "**Exchange**");

AND WHEREAS the shareholders that have executed and delivered a TGC Shareholder Consent Agreement (as defined herein) substantially in the form attached hereto as Schedule "A" are the registered holders of all of the issued and outstanding common shares (the "**Vendors**") in the authorized structure of TGC (each a "**TGC Share**") in the amounts set forth in the signature blocks of their respective TGC Shareholder Consent Agreements;

AND WHEREAS subject to the terms and subject to the conditions hereinafter set forth, Smithe proposes to acquire all of the outstanding and issued TGC Shares and each Vendor proposes to transfer their respective TGC Shares held by such Vendor to Smithe in exchange for common shares in the authorized structure of Smithe following the completion of the Qualifying Transaction (as defined herein) (each, a "**Resulting Issuer Share**"), for the purposes of effecting a "Qualifying Transaction" of Smithe within the meaning of Exchange Policy 2.4 – *Capital Pool Companies*;

NOW THEREFORE THIS AGREEMENT WITNESS that in consideration of the respective covenants herein contained (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agrees as follows:

ARTICLE 1
DEFINITIONS

1.1 In addition to the words and phrases defined in the recitals or elsewhere in this Agreement, as used in this Agreement, in any exhibit hereto, in any amendment hereof, in any documents to be executed and delivered pursuant to this Agreement and in any documents executed and delivered in connection with the completion of the transactions contemplated herein, the following words and phrases shall have the following meanings, respectively:

"**Affiliate**" has the meaning ascribed thereto in the BCBCA;

"**Agreement**" means this business combination agreement as the same may be supplemented or amended from time to time;

"**Applicable Law**" means (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, and (ii) any applicable guideline, directive, rule, standard, requirement, policy, order, judgment, injunction, award or decree of a Governmental Authority whether or not having the force of law;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as the same has been and may hereafter from time to time be amended, including the regulations promulgated thereunder;

"**Business Day**" means a day other than a Saturday, Sunday or day on which the chartered banks are closed in the City of Vancouver;

"**Closing**" means the completion of the Qualifying Transaction pursuant to and in accordance with this Agreement at the Closing Time;

"**Closing Date**" means the date of the Closing, which shall be five (5) Business Days following the satisfaction or waiver of all conditions to the obligations of the parties of Closing (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or such other date as TGC and Smithe may mutually agree, acting reasonably;

"**Closing Time**" means the time on the Closing Date as may be agreed to by Smithe and TGC;

"**Concurrent Offering**" means, collectively, the Flow-Through Subscription Receipt Financing and the Non-FT Subscription Receipt Financing;

"**Confidential Information**" has the meaning set forth in Section 10.2 hereof;

"**Deep Cove Property**" means the Deep Cove Property forming part of the Property, as more particularly described in Schedule "E" hereto;

"**Deep Cove Property Option Agreement**" means the option agreement between the Deep Cove Vendors and the Optionor dated October 29, 2020, as amended on November 14, 2020, a copy of which is attached to the Option Agreement as Schedule B.2;

"**Deep Cove Vendors**" means Roland Quinlan, Eddie Quinlan, Letha Quinlan and Tony Quinlan;

"**Disclosure Document**" means a filing statement of Smithe providing disclosure with respect to the Resulting Issuer in accordance with the Policy in connection with the Qualifying Transaction;

"**Environmental Law**" means any Applicable Law relating to the environment including, but not limited to, those pertaining to (i) reporting, licensing, permitting, investigating, remediating and cleaning up in connection with any presence or Release, or the threat of the same, of Hazardous Substances, and (i) the manufacture, processing, distribution, use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including those pertaining to occupational health and safety;

“**Escrow Release Date**” means the date on which each Flow-Through Subscription Receipt and each Non-FT Subscription Receipt shall be deemed to be exercised, without payment of any additional consideration and without any further action by the holder thereof, in accordance with the terms of the Flow-Through Subscription Receipts and the Non-FT Subscription Receipts, as applicable;

“**Exchange**” means the TSX Venture Exchange Inc.;

“**Exchange Policies**” means the applicable rules, regulations, policies and forms of the Exchange;

“**Existing Deep Cove Royalty**” means the 2% net smelter returns royalty on the Deep Cove Property payable to the Deep Cove Vendors pursuant to the Deep Cove Property Option Agreement;

“**Existing Fairbanks Royalty**” means the 2% net smelter returns royalty on the Fairbanks Property payable to Larry Quinlan pursuant to the Fairbanks Property Option Agreement;

“**Existing McGrath Royalty**” means the 2% net smelter returns royalty the McGrath Property payable to Brian McGrath pursuant to the McGrath Property Option Agreement;

“**Existing Royalties**” means, collectively: (i) the Existing Toogood Royalty, (ii) the Existing Deep Cove Royalty, (iii) the Existing Virgin Arm Royalty, (iv) the Existing McGrath Royalty, and (v) the Existing Fairbanks Royalty;

“**Existing Toogood Royalty**” means the 2% net smelter returns royalty on the Toogood Property payable to Shane Stares pursuant to the Toogood Property Option Agreement;

“**Existing Virgin Arm Royalty**” means the 2% net smelter returns royalty on the Virgin Arm Property payable to the Virgin Arm Vendors pursuant to the Virgin Arm Property Option Agreement;

“**Fairbanks Property**” means the Fairbanks Property forming part of the Property, as more particularly described in Schedule “E” hereto;

“**Fairbanks Property Option Agreement**” means the option agreement between Larry Quinlan and the Optionor dated June 15, 2021, a copy of which is attached to the Option Agreement as Schedule B.5;

“**Flow-Through Subscription Receipts**” means subscription receipts of Smithe to be issued pursuant to the Flow-Through Subscription Receipt Financing. Each Flow-Through Subscription Receipt will be deemed to be exercised into one Resulting Issuer Flow-Through Share on the Escrow Release Date;

“**Flow-Through Subscription Receipt Financing**” means a non-brokered financing of Flow-Through Subscription Receipts of Smithe;

“**Finders Shares**” means 1,375,000 Resulting Issuer Shares to be issued to Darryl Cardey, subject to the approval of the Exchange;

“**Governmental Authority**” means any government, parliament, legislature, regulatory authority (including any Securities Commission or stock exchange), governmental department, agency, commission, board, tribunal, crown corporation, court or other law, rule or regulation-making entity having jurisdiction or exercising executive, legislative, judicial, regulatory or administrative powers on behalf of any federation or nation, or any province, territory, state or other subdivision thereof or any municipality, district or other subdivision thereof;

“**Hazardous Substance**” means any substance or material that is prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws;

“**IFRS**” means International Financial Reporting Standards as adopted by the International Accounting Standards Board;

“**Material Adverse Effect**” means, in respect of any entity, any one or more changes, events or occurrences which, either individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, capital, property, obligations (whether absolute, accrued, conditional or otherwise), liabilities or financial condition of that entity and its Subsidiaries taken as a whole, or prevent, materially delay or hinder that entity from performing its respective obligations under this Agreement or materially impede the consummation of the transactions contemplated by this Agreement, other than any change, event or occurrence: (i) affecting the mining industry in general; (ii) in or relating to general political, economic, financial or capital market conditions (including any reduction in market indices); (iii) in or relating to IFRS or regulatory accounting requirements; or (iv) in or relating to any change in applicable Laws or any interpretation, application or non-application thereof by any Government Authority; provided, however, that such effect referred to in clause (i) to (v) above does not have a disproportionate effect on that entity and its Subsidiaries (taken as a whole) compared to other companies of similar size operating in the same industry;

“**Name Change**” means the change of the name of Smithe to “Toogood Gold Corp.” or such other name as may be determined in the sole discretion of TGC, subject to Applicable Laws and Exchange Policies;

“**McGrath Property**” means the McGrath Property forming part of the Property, as more particularly described in Schedule “E” hereto;

“**McGrath Property Option Agreement**” means the option agreement between Brian McGrath and the Optionor dated December 12, 2020, a copy of which is attached to the Option Agreement as Schedule B.4;

“**NI 43-101**” means National Instrument 43-101 – Standards of Disclosure for Mineral Projects;

“**NI 51-102**” means National Instrument 51-102 – Continuous Disclosure Obligations;

“**Non-FT Subscription Receipts**” means subscription receipts of Smithe, each to be issued pursuant to the Non-FT Subscription Receipt Financing. Each Non-FT Subscription Receipt will be deemed to be exercised into one Resulting Issuer Share on the Escrow Release Date;

“**Non-FT Subscription Receipt Financing**” means a non-brokered financing of Non-FT Subscription Receipts of Smithe;

“**Option Agreement**” means the option agreement dated September 18, 2024 between TGC and the Optionor in respect of the Property;

“**Optionor**” means Prospector Metals Corp.;

“**Outside Date**” means June 18, 2025 or such other date as the parties may mutually agree;

“**Payment Ratio**” has the meaning set forth in Section 2.1(b) hereof;

“**Payment Shares**” has the meaning set forth in Section 2.1(b) hereof;

“**Person**” means a natural person, firm, corporation, trust, partnership, joint venture, governmental body or agency or association;

“**Policy**” means Policy 2.4 of the Exchange – Capital Pool Companies;

“**Property**” means the mineral licences described in Schedule “E”, including the Toogood Property, the Deep Cove Property, the Virgin Arm Property, the McGrath Property and the Fairbanks Property, as they may be augmented under Part 9 of the Option Agreement, all mining leases and other mining rights and interests derived from any such licences, and a reference herein to a mineral claim comprising the Property includes any mineral leases or other interests into which such mineral claim may have converted, and Property includes all Property Rights related thereto, subject to the Existing Royalties;

“**Property Rights**” means the licenses, permits, easements, rights-of-way, certificates and other approvals obtained by any person before or after the date of the Option Agreement and necessary or desirable for the exploration and development of the Property, or for the purpose of commencing or continuing commercial production;

“**Purchase Price**” has the meaning set forth in Section 2.1(b) hereof;

“**Qualifying Transaction**” means the business combination between Smithe and TGC, whereby Smithe will acquire TGC by way of the Share Exchange, and which will include the Concurrent Offering, the Name Change, the Share Exchange and the Resulting Director Appointments and which will constitute the ‘qualifying transaction’ of Smithe pursuant to the Policy;

“**Release**” means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal;

“**Representatives**” means the directors, officers, employees, advisors and counsel of a Person;

“**Resulting Directors**” means the board of directors of Smithe to be appointed concurrently with the completion of the Qualifying Transaction, to consist up to four (4) members as set out in Section 2.1(g), all of whom shall be nominees of TGC;

“**Resulting Issuer**” means Smithe following the completion of the Qualifying Transaction;

“**Resulting Issuer Escrow Agreement**” means the escrow agreement to be dated as of the Closing Date among the Resulting Issuer, Endeavour Trust Corporation and certain security holders of the Resulting Issuer in compliance with the requirements of the Exchange, with the securities subject to such agreement to be released as determined by the Exchange;

“**Resulting Issuer Flow-Through Shares**” means common shares in the capital of the Resulting Issuer issued on the deemed exercise of the Flow-Through Subscription Receipts, each of which shall, for the purposes of the *Income Tax Act* (Canada), be designated as a “flow through share”;

“**Resulting Issuer Shares**” means common shares of the Resulting Issuer, including the common shares of the Resulting Issuer issued on deemed exercise of the Non-FT Subscription Receipts;

"**Resulting Issuer Share Compensation Plan**" means the share compensation plan of the Resulting Issuer to be adopted by the Resulting Issuer, in such form as determined by TGC subject to the approval of the Exchange;

"**Securities Act**" means the *Securities Act* (British Columbia) and the regulations thereunder, as from time to time amended;

"**Securities Commissions**" means, collectively, the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission;

"**Securities Laws**" means, collectively, the securities laws of the Provinces of British Columbia, Alberta, and Ontario and the regulations and rules made and forms prescribed thereunder, together with all applicable multilateral or national instruments, published policy statements, blanket orders, rulings and notices of the Securities Commissions, and together with all policies, rules and regulations of the Exchange;

"**Share Exchange**" means the purchase by Smithe of the TGC Shares in exchange for the Payment Shares, as more particularly described in Section 2.1 herein;

"**Smithe Financial Statements**" means, collectively, (a) the audited financial statements of Smithe for the years ended April 30, 2024 and April 30, 2023, (b) the unaudited interim financial statements of Smithe for the three-month period ended July 31, 2024, and (c) such additional financial statements as may be required to be included in the Disclosure Document;

"**Smithe Meeting**" means the meeting of Smithe Shareholders to be held for the purposes set out in Section 2.1(d) and any and all adjournments of such meeting;

"**Smithe Options**" means the 740,000 options of Smithe, granted to the directors and officers of Smithe, each such Smithe Option entitling the holder thereof to purchase one Smithe Share at an exercise price of $0.10 per share until October 21, 2026;

"**Smithe Public Disclosure Record**" means all documents and information filed by Smithe under applicable Securities Laws on the System for Electronic Document Analysis Retrieval (SEDAR+), during the period commencing on February 17, 2021 (date of incorporation) and ending at the Closing Date, which are publicly available as of the date hereof or as of the Closing Date;

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

"**Subsidiary**" has the meaning ascribed thereto in the BCBCA;

"**Taxes**" means all taxes, duties, assessments, imposts and levies however denominated, including any interest, penalties, fines, successor liabilities or other additions that may become payable in respect thereof, imposed by any Governmental Authority in Canada, including those levied on, measured by, or referred to as, income, capital, gross receipts, profits (including, but not limited to, federal income taxes and provincial income taxes), payroll and employee withholding, unemployment insurance, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, business licence taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a party is required to pay, withhold, remit or collect;

"**Tax Act**" means the *Income Tax Act* (Canada), as the same may be amended from time to time, and includes any regulations thereto;

“**Tax Returns**” means all returns, declarations, reports, information returns and statements filed or required to be filed with any taxing authority relating to Taxes;

“**Technical Report**” means a NI 43-101 compliant technical report for the Property;

“**TGC Financial Statements**” means the audited consolidated financial statements of TGC for the period from June 3, 2024 (date of incorporation) ending October 31, 2024, and any other financial statements of TGC or the Property required to be included in the Disclosure Document;

“**TGC Shareholder Consent Agreements**” means the consent agreements that have been entered into between Smithe, TGC and each Vendor concurrent with execution of this Agreement, which are substantially in the form attached hereto as Schedule “A”;

“**TGC Shares**” has the meaning set forth in the recitals to this Agreement;

“**to the knowledge**” or similar expressions when referring to Smithe or TGC means the actual knowledge of the directors and executive officers of Smithe or TGC (as applicable), as the case may be after reasonable inquiry, and, when referring to an individual, the actual knowledge of such individual, and in either case, the actual knowledge that any such person should have acquired upon reasonable inquiry;

“**Toogood Property**” means the Toogood Property forming part of the Property, as more particularly described in Schedule “E” hereto;

“**Toogood Property Option Agreement**” means the option agreement between Shane Stares and the Optionor dated November 12, 2020, a copy of which is attached to the Option Agreement as Schedule B.1;

“**U.S. Person**” means has the meaning ascribed to such term in Rule 902(k) of Regulation S under the U.S. Securities Act;

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

“**Vendors**” has the meaning set forth in the recitals to this Agreement;

“**Virgin Arm Property**” means the Virgin Arm Property forming part of the Property, as more particularly described in Schedule “E” hereto;

“**Virgin Arm Property Option Agreement**” means the option agreement between the Virgin Arm Vendors and the Optionor dated October 23, 2020, as amended September 12, 2024, a copy of which is attached to the Option Agreement as Schedule B.3; and

“**Virgin Arm Vendors**” means Kevin Keats, Allan Keats, Brian Bursey and Timothy Froude.

ARTICLE 2
THE QUALIFYING TRANSACTION

2.1 Transaction Items

(a) **<u>Share Exchange</u>**. Subject to the terms and conditions hereof and the TGC Shareholder Consent Agreements, Smithe hereby offers and agrees to purchase at the Closing as described in this Section 2.1, all TGC Shares owned by each of the Vendors, and each of the Vendors accept such offer and agree to sell, assign and transfer to Smithe all such TGC Shares. Smithe and the Vendors shall sign such documents as are necessary in order to give each party the entirety of the rights, obligations and benefits of the Share Exchange under this Agreement and in accordance with the terms of this Agreement.

(b) **<u>Payment of Purchase Price</u>**. Subject to the terms and conditions hereof, the purchase price (the "**Purchase Price**") payable by Smithe to the Vendors for their respective TGC Shares shall be deemed to be $0.10 per TGC Share so acquired and the Purchase Price will be satisfied in full by the issuance to the Vendors at the Closing Time, of one (1) Resulting Issuer Share (the "**Payment Shares**") for each one (1) TGC Share held (the "**Payment Ratio**").

(c) **<u>Concurrent Offering</u>**. Smithe and TGC will use commercially reasonable efforts to cause Smithe to complete the Concurrent Offering as soon as reasonably practicable following the date hereof, and in any case, prior to the Closing Date.

(d) **<u>Smithe Meeting</u>**. Smithe shall call and convene the Smithe Meeting at which the Smithe Shareholders will be asked, among other things, to approve the Resulting Director Appointments and the Resulting Issuer Share Compensation Plan and Smithe shall use all commercially reasonable efforts to obtain the approval of the Smithe Shareholders for the foregoing matters.

(e) **<u>Name Change</u>**. On or before the Closing Date, Smithe shall effect the Name Change.

(f) **<u>Escrow and Resale Requirements</u>**. Each of the Vendors acknowledges that the Exchange may require certain of the Payment Shares issuable pursuant to this Agreement (i) to be held in escrow pursuant to Exchange Policies and, as contemplated in Subsection 5.3(l) hereof, each Vendor whose Payment Shares are subject to such escrow will execute and deliver the Resulting Issuer Escrow Agreement in the form required by the Exchange; or (ii) to be subject to certain "*Seed Share Resale Restrictions*" as contemplated in the Exchange Policies and the certificate(s) representing such Vendor's Payment Shares shall include a legend setting forth any such restrictions.

(g) **<u>Resulting Director Appointments</u>**. At Closing, the parties hereby acknowledge and agree that they will take all necessary steps to appoint the Resulting Directors and officers of the Resulting Issuer, which will consist of such individuals as determined by TGC and approved by the Exchange, and are expected to include the following individuals:

Officers:

Chief Executive Officer: Colin Smith

Chief Financial Officer and Corporate Secretary: Cheryll Lingal

VP Exploration: Jo Price

Directors:

Matthew Roma

Darren Devine

Colin Smith

(h) **<u>Cessation of Shareholder Rights</u>**. Each of the Vendors acknowledges and confirms that, upon the completion of the purchase and sale of the TGC Shares pursuant to the terms of this Agreement, (i) each Vendor shall have assigned all of its rights as a security holder of TGC; and (ii) all rights with respect to the Vendor's TGC Shares, including, without limitation, any rights to dividends, distributions, receipt of notices and voting shall immediately cease and terminate on the Closing Date, except only the right of the Vendors to receive the Payment Shares in exchange therefor as contemplated in this Agreement.

2.2 **General**

(a) **<u>Tax Election</u>**. Smithe agrees that, at the request and expense of each Vendor, Smithe will jointly elect with the Vendor for the provisions of subsection 85(1) or (2) of the Tax Act and any equivalent provision under provincial legislation (each a "**Tax Election Provision**") to apply to the TGC Shares acquired by Smithe from the Vendor. In order to make any such election, the Vendor will prepare any prescribed election form (each a "**Tax Election Form**") and deliver any such Tax Election Form to Smithe. Upon receipt, Smithe will sign the Tax Election Form and deliver a copy of the Tax Election Form to the Vendor by mail using the address that the Vendor provided to Smithe in the Tax Election Form within five (5) Business Days of receipt thereof. It will be the sole responsibility of each Vendor making the request to file the Tax Election Form with the Canada Revenue Agency or relevant provincial Governmental Entity. Smithe will not be liable for any damages arising to the Vendor for a late filing of a Tax Election Form or any errors or omissions on a Tax Election Form.

Notwithstanding anything contained in this Agreement, Smithe does not assume and will not be liable for any taxes under the Tax Act or under provincial legislation or any other amount whatsoever which may be or become payable by a Vendor including, without limiting the generality of the foregoing, any Tax resulting from or arising as a consequence of the sale by the Vendor to the Smithe of the TGC Shares herein contemplated, or the availability (or lack thereof) of any Tax Election Provision, or the content or impact of any election made under any Tax Election Provision.

(b) **<u>Fractional Shares</u>**. No fraction of a Resulting Issuer Share will be issued by virtue of the Qualifying Transaction, and no certificates or other electronic evidence for any fractional shares shall be issued. Any holder who would otherwise be entitled to receive a fractional Resulting Issuer Share shall, in lieu thereof, receive, or be entitled to receive, one whole Resulting Issuer Share, as applicable.

(c) **<u>U.S. Holders – Restrictive Legend</u>**. Any Payment Shares issued to U.S. Persons will not be transferable except (i) pursuant to an effective registration statement under the U.S. Securities Act or (ii) upon receipt by the Resulting Issuer of a written opinion of counsel for the holder reasonably satisfactory to the Resulting Issuer to the effect that the proposed transfer is exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Restrictive legends shall be placed on all such certificates representing Payment Shares issued in the Qualifying Transaction to U.S. Persons, substantially as follows:

"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 ACQUIRING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO THE CORPORATION; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS; (C) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF CLAUSE (C) OR (D), THE SELLER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE CORPORATION AND THE REGISTRAR AND TRANSFER AGENT TO SUCH EFFECT."

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties related to TGC**. TGC represents and warrants to and in favour of Smithe as set out in Schedule "B" hereto and acknowledges that Smithe is relying upon the same in connection with the entering into of this Agreement and the completion of the Qualifying Transaction.

3.2 **Representations and Warranties of Smithe**. Smithe represents and warrants to and in favour of each of the other parties hereto as set out in Schedule "C" and acknowledges that such parties are relying upon the same in connection with the entering into of this Agreement and the completion of the Qualifying Transaction.

3.3 **Representations and Warranties of the Vendors**. Each Vendor, severally with respect to itself only and not in respect of any other Vendor and not jointly or jointly and severally with any other Vendor, represents and warrants to and in favour of Smithe as set out in Schedule "D" and acknowledges that Smithe is relying upon the same in connection with the entering into of this Agreement and the completion of the Qualifying Transaction.

ARTICLE 4
COVENANTS

4.1 **Positive Covenants of TGC**. Until the earlier of the completion of the Qualifying Transaction on the Closing Date or the day upon which this Agreement is terminated in accordance with Section 7.2, TGC shall:

(a) use its commercially reasonably efforts to satisfy (or cause the satisfaction of) the conditions precedent to the obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws and regulations to complete the Qualifying Transaction in accordance with the terms of this Agreement;

(b) subject to Applicable Laws, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Qualifying Transaction;

(c) furnish promptly to Smithe a copy of each notice, report, schedule or other document or communication delivered, filed or received by TGC in connection with the Qualifying Transaction, any filings under Applicable Laws and any dealings with regulatory or Governmental Authorities in connection with or in any way affecting the transactions contemplated herein;

(d) conduct and operate its business and affairs only in the ordinary course consistent with past management practice and use best efforts to preserve its business organization, goodwill and material business relationships with other persons;

(e) take all necessary corporate action and proceedings to approve and authorize the Qualifying Transaction;

(f) to use commercially reasonable efforts to assist Smithe to complete the Concurrent Offering;

(g) promptly notify Smithe if any of the representations and warranties made by it in this Agreement ceases to be true, accurate and complete in any material respect and of any failure to comply in any material respect with any of its obligations; and

(h) subject to the terms hereof, deliver and cause to be delivered all closing deliveries as may be required to be delivered by it pursuant to this Agreement.

4.2 **Positive Covenants of Vendors**. Until the earlier of the completion of the Qualifying Transaction on the Closing Date or the day upon which this Agreement is terminated in accordance with Section 7.2, each of the Vendors shall:

(a) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws and regulations to complete the Qualifying Transaction in accordance with the terms of this Agreement;

(b) execute and deliver, as applicable, the Resulting Issuer Escrow Agreement, and any pooling or similar arrangements in respect of the Payment to be received by such Vendor as the Exchange may require;

(c) subject to Applicable Laws, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Qualifying Transaction;

(d) promptly notify each of the other parties if any of the representations and warranties made by it in this Agreement ceases to be true, accurate and complete in any material respect and of any failure to comply in any material respect with any of its obligations;

(e) on or after Closing surrender the certificate held by such shareholder to Smithe against the Payment Shares it is entitled to receive in accordance with this Agreement;

(f) consent to, and assist TGC and Smithe with, the filing by Smithe from time to time of any information required by any Securities Commissions or the Exchange with respect to its receipt of Payment Shares pursuant to this Agreement; and

(g) subject to the terms hereof, deliver and cause to be delivered all closing deliveries required to be delivered by it pursuant to this Agreement.

4.3 **Restrictive Covenants of TGC**. TGC hereby covenants and agrees that it will not, from the date hereof to and including the Closing Date, except in connection with the Qualifying Transaction contemplated by this Agreement or with the prior written consent of Smithe (such consent not to be unreasonably withheld):

(a) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to its shareholders;

(b) split, combine or reclassify any outstanding shares;

(c) redeem, purchase or offer to purchase any of its shares or other securities;

(d) reorganize, amalgamate or merge with any other Person in any manner whatsoever, other than as may be necessary in order to give effect to the Qualifying Transaction (and excluding any requisite internal reorganizations);

(e) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or any assets or properties other than in the ordinary course of its business;

(f) other than in connection with the Option Agreement, issue or commit to issue any shares, rights, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options, except pursuant to the terms of securities outstanding on the date hereof;

(g) alter or amend in any way its constating documents or by-laws as the same exist at the date of this Agreement;

(h) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets; or

(i) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement.

4.4 **Positive Covenants of Smithe**. Until the earlier of the completion of the Qualifying Transaction on the Closing Date or the day upon which this Agreement is terminated in accordance with Section 7.2, Smithe shall:

(a) use its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws and regulations to complete the Qualifying Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person seeks to prevent, delay or hinder implementation of all or any portion of the Qualifying Transaction or seeks to invalidate all or any portion of this Agreement, Smithe shall use its commercially reasonably best efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the parties to complete the Qualifying Transaction;

(b) with the assistance of TGC, make application to the Exchange and take such actions as are required to receive, in a timely manner, Exchange approval of the Qualifying Transaction, including without limitation, the issuance and listing on the facilities of the Exchange of the Payment Shares, the issuance of the Flow-Through Subscription Receipts and the Non-FT Subscription Receipts pursuant to the Concurrent Offering, and the Name Change;

(c) jointly prepare with TGC any press release in connection with the Qualifying Transaction contemplated by this agreement, provided, however, that nothing contained herein shall prohibit Smithe, following notification to TGC, from making any disclosure which is required by law or regulation. If any such press release or public announcement is so required, Smithe shall consult with TGC prior to making such disclosure, and the parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such disclosure which is satisfactory to both parties;

(d) subject to Applicable Laws, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Qualifying Transaction;

(e) conduct and operate its business and affairs only in the ordinary course consistent with past management practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons;

(f) promptly notify each of the other parties if any of the representations and warranties made by it in this Agreement ceases to be true, accurate and complete in any material respect and of any failure to comply in any material respect with any of its obligations;

(g) furnish promptly to TGC a copy of each notice, report, schedule or other document delivered, filed or received by it in connection with: (i) the Qualifying Transaction; (ii) any filings under Applicable Laws; and (iii) any dealings with regulatory agencies in connection with the transactions contemplated herein;

(h) timely file with applicable regulatory authorities all reports and other documents required to be filed under Securities Laws. All such reports and documents (i) shall not, as of the date of such filing, contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and (ii) shall comply as to form, in all material respects, with the applicable rules and regulations of the applicable regulatory authorities;

(i) with the assistance of TGC, prepare a Disclosure Document, and all information relating to Smithe contained in the Disclosure Document shall be complete and accurate in all material respects as at the date of the Disclosure Document, shall not contain any misrepresentation or untrue statement of a material fact or omit to state a material fact with respect to Smithe that is required to be stated in the Disclosure Document and necessary to make any statement that it contains not misleading in light of the circumstances in which it is made;

(j) with the assistance of TGC, use its commercially reasonable efforts to complete the Concurrent Offering;

(k) take all necessary action on the part of Smithe so that each Flow-Through Subscription Receipt shall be deemed to be exercised without payment of any additional consideration and without any further action by the holder thereof, for one Resulting Issuer Flow-Through Share upon the Escrow Release Date;

(l) take all necessary action on the part of Smithe so that each Non-FT Subscription Receipt shall be deemed to be exercised without payment of any additional consideration and without any further action by the holder thereof, for one Resulting Issuer Share upon the Escrow Release Date;

(m) make other necessary filings and applications under applicable federal and provincial laws and regulations required on its part in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations; and

(n) subject to the terms hereof, deliver and cause to be delivered all closing deliveries required to be delivered by it pursuant to this Agreement.

4.5 **Restrictive Covenants of Smithe**. Smithe covenants and agrees that it will not, from the date hereof to and including the Closing Date, except as contemplated by this Agreement or with the prior written consent of TGC (such consent not to be unreasonably withheld):

(a) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to its shareholders;

(b) split, combine or reclassify any outstanding shares;

(c) enter into any agreement, except in connection with the Concurrent Offering;

(d) redeem, purchase or offer to purchase any of its common shares or other securities;

(e) reorganize, amalgamate or merge with any other Person in any manner whatsoever;

(f) other than in connection with the Qualifying Transaction, acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or any assets or properties other than in the ordinary course of its business;

(g) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;

(h) other than in connection with the Concurrent Offering, issue or commit to issue any shares, rights, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options, except pursuant to the issuance of securities issuable pursuant to the terms of securities outstanding on the date hereof;

(i) alter or amend in any way its constating documents or by-laws as the same exist at the date of this Agreement, other than in connection with the Qualifying Transaction;

(j) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of Smithe or any of its Subsidiaries;

(k) take any action which would be outside the ordinary course of business or which may result in a material adverse change in its affairs;

(l) purchase, or otherwise acquire, any business or asset;

(m) engage in any business enterprise or other activity;

(n) enter into any transaction with or make payments to a party with which it does not deal at arm's length;

(o) grant any director, officer or employee any increase in compensation or in severance or termination pay (whether or not such compensation or pay is payable in cash), or enter into any employment or consulting agreement with any such director, officer or employee, or hire or promote any such person; or

(p) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under this Agreement.

ARTICLE 5
CONDITIONS

5.1 **Mutual Conditions**. The respective obligations of the parties hereto to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Closing Date, of the following conditions any of which may be waived by the mutual consent of Smithe and TGC, without prejudice to their rights to rely on any other or others of such conditions:

(a) all necessary regulatory approvals shall have been obtained for the consummation of the Qualifying Transaction, including the Exchange's conditional approval to:

(i) the business combination of Smithe and TGC and the listing of the Payment Shares; and

(ii) the listing of the Resulting Issuer Flow-Through Shares underlying the Flow-Through Subscription Receipts and the Resulting Issuer Shares underlying the Non-FT Subscription Receipts issuable pursuant to the Concurrent Offering;

subject in each case to only customary conditions;

(b) there shall not exist any prohibition at law against, and there shall not be in force any order or decree restraining or enjoining, the completion of the Qualifying Transaction;

(c) there shall not be threatened in writing, instituted or pending any *bona fide* action or proceeding before any court or governmental authority or agency (i) challenging or seeking to make illegal, or to delay or otherwise directly or indirectly restrain or prohibit, the consummation of the transactions contemplated hereby or seeking to obtain material damages in connection with such transactions, (ii) seeking to prohibit direct or indirect ownership or operation by Smithe of all or a material portion of the business or assets of TGC, or to compel Smithe or TGC to dispose of or to hold separately all or a material portion of the business or assets of TGC, as a result of the transactions contemplated hereby; (iii) seeking to invalidate or render unenforceable any material provision of this Agreement or any of the other agreements attached as exhibits hereto or contemplated hereby, or (iv) otherwise relating to and materially adversely affecting the Qualifying Transaction contemplated hereby;

(d) there shall not be any action taken, or any statute, rule, regulation, judgment, order or injunction proposed, enacted, entered, enforced, promulgated, issued or deemed applicable to the transactions contemplated hereby, by any federal, state or other court, government or governmental authority or agency, that would reasonably be expected to result, directly or indirectly, in any of the consequences referred to in Section 5.1(c);

(e) the distribution of Payment Shares pursuant to the Share Exchange shall be exempt from prospectus requirements, and from applicable takeover bid rules under applicable Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to a four month period under applicable Securities Laws;

(f) the issuance of all Payment Shares contemplated hereunder to be issued pursuant to this Agreement in the United States or to U.S. Persons shall be exempt from the registration requirements of the U.S. Securities Act and all applicable state securities laws; and

(g) each party shall have provided to the other such audited and pro-forma financial statements required by the Disclosure Documents;

provided that, if any of the above conditions in this Section 5.1 shall not have been satisfied or waived by the parties on or before Closing or, if earlier, the date required for the performance thereof, then a party may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by the party terminating the Agreement. In the event that the failure to satisfy any one or more of the above conditions precedent results from a default by a party of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, such defaulting party shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

5.2 **Conditions of TGC and the Vendors**. The obligations of TGC and the Vendors to complete the Qualifying Transaction are subject to the fulfilment of the following conditions on or before the Closing Date:

(a) except as affected by the Qualifying Transaction contemplated herein, the representations and warranties of Smithe contained herein shall be true in all material respects (save and except for any representation or warranty already qualified by materiality, which shall be true and correct in all respects) as of the Closing Date with the same effect as though such representations and warranties had been made at and as of such time, and Smithe shall have delivered a certificate confirming the same, dated the Closing Date and addressed to TGC and executed by a senior officer of Smithe (to the best of their knowledge having made reasonable inquiry and without personal liability);

(b) Smithe shall have fulfilled or complied in all material respects with each of its covenants contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Time, and Smithe shall have delivered a certificate confirming the same, dated the Closing Date and addressed to TGC and executed by a senior officer of Smithe (to the best of their knowledge having made reasonable inquiry and without personal liability);

(c) all other necessary corporate action shall have been taken by Smithe to permit the consummation of the Concurrent Offering, Name Change, Share Exchange and the Resulting Director appointments, and TGC shall have received from Smithe copies of the records of all corporate action taken to authorize the execution, delivery, and performance of this Agreement and the Qualifying Transaction, certified by a duly authorized officer thereof to be true and complete as of the Closing Time;

(d) all consents and approvals which are required or necessary to be obtained by Smithe for the completion of the transactions contemplated under this Agreement shall have been obtained, received or waived;

(e) if requested by TGC, each of the directors and officers of Smithe shall, contemporaneously with or prior to execution of this Agreement, enter into voting support agreements with TGC in form and substance satisfactory to TGC agreeing to vote all of their securities held in Smithe in favour of matters requiring shareholder approval at the Smithe Meeting;

(f) shareholders of Smithe shall have approved the Resulting Director appointments and Resulting Issuer Share Compensation Plan at a meeting of Smithe Shareholders;

(g) the Name Change and any other corporate changes, reasonably requested by TGC, shall each have been completed;

(h) the Smithe Financial Statements shall have been provided;

(i) no Material Adverse Effect affecting the business, affairs, assets financial condition or operations of Smithe shall have occurred between the date hereof and the Closing Date;

(j) since the date of this Agreement, no action, suit or proceeding shall have been taken before or by any Person against Smithe (whether or not purportedly on behalf of Smithe) that would, if successful, have a material adverse effect on Smithe, in the sole discretion of TGC, acting reasonably;

(k) each of the officers and directors of Smithe immediately prior to the Closing Time, shall deliver duly executed resignations from their positions with Smithe and mutual releases effective with the completion of the Qualifying Transaction;

(l) the Resulting Directors shall have been appointed as the board of directors of Smithe effective as of the Closing Date;

(m) the management of Smithe shall have been reconstituted such that all members of the management team shall be nominees of TGC;

(n) Smithe shall have delivered all applicable closing deliveries pursuant to Section 8.3; and

(o) Smithe shall have delivered to each Vendor or, to the extent required by the Exchange, to an escrow agent selected by TGC (the "**Escrow Agent**"), certificates or DRS duly registered in the name of such Vendor as set forth in the signature block of the applicable TGC Shareholder Consent Agreement evidencing the number of Payment Shares to which such Vendor is entitled pursuant to this Agreement and the TGC Shareholder Consent Agreement.

If any of the above conditions in this Section 5.2 shall not have been complied with or waived by TGC (on its own behalf and on behalf of the Vendors) on or before Closing, or, if earlier, the date required for the performance thereof, then TGC may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by TGC. In the event that the failure to satisfy any one or more of the above conditions precedent results from a default by TGC or a Vendor of its obligations under this

Agreement and if such condition(s) precedent would have been satisfied but for such default, TGC shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

5.3 **Conditions of Smithe**. The obligations of Smithe to complete the Qualifying Transaction are subject to the fulfillment of the following conditions on or before the Closing Date (or the date indicated below, as applicable):

(a) except as affected by the transactions contemplated herein, the representations and warranties of TGC and the Vendors contained herein shall be true in all material respects (save and except for any representation or warranty already qualified by materiality, which shall be true and correct in all respects) as of the Closing Date confirming the same, dated the Closing Date and addressed to Smithe and executed by a senior officer of TGC (to the best of their knowledge having made reasonable inquiry and without personal liability);

(b) TGC shall have fulfilled or complied in all material respects with each of its covenants contained in this Agreement to be fulfilled or complied with by it on or prior to the Closing Time, and TGC shall have delivered a certificate confirming the same, dated the Closing Date and addressed to Smithe and executed by a senior officer of TGC (to the best of their knowledge having made reasonable inquiry and without personal liability);

(c) each of the acts and undertakings to be performed by the Vendors or TGC on or before the Closing Date pursuant to the terms of this Agreement shall have been duly performed by the Vendors or TGC, as applicable;

(d) TGC shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by TGC to permit the completion of the Qualifying Transaction;

(e) if required by the Exchange, TGC shall have delivered a sponsor report satisfactory to the Exchange;

(f) if required by the Exchange, TGC shall have delivered an independent valuation satisfactory to the Exchange;

(g) the TGC Financial Statements shall have been provided;

(h) if required by the Exchange, TGC shall have provided carve-out financial statements in respect of the Property;

(i) no Material Adverse Effect affecting the business, affairs, assets financial condition or operations of TGC shall have occurred between the date hereof and the Closing Date;

(j) the Vendors shall have tendered all, but not less than all, of the TGC Shares, accompanied by duly executed share transfer forms and associated TGC Share certificates, such that Smithe shall, immediately after the Closing, be the sole shareholder of the entire issued share capital of TGC;

(k) since the date of this Agreement, no action, suit or proceeding shall have been taken before or by any Person against TGC (whether or not purportedly on behalf of TGC) that would, if successful, have a material adverse effect on TGC, in the sole discretion of Smithe, acting reasonably;

(l) the Resulting Issuer Escrow Agreement, pursuant to which the Payment Shares issued to certain Vendors under this Agreement will be held in escrow pursuant to the policies of the Exchange, shall have been executed and delivered by such Vendors as may be required by the Exchange;

(m) TGC shall have delivered all applicable closing deliveries pursuant to Section 8.3; and

(n) The Vendors shall have delivered all applicable closing deliveries pursuant to Section 8.3.

If any of the above conditions in this Section 5.3 shall not have been complied with or waived by Smithe on or before Closing, or, if earlier, the date required for the performance thereof, Smithe may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Smithe. In the event that the failure to satisfy any one or more of the above conditions precedent results from a default by Smithe of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, Smithe shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

5.4 **Standstill**.

(a) During the period commencing on the date hereof and terminating upon the earlier of:

(i) the Closing Date,

(ii) the date that this Agreement is terminated pursuant to Section 7.2; and

(iii) the date that any statute, rule, policy or regulation currently in existence or which shall have been proposed, enacted, promulgated or entered by any regulatory or administrative authority having jurisdiction, in the judgment of the parties (acting reasonably), makes the transactions contemplated hereby illegal or unduly delays the closing of the Qualifying Transaction,

Smithe and TGC, as the case may be, will not, nor shall any of their respective Representatives, directly or indirectly, alone or jointly or in concert with any other Person (except as otherwise agreed to by the parties):

(A) acquire or agree to acquire, or make any proposal or make any offer to acquire, in any manner, either directly or indirectly, any assets or securities of the other parties or any Subsidiary thereof, including, without limitation, commencing any “take-over bid” (within the definition of such term in the Act or the Securities Act) for any securities of the other parties (provided that the provisions hereof shall not be interpreted to prohibit the parties or their Affiliates from continuing to conduct business with the other parties in the ordinary course and consistent with past practice);

(B) solicit proxies from, or otherwise attempt to influence the conduct of, holders of securities of the other parties;

(C) form, join or in any way participate as a “control person” as such term is defined in the Securities Act with respect to the equity of the other parties; or

(D) engage in any discussions or negotiations or enter into any agreement, commitment or understanding, or otherwise act jointly or in concert with any third party to propose or effect any business combination, equity or asset transaction of any nature or kind with respect to the other parties or its Affiliates, or to influence the conduct of the other parties, its Affiliates or its directors.

(b) During the period commencing on the date hereof and terminating upon the earlier of:

(i) the Closing Date,

(ii) the date that this Agreement is terminated pursuant to Section 7.2, and

(iii) the date that any statute, rule, policy or regulation currently in existence or which shall have been proposed, enacted, promulgated or entered by any regulatory or administrative authority having jurisdiction, in the judgment of the parties (acting reasonably), makes the transactions contemplated hereby illegal or unduly delays the closing of the Qualifying Transaction,

neither party hereto will provide or cause to be provided any information with respect to itself or its Subsidiaries, or directly or indirectly solicit, initiate, entertain or consider any offer, negotiation or expression of intent or in any manner encourage, recommend or agree to any proposal or offer of any other potential transaction or otherwise cooperate with, assist or participate in, facilitate or encourage any effort or attempt with respect to:

(A) the sale or issuance of any shares or securities convertible into shares of the party or its Subsidiaries other than as herein otherwise contemplated or pursuant to the exercise of presently outstanding options or share purchase warrants, without the prior written consent of the other party;

(B) the sale, disposition or exchange of assets of the party or its Subsidiaries outside of the ordinary course of business without the prior written consent of the other party; or

(C) the entering into of any material agreement or understanding outside of the ordinary course of business of the party, including a Material Event, without the prior written consent of the other party;

provided, however, that nothing contained herein shall prohibit a party from (i) satisfying obligations under existing contractual obligations, (ii) completing the Qualifying Transaction; (iii) making another proposal to the board of directors of the other party relating to a business combination, equity or asset transaction between the parties, so long as such proposal is made with the consent of the other party to any such proposal being made; (iv) responding as required by law to any unsolicited submission or proposal regarding any acquisition or disposition of assets, an unsolicited take-over bid or proposal to amalgamate, merge or effect an arrangement or any unsolicited acquisition proposal generally or make any disclosure required to its shareholders with respect thereto which, in the judgment of the board of directors acting reasonably or upon the advice of counsel, is required under Applicable Laws; and (v) engaging in discussions with financial institutions or investment bankers. Each of the parties acknowledges that any such procedures are subject to Section 10.2 hereof and will not be contested by the other party, whether by way of judicial or regulatory process or otherwise.

ARTICLE 6
SURVIVAL OF REPRESENTATIONS AND WARRANTIES

6.1 The representations and warranties of the parties contained in this Agreement shall not survive the completion of the Qualifying Transaction and shall expire and be terminated on the earlier of the Closing Time and the date on which this Agreement is terminated in accordance with its terms; provided, however, that this Section 6.1 will not limit any covenant or agreement that, by its terms, contemplates performance after the Closing Date or the date on which this Agreement is terminated, as the case may be.

ARTICLE 7
AMENDMENT AND TERMINATION

7.1 **Amendment**. This Agreement may, at any time and from time to time, be amended by written agreement of TGC and Smithe, and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the parties hereto;

(b) waive compliance with or modify any representations, warranties or covenants of the parties;

(c) waive or modify performance of any of the obligations of any of the parties hereto; or

(d) waive compliance with or modify any conditions precedent contained herein.

7.2 **Termination**. This Agreement may be terminated at any time prior to Closing:

(a) by mutual agreement in writing by Smithe and TGC;

(b) by Smithe or TGC by written notice to the other if the closing of the Qualifying Transaction does not occur on or prior to the Outside Date, unless the failure to complete the Qualifying Transaction 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 7.2(b);

(c) as set forth in Sections 5.1, 5.2, or 5.3 of this Agreement.

In the event of the termination of this Agreement as permitted above, this Agreement shall become void and no party shall have any liability or further obligation to any other party. Notwithstanding the foregoing, the provisions in Article 6 and Sections 10.2, 10.7 and 10.11 shall survive any termination of this Agreement.

ARTICLE 8
CLOSING ARRANGEMENTS

8.1 **Closing**. The closing of the Qualifying Transaction contemplated herein shall take place at the Closing Time, on the Closing Date, via electronic delivery of documents, or at such other place or by such other means as may be agreed to in writing by the parties hereto.

8.2 **Closing Steps**:

At the Closing Time, assuming the satisfaction or waiver of all Conditions set out in Article 5, the business combination of Smithe and TGC shall be completed in a series of steps and transactions in the order as follows:

(a) Smithe will complete the Concurrent Offering;

(b) Smithe will effect the Name Change;

(c) Smithe and TGC will complete the Share Exchange and issue the Payment Shares;

(d) each outstanding Flow-Through Subscription Receipt shall be deemed to be exercised and its holder shall receive for no additional consideration one Resulting Issuer Flow-Through Share;

(e) each outstanding Non-FT Subscription Receipt shall be deemed to be exercised and its holder shall receive for no additional consideration one Resulting Issuer Share; and

(f) on Closing, the Resulting Issuer will reconstitute its board of directors to give effect to the appointment of the Resulting Directors.

8.3 **Closing Deliveries**. At the Closing Time, the parties will deliver the following documentation, and any other closing deliveries customary for a transaction of this nature.

(a) Smithe will deliver or cause to be delivered:

(i) certificates and or other electronic evidences of the Payment Shares registered in the respective names of the Vendors provided however that any certificates evidencing Payment Shares that are required to be escrowed by the Exchange may be delivered to the Escrow Agent in accordance with the requirements of Exchange Policies;

(ii) evidence of the conditional approval of the Exchange to the listing of the Payment Shares, the Resulting Issuer Flow-Through Shares (underlying the Flow-Through Subscription Receipts) and the Resulting Issuer Shares (underlying the Non-FT Subscription Receipts) which may be issued pursuant to the Concurrent Offering, and any other outstanding convertible securities, including the Smithe Options), the completion of the Qualifying Transaction and all matters incidental thereto as contemplated or permitted herein; and

(iii) mutual releases from all officers and directors of Smithe.

(b) TGC will deliver:

(i) certified copies of the resolutions of the board of directors of TGC approving the Qualifying Transaction; and

(ii) a certificate of good standing (or its equivalent) of TGC from the Registrar.

(c) Each of the Vendors will cause to be delivered:

(i) duly executed share transfer forms transferring the TGC Shares owned by it to Smithe or its nominee;

(ii) if applicable, original share certificates representing the TGC Shares owned by it; and

(iii) if applicable, the Resulting Issuer Escrow Agreement duly executed and delivered by such Vendor as required by the Exchange.

ARTICLE 9
APPOINTMENT OF TGC

9.1 **Terms of Appointment**.

(a) Each Vendor hereby appoints (the "**Appointment**") TGC as of the Closing as the agent, proxy and attorney-in-fact for such Vendor for all purposes under this Agreement (except where otherwise provided herein), with full power and authority to act on behalf of the Vendors.

(b) The Appointment, being coupled with an interest, is irrevocable and shall not be revoked by the insolvency, bankruptcy, death, incapacity, dissolution, liquidation or other termination of existence of any Vendor.

(c) The Appointment shall survive the transfer by any of the Vendors, to the extent of the obligations of such Vendor, of the whole or any portion of such Vendor's TGC Shares.

(d) From and after Closing, the Appointment may not be assigned by TGC, and no Vendor may otherwise grant any subsequent authority, to another Person without the prior written consent of each of the Vendors and Smithe provided that:

(i) Smithe shall not unreasonably withhold or delay such consent, and if Smithe does not provide its consent within ten (10) days of the date of the Vendor's written request thereof, Smithe shall be deemed to have consented; and

(ii) this provision shall not prevent TGC from resigning or from using its own representatives in connection with this Agreement.

(e) TGC accepts the Appointment and shall act as representative of the Vendors in accordance with this Agreement.

(f) Each Vendor revokes any and all other authority, whether as agent, attorney-in-fact, proxy or otherwise, previously conferred or agreed to be conferred by him, her or it, as the case may be, at any time with respect to the TGC Shares held by such Vendor.

(g) Each Vendor shall be bound by the actions taken by TGC, in its capacity as the Vendors' representative pursuant to the Appointment and hereby waives any and all defences which may be available to contest, negate or disaffirm the actions of TGC taken under such Appointment. The Appointment shall survive the Closing and shall continue until the completion, termination or settlement of all obligations of the Vendors under or in respect of this Agreement. The Appointment may be exercised by TGC, on behalf of each Vendor, duly executing any instrument.

(h) Smithe shall be entitled to rely on any notice, demand, communication, declaration, receipt, waiver, consent or other document purporting to be delivered by the Vendors' Representative on behalf of any Vendor, and Smithe shall not have any obligation to enquire as to the veracity, accuracy or adequacy thereof, and Smithe shall be entitled to disregard any notice, demand or claim to the contrary not sent by TGC.

ARTICLE 10
GENERAL

10.1 **Notices**. All notices, requests, demands or other communications by the terms hereof required or permitted to be given by one party to another shall be given in writing by personal delivery, facsimile transmission or by registered mail, postage prepaid, addressed to such other party or delivered to such other party as follows:

(a) **If to Smithe:**

Smithe Resources Corp.
Suite 1012, 1030 West Georgia
Vancouver, British Columbia V6E 2Y3

Attention: Andrew Lau, CEO
E-mail: *Redacted*

with a copy to:

McMillan LLP
Royal Centre, Suite 1500
1055 West Georgia Street, PO Box 11117
Vancouver, British Columbia V6E 4N7

Attention: Mark Neighbor
Email: *Redacted*

(b) **If to TGC:**

TGC Gold Corp.
1055 West Georgia Street, 1500 Royal Centre
Vancouver, British Columbia V6E 4N7

Attention: Cheryll Lingal, Director
E-mail: *Redacted*

or at such other address as may be given by any of them to the others in writing from time to time and such notices, requests, demands or other communications shall be deemed to have been received, if sent by facsimile or electronic mail, on the first Business Day after sending or, if sent by registered mail, on the fifth Business Day after mailing or, if delivered, upon the date of delivery.

10.2 **Public Announcement; Disclosure and Confidentiality**.

(a) Unless and until the transactions contemplated in this Agreement will have been completed, none of the parties shall make any public announcement concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between them relating to the matters contemplated herein without the prior consent of the other parties, which consent shall not be unreasonably withheld, provided that no party shall be prevented from making any disclosure which is required to be made by law or any rules of a stock exchange or similar organization to which it is bound.

(b) All information provided to or received by the parties hereunder shall be treated as confidential ("**Confidential Information**"). Subject to the provisions of this Section, no Confidential Information shall be published by any party hereto without the prior written consent of the others, but such consent in respect of the reporting of factual data shall not be unreasonably withheld. The consent required by this Section shall not apply to a disclosure to: (a) comply with any applicable laws, stock exchange rules or a regulatory authority having jurisdiction; (b) a director, officer or employee of a party; (c) an affiliate of a party; (d) a consultant, contractor or subcontractor of a party that has a bona fide need to be informed; or (e) any third party to whom the disclosing party may assign any of its rights under this Agreement; provided, however, that in the case of subsection (e) the third party or parties, as the case may be, agree to maintain in confidence any of the Confidential Information so disclosed to them.

(c) The obligations of confidence and prohibitions against use of Confidential Information under this Agreement shall not apply to information that the disclosing party can show by reasonable documentary evidence or otherwise: (a) as of the date of this Agreement, was in the public domain; (b) after the date of this Agreement, was published or otherwise became part of the public domain through no fault of the disclosing party or an affiliate thereof (but only after, and only to the extent that, it is published or otherwise becomes part of the public domain); or (c) was information that the disclosing party or its affiliates were required to disclose pursuant to the order of any Governmental authority or judicial authority.

10.3 **Assignment**.

(a) Except as provided herein, no party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto.

(b) Subject to obtaining the written consent of Smithe, and notwithstanding any other term of this Agreement, prior to the Closing Date a Vendor may transfer its TGC Shares to a third party, provided that such third party enters into an accession agreement whereby it agrees to be bound by the terms of this Agreement on the same terms as the other Vendors, such agreement to be in a form acceptable to Smithe and TGC.

10.4 **Binding Effect**. This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

10.5 **Waiver**. Any waiver or release of any provisions of this Agreement, to be effective, must be in writing executed by the party granting the same.

10.6 **Further Assurances**. The parties hereto covenant and agree to sign such other papers, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.

10.7 **Governing Law; Choice of Forum**. This Agreement shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each of the parties hereto hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to any matters arising out of this Agreement.

10.8 **Currency**. Except as otherwise stated herein, dollar amounts referred to in this Agreement shall be in Canadian funds.

10.9 **Third Party Beneficiaries**. Nothing in this Agreement, express or implied, shall be construed to create any third-party beneficiaries.

10.10 **Interpretation**. All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed and agreeing with the required word and/or pronoun. The division of this Agreement into articles, sections, subsections and exhibits are for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

10.11 **Expenses**. Save and except as otherwise provided herein, each party shall be responsible for its own legal and accounting fees and other expenses incurred in connection with the completion of the transactions contemplated herein. Notwithstanding the foregoing, TGC will be responsible for all costs associated with obtaining the requisite regulatory approvals for the Qualifying Transaction, including costs related to: (i) Exchange filing fees, (ii) a valuation report, if required, (iii) a sponsor report, if required, (iv) the Technical Report, and (v) legal and title reports in respect of TGC and its assets, if required.

10.12 **Time of the Essence**. Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.

10.13 **Entire Agreement**. This Agreement and the documents and instruments and other agreements among the parties hereto as contemplated by or referred to herein constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. This Agreement shall not be amended except in writing signed by all of the parties hereto, and any amendment hereof shall be null and void and shall not be binding upon any party which has not given its consent as aforesaid.

10.14 **Counterparts**. This Agreement may be executed and delivered (including by facsimile transmission, pdf copy or other electronic means) in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

10.15 **Severability**. In the event that any of the representations, warranties or covenants or any portion of them contained in this Agreement are unenforceable or are declared invalid for any reason whatsoever, such unenforceability or invalidity shall not affect the enforceability or the validity of the remaining terms or portions thereof of this Agreement, and such unenforceable or invalid representation, warranty or covenant or portion thereof shall be severable from the remainder of this Agreement.

10.16 **Independent Legal Counsel**. Each of the parties hereby acknowledges and declares that it has been advised to seek, and has sought, or has waived the right to seek, independent legal counsel in connection with the execution of this Agreement and is executing this Agreement of its own volition in a free and enlightened manner, and without fear, threats, compulsion, duress or influence by any person.

(the remainder of this page left intentionally blank)

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

SMITHE RESOURCES CORP.	**TGC GOLD CORP.**
By: */s/ Andrew Lau*	By: */s/ Cheryll Lingal*
Name: Andrew Lau	Name: Cheryll Lingal
Title: Chief Executive Officer	Title: Director
Authorized Signing Officer	Authorized Signing Officer

SCHEDULE "A"
TGC SHAREHOLDER CONSENT AGREEMENT

THIS AGREEMENT made effective as of February ____, 2025 (the "**Agreement**").

BETWEEN:

SMITHE RESOURCES CORP.

a corporation existing under the laws of British Columbia

(the "**Purchaser**")

AND:

TGC GOLD CORP.

a corporation existing under the laws British Columbia

("**TGC"**)

AND:

THE TGC SHAREHOLDER who has executed this Agreement

(the "**Vendor**," and together with all of the shareholders of TGC, the "**Vendors**")

WHEREAS:

A. The Purchaser, TGC and each of the Vendors of TGC wish to enter into a Business Combination Agreement in the form attached as Schedule "A" hereto (the "**Business Combination Agreement**");

B. Pursuant to the Business Combination Agreement, the Purchaser will acquire from the Vendors all of the issued and outstanding shares of TGC (the "**Transaction**"); and

C. Each of the Vendors has agreed to provide consent and to be bound by the terms of the Business Combination Agreement by entering into a TGC Shareholder Consent Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do covenant and agree each with the other as follows:

1. Unless specifically defined herein or unless the context otherwise requires, terms used herein which are defined in the Business Combination Agreement shall have the meanings ascribed to such terms in the Business Combination Agreement.

2. On the execution of this Agreement by the Vendor, the Vendor covenants and agrees that it shall be bound by all of the provisions of the Business Combination Agreement, including, without limitation, all representations, warranties and covenants of the Vendor contained therein.

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

parties hereby agree to attorn to the exclusive jurisdiction of the Courts of British Columbia and not to commence any form of proceedings in any other forum.

4. This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method, each of which when executed and delivered will be deemed an original and all of which counterparts together will be deemed to constitute one and the same instrument.

[Signature page follows.]

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

SMITHE RESOURCES CORP.

Per: ______________________________
Authorized Signatory

TGC GOLD CORP.

Per: ______________________________
Authorized Signatory

AND THE FOLLOWING SHAREHOLDER:

Name: ______________________________

Number of Shares: ______________________________

Signature: ______________________________

SCHEDULE "B"
REPRESENTATIONS AND WARRANTIES RELATED TO TGC

(a) TGC is a company duly incorporated, validly existing and in good standing under the laws of British Columbia, has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted, to execute and deliver this Agreement and to perform its obligations hereunder.

(b) This Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement including the Disclosure Document will be, duly authorized, executed and delivered by TGC and each is or will be, a legal, valid and binding obligation of TGC enforceable against TGC in accordance with its terms, subject to (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(c) The execution and delivery of this Agreement does not and the consummation of the Qualifying Transaction will not: (i) result in a breach or violation of the constating documents of TGC; (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, licence, permit or authority to which TGC is a party or by which TGC is bound or to which any material assets or property of TGC is subject; or (iii) violate any provision of law or regulation or any judicial or administrative order, award, judgment or decree applicable to TGC.

(d) TGC is not a "reporting issuer" (as such term is defined in the *Securities Act*) nor an associate of any reporting issuer and the TGC Shares do not trade on any stock exchange.

(e) No consent, approval, notice or report to, filing with, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over TGC or US Energy is required to be obtained by TGC in connection with the execution and delivery of this Agreement or the consummation of the Qualifying Transaction, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Qualifying Transaction or otherwise prevent TGC or any Vendor from performing its obligations under this Agreement.

(f) There is no suit, action or proceeding pending, or to the knowledge of TGC, threatened against it that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect upon TGC or refrain or prevent completion of the purchase by Smithe of the TGC Shares, and there is no judgment, decree, injunction, rule or order of any Governmental Authority with jurisdiction over TGC outstanding against TGC, causing, or which insofar as can reasonably be foreseen, in the future would cause, a Material Adverse Effect on TGC.

(g) TGC is authorised to issue an unlimited number of common shares, with 19,600,000 TGC Shares being issued and outstanding as of the date hereof.

(h) Other than in connection with the Option Agreement, no Person has any agreement, option or right to acquire or capable of becoming an agreement for the purchase or acquisition of any of the unissued TGC Shares or any other securities of TGC, and there are no other outstanding securities or instruments which are convertible into or exchangeable for TGC Shares.

(i) TGC has no subsidiaries.

(j) The Option Agreement is valid, in good standing and in full force and effect, and no violations thereof have been experienced, noted or recorded and no proceedings of any kind are pending or, to the knowledge of TGC after due inquiry, threatened to revoke, limit, rescind or modify any of the underlying option.

(k) A true and complete copy of the Option Agreement has been provided to Smithe.

(l) Other than as described herein relating to the Option Agreement, there is no agreement, option or any other right or obligation binding upon, or which at any time in the future may become binding upon, TGC requiring it to: (a) sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber any of the TGC Shares or other securities or assets of TGC; or (b) to allot or issue TGC Shares or to create any additional class of equity or debt securities of TGC.

(m) Except for the approvals contemplated herein, no consent, authorization or approval of any Person is required in order for the Vendors or TGC to effect the Qualifying Transaction.

(n) There are no loans, guarantees, pledges, mortgages, charges, liens, debentures, encumbrances or liabilities given, made or incurred by or on behalf of TGC and no person has given any guarantee of or security for any overdraft loan or loan facility granted to TGC.

(o) No other classes of shares of TGC are currently in issue other than the TGC Shares. The only issued and outstanding shares of TGC are as set forth in Schedule "B", Section (g) above, and all of such shares have been validly issued and are fully paid and non-assessable.

(p) The business of TGC is being conducted in all material respects in compliance with all Applicable Laws, regulations and ordinances of all authorities having jurisdiction, except where the failure to comply would not be reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on TGC.

(q) TGC has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified TGC of such Governmental Authority's intention to commence or to conduct any investigation that would be reasonably likely to have a Material Adverse Effect on TGC.

(r) TGC is not insolvent, nor committed any acts of bankruptcy or had a receiver appointed on any of its respective assets.

(s) To the knowledge of TGC, none of the directors or officers of TGC is or has ever been subject to prior regulatory, criminal or bankruptcy.

(t) Other than the Finders Shares that are being issued to a finder, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to act or have acted for TGC.

(u) All filings and fees required to be made by TGC pursuant to Applicable Laws, if any, have been made and paid and such filings were true and accurate in all material respects as at the respective dates thereof.

(v) All Taxes due and payable by TGC have been paid as required by Applicable Laws or provision has been made therefor in the TGC Financial Statements, except for where the failure to pay such taxes would not constitute an Material Adverse Effect. All Tax Returns, declarations, withholdings, remittances and filings required to be made or filed by TGC and US Energy have been made or filed with all appropriate Governmental Authorities as and when required by Applicable Laws and all such returns, declarations, withholdings, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading except where the failure to file such documents would not constitute an Material Adverse Effect, or result in a material adverse change to TGC or US Energy. To the knowledge of TGC: (i) no audit or examination of any Tax Return of TGC by any Governmental Authority is currently in progress nor TGC has been notified in writing or otherwise of any request for such an audit or examination; and (ii) there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by TGC. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to TGC. To the knowledge of TGC, all Taxes and charges, including all State mining land taxes, with respect to the Property have been paid in full. TGC is a "taxable Canadian corporation" as defined in the Income Tax Act.

(w) Since the date of its incorporation, TGC has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares or securities or agreed to do any of the foregoing.

(x) TGC does not and has never has any employees and does not have any obligation or liability to any current or former officer, director, employee or affiliate of TGC.

(y) As of the date hereof:

(i) TGC is not in violation of any applicable Environmental Laws;

(ii) each of TGC has all permits, authorizations and approvals required under any applicable Environmental Laws and is in material compliance with its requirements;

(iii) to the knowledge of TGC, there are no pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws against TGC or claim involving a demand for damages or other potential liability with respect to violations of applicable Environmental Laws; and

(iv) to the knowledge of TGC, there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting TGC relating to Hazardous Substances or any Environmental Laws.

(z) On the Closing Date, to the knowledge of TGC, the Technical Report will not contain a material misrepresentation and TGC will have no knowledge of any Material Adverse Effect in any information provided to the author of the technical report relating to the Property since the date that such information was provided. Other than the Property, TGC does not hold any interest in a mineral property that is material to TGC for the purposes of NI 43-101.

(aa) Upon the exercise of the option pursuant to the terms of the Option Agreement, the Optionor's rights, title and interest in the Property will be transferred to TGC in accordance with the terms thereof.

(bb) The Option Agreement has been duly authorized, executed and delivered by TGC, and constitutes a legal, valid and binding agreement, enforceable against the Optionor, in accordance with its terms, and remains in good standing in all respects.

(cc) To the knowledge of TGC, no Person, other than TGC and the Optionor, has a right to own the Property and there are no agreements or commitments by TGC or the Optionor to purchase the Property or any interest therein and there is no adverse claim or challenge against or to the ownership of or title to any part of the Property and to the knowledge of TGC, there is no basis for such adverse claim or challenge. To the knowledge of TGC, the Optionor have sufficient access to the surface area of the Property, and neither TGC nor the Optionor have granted to any Person access to, or the right to enter upon and explore or investigate the mineral potential of, the Property. To the knowledge of TGC, no person is entitled to any royalty or other payment in the nature of rent or royalty on any minerals, metals or concentrates or any other such products removed or produced from the Property, other than the Existing Royalties.

(dd) To the knowledge of TGC, all previous exploration on the Property has been carried out in accordance with Applicable Law and sound mining, environmental and business practice. Neither TGC nor, to the knowledge of TGC, the Optionor have received notice of any breach, violation or default with respect to the Property.

(ee) To the knowledge of TGC, there are no pending or ongoing actions taken by or on behalf of any First Nations, native or indigenous persons in connection with the assertion of any land claims with respect to lands included in the Property, and there are no agreements or understandings with such persons that affect or relate to the Property, and if the Property is located on lands to which any persons mentioned in this Section have any rights, claims or interests, TGC does not have any knowledge that such persons are opposed to the carrying out of the rights and obligations of any party hereto and no further consent, approval or agreement of any person, other than those already obtained, is required to be obtained in connection with the entering into of this Agreement by TGC or the completion by TGC of the transactions contemplated hereby.

(ff) No Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement for the purchase, exchange, transfer or other disposition from TGC of any of its respective assets.

(gg) There does not exist any state of facts which after notice or lapse of time, or both, will constitute a material default or breach on the part of TGC under any of the provisions contained in any of the material contracts, commitments or agreements of TGC.

(hh) The corporate records and minute books of TGC contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

(ii) The TGC Financial Statements and the notes thereto, have been prepared in accordance with IFRS, are true and correct and present fairly, in all material respects, the consolidated financial position of TGC as at such dates and the results of its operations and changes in financial position for the period indicated in the said statements.

(jj) Other than as set out in the TGC Financial Statements, TGC does not have any material liabilities, contingent or otherwise.

(kk) None of TGC, or any director, officer, or, to the knowledge of TGC, agent, employee or other Person acting on behalf of TGC has, in the course of its actions for, or on behalf of, TGC: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the *U.S. Foreign Corrupt Practices Act of 1977*, as amended or the *Corruption of Foreign Public Officials Act (Canada)*; or (iv) made other unlawful payment to any foreign or domestic government official or employee.

SCHEDULE "C"
REPRESENTATIONS AND WARRANTIES OF SMITHE

(a) Smithe is a corporation duly incorporated, organized and validly subsisting and in good standing under the laws of British Columbia, and has all the requisite corporate power, capacity and authority to enter into this Agreement and to perform its obligations hereunder and to carry on its business and to own, lease and operate its assets.

(b) Smithe is a reporting issuer not noted in default in each of British Columbia, Alberta and Ontario and is in compliance in all material respects with all of its obligations under Securities Laws. Smithe is not the subject of any investigation by any stock exchange or any other securities regulatory authority or body, is current with all filings required to be made by it under applicable Securities Law and corporate legislation and is not aware of any material deficiencies in the filing of any documents or reports with any stock exchange or securities regulatory authority or body.

(c) Smithe is a “CPC” (as such term is defined in the Policy) and the Share Exchange will constitute Smithe’s *“Qualifying Transaction”* (as such term is defined in the Policy) and Smithe has to date complied with all of the requirements contained in the Policy;

(d) Smithe’s offer to purchase all TGC Shares owned by each of the Vendors in accordance with the Share Exchange is an arm’s length offer.

(e) Smithe is not subject to any cease trade or other order of any regulatory authority and no investigation or other proceedings involving Smithe which may operate to prevent or restrict trading of any securities Smithe are currently in progress or pending before any regulatory authority.

(f) Smithe has filed all documents required to be filed by it in accordance with applicable Securities Laws with the regulatory authorities and the Exchange. All such documents and information comprising Smithe Public Disclosure Record, as of their respective dates (or, if amended, as of the date of such amendment), (i) did not contain any untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and (ii) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to Smithe Public Disclosure Record required to be made have been filed on a timely basis with the applicable regulatory authorities and the Exchange. Smithe has not filed any confidential material change report with any applicable regulatory authorities or the Exchange that at the date of this Agreement remains confidential.

(g) Smithe has no assets other than cash or cash equivalents, has not commenced any commercial operations and has not and will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a potential “Qualifying Transaction” (as such term is defined in the Policy).

(h) The execution and delivery of this Agreement and the completion of the transactions contemplated herein have been approved by the board of directors of Smithe and this Agreement constitutes a valid and binding obligation of Smithe enforceable against it in accordance with its terms, subject, however, to the approval of the Qualifying Transaction by the Exchange and the limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction.

(i) Smithe has no subsidiaries.

(j) The authorized capital of Smithe consists of an unlimited number of Smithe Shares, of which, as of the date hereof there are 7,400,000 Smithe Shares issued and outstanding.

(k) Other than (i) the Resulting Issuer Flow-Through Shares underlying the Flow-Through Subscription Receipts issuable pursuant to the Concurrent Offering, (ii) the Resulting Issuer Shares underlying the Non-FT Subscription Receipts issuable pursuant to the Concurrent Offering, (iii) the Smithe Options; and (iv) otherwise pursuant to this Agreement, no Person has any agreement, option or right to acquire or capable of becoming an agreement for the purchase or acquisition of any of the unissued Smithe Shares or any other securities of Smithe, and there are no other outstanding securities or instruments which are convertible into or exchangeable for Smithe Shares.

(l) There are no loans, guarantees, pledges, mortgages, charges, liens, debentures, encumbrances or liabilities given, made or incurred by or on behalf of Smithe and no person has given any guarantee of or security for any overdraft loan or loan facility granted to Smithe.

(m) There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review in progress or, to the knowledge of Smithe, pending or threatened against or relating to Smithe; and there is not presently outstanding against Smithe any judgment, decree, injunction, rule or order of any court, Governmental Authority, commission, agency or arbitrator.

(n) All filings and fees required to be made by Smithe pursuant to Applicable Laws, if any, have been made and paid and such filings were true and accurate in all material respects as at the respective dates thereof.

(o) All Taxes due and payable by Smithe have been paid as required by Applicable Laws or provision has been made therefor in the Smithe Financial Statements, except for where the failure to pay such taxes would not constitute an Material Adverse Effect. All Tax Returns, declarations, withholdings, remittances and filings required to be made or filed by Smithe has been made or filed with all appropriate Governmental Authorities as and when required by Applicable Laws and all such returns, declarations, withholdings, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading except where the failure to file such documents would not constitute an Material Adverse Effect, or result in a material adverse change to Smithe. To the knowledge of Smithe: (i) no audit or examination of any Tax Return of Smithe by any Governmental Authority is currently in progress nor Smithe has been notified in writing or otherwise of any request for such an audit or examination; and (ii) there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by Smithe. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Smithe. To the knowledge of TGC, all Taxes and charges have been paid in full. Smithe is a "taxable Canadian corporation" as defined in the Income Tax Act.

(p) Since the date of its incorporation, Smithe has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares or securities or agreed to do any of the foregoing.

(q) No notices, reports or other filings are required to be made by Smithe with, nor are any consents, approvals, registrations, permits, order or authorizations required to be obtained by Smithe from any third party or Governmental Authority in connection with the execution and delivery of this Agreement by Smithe, the performance of its obligations hereunder or the consummation by Smithe of the transactions contemplated hereby other than: (i) the approval of the Qualifying Transaction by the Exchange; (ii) such registrations and other actions required under applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the Name Change; and (iii) any other consents, approvals, orders, authorizations, registrations, declarations or filings which, if not obtained or made, would not, individually or in the aggregate, have a Material Adverse Effect on Smithe or prevent or materially impair Smithe's ability to perform its obligations hereunder.

(r) Smithe does not own, lease or use any real property.

(s) Smithe has not experienced nor is it aware of any occurrence or event which has had, or might reasonably be expected to have, a Materially Adverse Effect on its affairs or financial condition.

(t) Other than the Finders Shares that are being issued to a finder and other than the cash commission and finders' warrants that may be payable pursuant to Concurrent Offering, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to act or have acted for TGC.

(u) Since April 30, 2024, there has not been any material adverse change in its condition or operation or in its assets, liabilities or financial condition. At the Closing Time, Smithe shall have no liabilities (whether accrued, absolute, contingent, unliquidated or otherwise), except for ordinary course of business trade payables and costs incurred directly in connection with the closing of the Qualifying Transaction.

(v) The Smithe Financial Statements and the notes thereto, have been prepared in accordance with IFRS, are true and correct and present fairly, in all material respects, the financial position of Smithe as at such dates and the results of its operations and changes in financial position for the period indicated in the said statements. Smithe's accounts receivable as of the date hereof are nil.

(w) Smithe has no material liabilities, contingent or otherwise, except those set out in the Smithe Financial Statements.

(x) Other than as disclosed in the Smithe Financial Statements, amounts owing to reimburse individuals for business expenses incurred and approved on behalf of Smithe, Smithe is not indebted to:

   (i) any director, officer, employee or shareholder of Smithe;

   (ii) any individual related to any of the foregoing by blood, marriage or adoption; or

   (iii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in (i) and (ii) above.

(y) None of those Persons referred to in Schedule "C" Section (y) is indebted to Smithe.

(z) No Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement for the purchase, exchange, transfer or other disposition from Smithe of any of its assets.

(aa) There are no contracts, agreements or engagements of any director, officer or senior employee of Smithe, either written or verbal, providing for a fixed period of employment.

(bb) It is not a party to any material contract, agreement or understanding with any officer, director, employee, shareholder or any other Person not dealing at arm's length with Smithe.

(cc) Smithe does not currently have any employees and does not have any obligation or liability to any current or former officer, director, employee or affiliate of Smithe.

(dd) Smithe does not sponsor, maintain or have any obligation or liability under, nor has it at any time sponsored, maintained or had any obligation under, any compensation plan. Neither the execution of this Agreement nor the consummation of the Qualifying Transaction contemplated by this Agreement shall, individually or in the aggregate, (i) result in any payment becoming due to any officer, employee, consultant or director of Smithe, (ii) increase or modify any benefits otherwise payable by Smithe to any employee, consultant or director of Smithe, or (iii) result in the acceleration of time of payment or vesting of any such benefits.

(ee) There does not exist any state of facts which after notice or lapse of time, or both, will constitute a material default or breach on the part of Smithe under any of the provisions contained in any of the material contracts, commitments or agreements of Smithe.

(ff) The corporate records and minute books of Smithe contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

(gg) No other classes of shares of Smithe are currently in issue other than the Smithe Shares and all of such shares have been validly issued and are fully paid and non-assessable.

(hh) The business of Smithe is being conducted in all material respects in compliance with all Applicable Laws, regulations and ordinances of all authorities having jurisdiction, except where the failure to comply would not be reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Smithe.

(ii) Smithe has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified Smithe of such Governmental Authority's intention to commence or to conduct any investigation that would be reasonably likely to have a Material Adverse Effect on Smithe.

(jj) Smithe is not insolvent, has not committed any acts of bankruptcy or had a receiver appointed on any of its respective assets.

(kk) To the knowledge of Smithe, none of the directors or officers of Smithe is or has ever been subject to prior regulatory, criminal or bankruptcy proceedings in Canada or elsewhere.

(ll) This Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement including the Disclosure Document will be, duly authorized, executed and delivered by Smithe and each is or will be a legal, valid and binding obligation of Smithe, enforceable against Smithe in accordance with its terms, subject to (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(mm) The execution and delivery of this Agreement does not and the consummation of the Qualifying Transaction will not: (i) result in a breach or violation of the articles or by-laws of Smithe; (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, licence, permit or authority to which Smithe is a party or by which Smithe is bound or to which any material assets or property of Smithe is subject; or (iii) violate any provision of law or regulation or any judicial or administrative order, award, judgment or decree applicable to Smithe.

(nn) None of Smithe nor any director, officer, or, to the knowledge of Smithe, agent, employee or other Person acting on behalf of Smithe has, in the course of its actions for, or on behalf of, Smithe: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the *U.S. Foreign Corrupt Practices Act of 1977*, as amended or the *Corruption of Foreign Public Officials Act (Canada)*; or (iv) made other unlawful payment to any foreign or domestic government official or employee.

SCHEDULE "D"

REPRESENTATIONS AND WARRANTIES OF THE VENDORS

(a) This Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement, including the TGC Shareholder Consent Agreements, as applicable, will be, duly authorized, executed and delivered by such Vendor, enforceable against such Vendor in accordance with its terms, subject to (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court.

(b) The execution and delivery of this Agreement and the TGC Shareholder Consent Agreements, as applicable, do not and the consummation of the Qualifying Transaction will not: (i) result in a breach or violation of the constating documents of such Vendor that is an entity; (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, licence, permit or authority to which such Vendor is a party or by which it is bound; or (iii) violate any provision of law or regulation or any judicial or administrative order, award, judgment or decree applicable to such Vendor.

(c) As of the Closing Date, no person will have any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, for the purchase of such Vendor's TGC Shares, as applicable, other than as contemplated in TGC's constating documents or otherwise contemplated in this Agreement and the TGC Shareholder Consent Agreements, as applicable.

(d) Such Vendor has good and marketable title to its TGC Shares and at Closing, such Vendor's TGC Shares will be transferred to Smithe free and clear of all liens, charges and encumbrances. There is not pending any suit, action or other legal proceeding of any sort to in any manner restrain or prevent such Vendor from effectually and legally transferring its TGC Shares to Smithe, free and clear of all liens, or any action or proceeding, the effect of which would be to cause a lien to attach to any of its TGC Shares or to divest title to or ownership of any of its TGC Shares in any manner whatsoever, or to make Smithe or TGC liable for damages as a result of the execution and delivery of this Agreement and the TGC Shareholder Consent Agreements, as applicable, by such Vendor or the completion by such Vendor of the transactions contemplated herein and therein and such Vendor does not know of any such claim in connection with any of the foregoing.

(e) Such Vendor has sufficient experience in business, financial and investment matters to understand the merits and risks of acquiring and holding securities of Smithe and has had full access to all of the information it considers necessary or appropriate to make an informed investment decision with respect to the Payment Shares.

(f) Such Vendor shall be responsible to pay and remit to competent authorities, and hereby agrees to indemnify Smithe and TGC for, all taxes of any kind that may be payable in connection with the sale of the TGC Shares by such Vendor.

(g) Such Vendor is not insolvent, has not committed an act of bankruptcy, proposed a compromise or arrangement to its creditors generally, had any petition for a receiving order in bankruptcy filed against it, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have it declared bankrupt or wound-up, taken any proceeding to have a receiver appointed for any part of its assets, had an encumbrancer take possession of any of its property, or had any execution or distress become enforceable or become levied upon any of its property.

SCHEDULE “E”

THE PROPERTY

LICENSE_NB	FILENUM	CLIENT_NAM	AREA_Ha	LOCATION	NUMCLAIMS	STATUS	STAKEDATE
023032M	7754981	Prospector Metals	149.9950916	Deep Cove	6	Issued	17-Feb-15
030757M	7758213	Prospector Metals	224.9928272	Deep Cove	9	Issued	2-Apr-20
030767M	7758222	Prospector Metals	149.9945371	Deep Cove	6	Issued	2-Apr-20
031049M	7758453	Prospector Metals	499.9835249	Deep Cove	20	Issued	16-Jul-20
031070M	7758474	Prospector Metals	249.9916828	Deep Cove	10	Issued	24-Jul-20
031075M	7758478	Prospector Metals	99.99623944	Deep Cove	4	Issued	24-Jul-20
031555M	7758926	Prospector Metals	99.9969569	Deep Cove	4	Issued	4-Nov-20
027546M	7754137	Prospector Metals	324.9894389	Fairbanks	13	Issued	21-Nov-13
033644M	7758499	Prospector Metals	1799.939403	McGrath	72	Issued	25-Aug-20
036482M	7762996	Prospector Metals	249.9922324	Prospector	10	Issued	15-Aug-23
037524M	7763688	Prospector Metals	224.9921708	Prospector	9	Issued	20-Feb-24
038121M	7764103	Prospector Metals	924.97	Prospector	37	Issued	8-Jul-24
031175M	7758572	Prospector Metals	49.99803901	Toogood	2	Issued	10-Aug-20
031279M	7758670	Prospector Metals	249.992121	Toogood	10	Issued	11-Sep-20
031548M	7758919	Prospector Metals	49.99849006	Toogood	2	Issued	31-Oct-20
033676M	7758566	Prospector Metals	5174.827389	Toogood	207	Issued	5-Sep-20
031043M	7758447	Prospector Metals	749.974629	Virgin Arm	30	Issued	15-Jul-20
031044M	7758448	Prospector Metals	749.9745494	Virgin Arm	30	Issued	15-Jul-20