# STANDBY PURCHASE AGREEMENT

**THIS STANDBY PURCHASE AGREEMENT** (the "**Agreement**") made as of December 2, 2024.

**AMONG:**

**ALUULA COMPOSITES INC.,** a company incorporated pursuant to the laws of British Columbia (the "**Company**")

**AND:**

**EPIC VENTURES INC.,** a company incorporated pursuant to the laws of British Columbia ("**Epic**")

**AND:**

**GUSTAVSON CAPITAL CORPORATION**, a company incorporated pursuant to the laws of British Columbia ("**GCC**")

**AND:**

**BLUM MANAGEMENT CONSULTING INC**., a company incorporated pursuant to the laws of British Columbia ("**Blum**")

**AND:**

**HELSTON CAPITAL CORP**., a company incorporated pursuant to the laws of British Columbia ("**Helston**")

**AND:**

**11999524 CANADA INC.,** a company incorporated pursuant to the laws of Canada ("**Tantalus**")

(Epic, GCC, Blum, Helston, and Tantalus are each a "**Standby Purchaser**" and are collectively the "**Standby Purchasers**")

**WHEREAS:**

**A.** The Company intends to raise up to $2,506,156 by offering Rights to the holders of record of its Shares pursuant to the Rights Offering Documents and, on the terms and conditions set forth in this Agreement;

**B.** Each Standby Purchaser has agreed to exercise, in full, the Basic Subscription Privilege to which they are entitled under the Rights Offering with respect to the Shares currently held by them; and

**C.** Each Standby Purchaser has agreed to purchase such number of Standby Shares as is required to fulfill its Standby Commitment, on the terms and conditions set forth in this Agreement;

**NOW THEREFORE**, in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

## ARTICLE 1
## INTERPRETATION

### 1.1 Defined Terms

In this Agreement, including the Recitals hereto:

"**Additional Subscription Privilege**" means the entitlement of an Eligible Holder who exercises the Basic Subscription Privilege attaching to its Rights in full by the Rights Expiry Time, to subscribe for additional Rights Shares (if such are available), subject to proration, as such entitlement is further detailed in the Rights Offering Circular;

"**Affiliate**" means, means, with respect to a Person other than an individual, any Person who directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, such Person and includes any Person in like relation to an Affiliate;

"**Agreement**" means this standby purchase agreement;

"**Basic Subscription Privilege**" means the entitlement of an Eligible Holder of Rights to subscribe for one (1) Rights Share for each Right held by such holder at a price equal to the Subscription Price per Rights Share, as such entitlement is further detailed in the Rights Offering Circular;

"**Bonus Warrants"** has the meaning given in Section 3.7;

"**Business Day**" means any day, other than a Saturday or a Sunday, upon which banks are open for business in the City of Vancouver, British Columbia;

"**Control**" or "**Controlled**" means as follows: a Person (first Person) is considered to Control another Person (second Person) if: (a) the first Person directly or indirectly possesses the power to direct or cause the direction of the management and policies of the second Person, whether through the ownership of voting securities, by contract or otherwise, including where the second Person is an account, fund or other entity managed by the first Person and over which it has voting or investment discretion, including as investment manager, advisor or subadvisor; (b) the first Person beneficially owns, or controls or directs, directly or indirectly, securities of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person; (c) the second Person is a partnership, other than a limited partnership, and the first Person directly or indirectly holds more than 50% of the interests of the partnership; (d) the second Person is a limited partnership and the first Person: (i) is the general partner of the limited partnership; or (ii) beneficially owns, or controls or directs, directly or indirectly, securities of the general partner of the limited partnership carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the general partner of the limited partnership; or (e) the second Person is a trust and the first Person: (i) is the trustee of the trust; or (ii) beneficially owns, or controls or directs, directly or indirectly, interests in the trust sufficient to, directly or indirectly. control all or certain activities of the trust;

**"Closing"** has the meaning ascribed to it in Section 8.1;

**"Closing Date"** means that day which falls two (2) Business Days following the Rights Expiry Date or such earlier date after the Rights Expiry Date as is practicable and as agreed between the Company and the Standby Purchasers;

**"Closing Time"** has the meaning ascribed to it in Section 8.1;

**"Disclosure Record"** means all prospectuses, information circulars, financial statements, management's discussion and analysis, material change reports and other public documents filed by or with respect to the Company with applicable securities commissions;

"**Eligible Holder**" means a holder of Shares who (i) is resident in a Qualifying Jurisdiction; or (ii) is resident in or otherwise subject to the Laws of a jurisdiction other than an Qualifying Jurisdiction and who has satisfied the Company that the distribution of Rights and Rights Shares to such holder may lawfully be made under the applicable securities and other Laws of the jurisdiction in which such holder resides or to which such holder is subject, and will not require the Company to comply with any prospectus or other registration requirements of that jurisdiction;

**"Exchange"** means the TSX Venture Exchange;

**"Financial Statements"** means the Company's audited consolidated financial statements, the notes thereto, and the auditor's report thereon for the years ended October 31, 2023 and October 31, 2022, and the Company's interim financial statements and the notes thereto for the period ended July 31, 2024;

**"Governmental Entity"** means any:

(a) multinational, federal, provincial, territorial, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign;

(b) any subdivision or authority of any of the foregoing; or

(c) any quasi-governmental or private body exercising a regulatory, expropriation or taxing authority under or for the account of any of the above;

**"Indemnified Party"** has the meaning ascribed thereto in Section 10.3;

**"Indemnifying Party"** has the meaning ascribed thereto in Section 10.3;

"**Ineligible Holders**" means a holder of Shares who appears to be, or who the Company has reason to believe, is resident in or otherwise subject to the Laws of a jurisdiction other than a Qualifying Jurisdiction and who is not recognized by the Company to be an Eligible Holder;

**"Laws"** means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, instruments, policies, guidelines, and general principles of common law and equity, binding on or affecting the Person referred to;

**"Material Adverse Change"** means any change, development, event or occurrence with respect to the business, condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), capital, cash flow, operations, or results of operations of the Company and its subsidiaries on a consolidated basis, that is, or would reasonably be expected to be, material and adverse to the Company and its subsidiaries on a consolidated basis;

**"Material Change"** has the meaning given in the *Securities Act*;

**"Misrepresentation"** means:

(a) a "misrepresentation" as defined in Section 1(1) of the *Securities Act*; or

(b) as to any document, any untrue statement of a material fact or omission to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

**"NI 45-106"** means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;

**"Order"** means any award, decision, injunction, judgment, order, ruling, subpoena, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Entity or by any arbitrator;

"**Outside Date**" means the date that is 60 days after the date of this Agreement, subject to any extension of such date as may be determined by the Standby Purchasers, together, upon written notice to the Company;

"**Parties**" means, collectively, the Standby Purchasers and the Company, and "**Party**" means any one of them;

**"Person"** means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, association, trust, estate, custodian, trustee, executor, administrator, nominee or other entity or organization, including (without limitation) a Governmental Entity or political subdivision or an agency or instrumentality thereof;

**"Qualifying Jurisdictions"** means the provinces and territories of Canada, and such other jurisdictions outside Canada where it is lawful to mail the Rights Offering Circular and the certificates representing the Rights to Shareholders resident therein;

**"Record Date"** means the record date for the purpose of the Rights Offering that will be established by the Company in accordance with Securities Laws and set out in the Rights Offering Circular;

**"Regulatory Authorities"** means the securities commissions of Canada and the Exchange;

**"Rights"** means the transferable rights that will be distributed to each Shareholder on the Record Date to subscribe for Shares at the Subscription Price under the Rights Offering;

"**Rights Agent**" means Odyssey Trust Company, in its capacity as rights agent for the Rights Offering;

**"Rights Expiry Date"** means the date on which the Rights will expire and become null and void as set out in the Rights Offering Documents;

**"Rights Expiry Time"** means 5:00 p.m. (Toronto time) on the Rights Expiry Date;

**"Rights Offering"** means the offering by the Company of the Rights undertaken in accordance with Article 2;

**"Rights Offering Circular"** means the rights offering circular prepared by the Company in accordance with NI 45-106F15, and any amendment thereof;

"**Rights Offering Documents**" means, together, the Rights Offering Circular and the Rights Offering Notice;

**"Rights Offering Notice"** means, the rights offering notice prepared by the Company in accordance with NI 45- 106F14;

"**Rights Shares**" means the Shares that are acquired upon exercise of the Rights;

**"Securities"** means the Rights, the Rights Shares, and the Bonus Warrants;

**"Securities Act"** means the *Securities Act* (British Columbia);

**"Securities Laws"** means all applicable securities Laws of each of the Qualifying Jurisdictions and the applicable rules of the Exchange;

**"SEDAR+"** means the System for Electronic Document Analysis and Retrieval;

**"Shareholder"** means a holder of record of Shares of the Company as at the Record Date;

"**Shares**" means the common shares of the Company

**"Standby Commitment"** has the meaning ascribed to it in Section 3.2;

"**Standby Purchasers**" has the meaning ascribed to it in the preamble;

**"Standby Shares"** means up to $1,500,000 worth of Rights Shares (or 150,000,000 Rights Shares) which remain unsubscribed for by holders of Rights on the Rights Expiry Date under the Rights Offering; and

**"Subscription Price"** means $0.01 per Rights Share.

1.2 **Headings, etc.**

The division of this Agreement into articles, sections, paragraphs and clauses and the provision of headings are for the convenience of reference only and will not affect the construction or interpretation of this Agreement. The terms "this agreement", "hereunder" and similar expressions refer to this Agreement as a whole and not to any particular article, section, paragraph, clause or other portion of this Agreement and include any agreement or instrument supplemental or ancillary to this Agreement. Unless something in the subject matter or context is inconsistent therewith, references in this Agreement to articles, sections, paragraphs or clauses are to articles, sections, paragraphs or clauses of this Agreement.

### 1.3 Plurality and Gender

Words importing the singular number only will include the plural and vice versa, words importing any gender will include all genders.

### 1.4 Currency

Unless otherwise specifically stated, all references to dollars and cents in this Agreement are to the lawful currency of Canada.

### 1.5 Governing Law

This Agreement will be governed by, interpreted and enforced in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein. Each Party hereby unconditionally and irrevocably submits to the nonexclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising out of this Agreement.

### 1.6 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions of this Agreement will continue in full force and effect. The parties to this Agreement agree to negotiate in good faith a substitute provision which will be as close as possible to the intention of any invalid or unenforceable provision as may be valid or enforceable. The invalidity or unenforceability of any provision in any particular jurisdiction will not affect its validity or enforceability in any other jurisdiction where it is valid or enforceable.

### 1.7 Statutes

Any reference to a statute, act or law will include and will be deemed to be a reference to such statute, act or law and to the regulations, instruments and policies made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute, act or law that may be passed which has the effect of supplementing or superseding such statute, act or law so referred to.

## ARTICLE 2
## CONDUCT OF THE RIGHTS OFFERING

### 2.1 Terms of Rights Offering

(a) Subject to and in accordance with the terms and conditions of the Rights Offering Documents and Securities Laws, the Company will distribute, on a pro rata basis at no charge, Rights to each Shareholder resident in the Qualifying Jurisdictions as of the Record Date on the basis of one (1) Right for each Share held. One (1) Right will entitle the holder to purchase, at the election of such holder, one (1) Rights Share (the "**Basic Subscription Privilege**") at the Subscription Price.

(b) The Rights Offering will remain open for at least 21 calendar days following the date on which the Rights Offering Notice is sent to the holders of record of Shares.

(c) Under the terms of the Rights Offering, if the total proceeds under the Rights Offering is less than $1,500,000 (not including the Standy Purchaser's exercises under their Basic Subscription Commitments), then no Rights Shares will be issued unless the Standby Commitment is completed and the Company will provide that the subscription proceeds from Persons exercising Rights, whether pursuant to the Basic Subscription Privilege or Additional Subscription Privilege, deposited with the Rights Agent will be returned to such Persons in the event that the Standby Commitment is terminated or otherwise not completed in accordance with the terms of this Agreement, including as a result of the Standby Purchaser conditions in Section 8.3 not being satisfied.

### 2.2 Additional Subscription Privilege

Pursuant to Securities Laws, each holder of Rights who has exercised in full the Basic Subscription Privilege attaching to such holder's Rights, will be entitled, on a pro rata basis (based on the number of Rights which it exercised under the Basic Subscription Privilege as a proportion of all Rights exercised under the Basic Subscription Privilege), to subscribe for additional Shares at the Subscription Price, to the extent that other holders of Rights do not exercise all of their Rights under the Basic Subscription Privilege (the "**Additional Subscription Privilege"**).

### 2.3 Closing

The completion of the purchase of Rights Shares pursuant to the Basic Subscription Privilege and the Additional Subscription Privilege by each Rights holder will occur at the time, and in the manner set forth in the Rights Offering Circular, and in the event of any conflict between the provisions of this Agreement and the provisions of the Rights Offering Circular, the provisions of the Rights Offering Circular will prevail.

## ARTICLE 3
## STANDBY GUARANTEE

### 3.1 Basic Subscription Commitment

Subject to and in accordance with the terms hereof, each Standby Purchasers will:

(a) exercise its entitlement for the Basic Subscription Privilege in full and subscribe for all of the Rights Shares for which it is entitled to subscribe pursuant to its Basic Subscription Privilege prior to the Rights Expiry Time; and

(b) prior to the Rights Expiry Time, provide the Company with proof of such exercise and payment of the aggregate Subscription Price that is payable for the Rights Shares purchased under the Basic Subscription Privilege, submitted to the Rights Agent in accordance with the provisions set out in the Rights Offering Documents.

For certainty, the Standby Purchasers may, but will not be required to, subscribe for additional Rights Shares pursuant to its Additional Subscription Privilege prior to the Rights Expiry Time.

3.2 **Standby Guarantee**

(a) To guarantee that at least $1,500,000 worth of Rights (150,000,000 Rights) are exercised by the Closing Time, in addition to the Rights exercised under the Standby Purchaser's Basic Subscription Privilege as set out in Section 3.1, the Standby Purchasers will purchase the proportionate share of the Standby Shares up to the maximum amounts set forth below (the "**Standby Commitment**"):

| Standby Purchaser | Number of Rights Shares | Dollar Value (CAD$) | Proportionate % |
|---|---|---|---|
| Epic | 10,000,000 | 100,000 | 6.67 |
| GCC | 122,500,000 | 1,225,000 | 81.67 |
| Blum | 7,500,000 | 75,000 | 5.00 |
| Helston | 5,000,000 | 50,000 | 3.33 |
| Tantalus | 5,000,000 | 50,000 | 3.33 |
| **Total** | **150,000,000** | **1,500,000** | **100%** |

(b) In the event that less than the maximum amounts above are required for the gross proceeds of the Rights Offering to reach $1,500,000 (which $1,500,000 does not include the Rights exercised pursuant to the Basic Subscription Privileges of the Standby Purchasers), the Standby Purchasers will purchase such number of Standby Shares required to reach $1,500,000 in gross proceeds in accordance with their proportionate contribution as set out in far right column of the table above.

(c) The obligations of the Standby Purchasers pursuant to this Section 3.2 will be several (as distinguished from joint) obligations of each Standby Purchaser and will terminate upon the termination of this Agreement for any reason.

(d) In the event that a Standby Purchaser either defaults on its obligation pursuant to this Section 3.2 or terminates its obligations under this Agreement pursuant to Section 9.2, the Company cannot obligate the other Standby Purchasers to exercise the Standby Commitment of the defaulting or terminating Standby Purchaser(s), and no Standby Purchaser will be liable to the Company with respect to a default by another Standby Purchaser. If one or more of the Standby Purchasers fails to purchase its or their proportionate share of the Standby Shares at the Closing Time, the other Standby Purchasers will have the right, but will not be obligated, to purchase, on a *pro-rata* basis (or in such other proportion as the remaining Standby Purchasers may mutually agree) all, but not less than all, of the Standby Shares not purchased by the defaulting Standby Purchaser(s).

### 3.3 Payment for Standby Shares

Subject to and in accordance with the terms of this Agreement, on the Closing Date, if the Company exercises the Standby Commitment, each of the Standby Purchasers will pay in immediately available funds by wire transfer to an account designated by the Company, or by certified cheque payable to the Company, the aggregate Subscription Price that is payable for the Standby Shares to be purchased by such Standby Purchaser hereunder, and the Company will issue the Standby Shares to such Standby Purchaser and deliver the certificate(s) representing the Standby Shares as soon as practicable thereafter, but in any event within two Business Days following the Closing Date.

### 3.4 Evidence of Financial Ability

Each of the Standby Purchasers will, promptly on executing this Agreement, provide to the Company such evidence as may be required by the applicable Regulatory Authorities that the Standby Purchaser has the financial ability to carry out the Standby Commitment constituted by this Agreement, as required under Part 2 of NI 45-106.

### 3.5 Restrictions on Sale

(a) Each Standby Purchaser agrees to sell the Standby Shares only in accordance with all applicable securities Laws, and not to sell or distribute, directly or indirectly, the Standby Shares in such a manner as to:

   i. require registration by the Company of the Standby Shares or the filing by the Company of a prospectus or any similar document in any jurisdiction; or

   ii. result in the Company becoming subject to reporting or disclosure obligations to which it is not subject as at the date of this Agreement.

(b) Each Standby Purchaser agrees that the Shares issuable on exercise of their Bonus Warrants may be subject to resale restrictions, including a four-month hold period, where so required by a Regulatory Authority.

### 3.6 Standby Purchaser Affiliate

The Company acknowledges and agrees that: (a) the Standby Purchaser may assign all or a portion of the Rights it receives under the Rights Offering to an Affiliate of the Standby Purchaser, in which case such Affiliate will be required to exercise its Basic Subscription Privilege in respect of such Rights for the purpose of Section 3.1, and (b) the Standby Purchaser may elect to cause an Affiliate of the Standby Purchaser to fulfil the Standby Commitment on the Closing Date. For the avoidance of doubt, where it so elects to cause an Affiliate to fulfil the Standby Commitment, the Standby Purchaser unconditionally guarantees the due and punctual performance thereof, including payment for the Standby Shares, by such Affiliate in accordance with the terms and conditions of this Agreement.

### 3.7 Bonus Warrants

In consideration for the Standby Commitment, the Company will issue to the Standby Purchasers, on the Closing Date, an aggregate of 26,250,000 share purchase warrants (the “**Bonus Warrants**”). Each

Bonus Warrant will entitle the holder to purchase one Share at an exercise price equal to the closing market price of the Shares on the Exchange prior to the Company's public announcement of the Rights Offering, and for a period of five (5) years after the Closing Date.

The Bonus Warrants will be distributed amongst the Standby Purchasers in the following amounts:

| **Standby Purchaser** | **Number of Bonus Warrants** | **Proportionate %** |
|---|---|---|
| Epic | 1,750,000 | 6.67% |
| GCC | 21,437,500 | 81.67% |
| Blum | 1,312,500 | 5.00% |
| Helston | 875,000 | 3.33% |
| Tantalus | 875,000 | 3.33% |
| **Total:** | **26,250,000** | **100%** |

## ARTICLE 4
## COVENANTS OF THE COMPANY

### 4.1 Covenants

Subject to and in accordance with the terms of this Agreement, the Company agrees with the Standby Purchasers that:

(a) **Rights Offering Documents and Qualification**. The Company will prepare and file the Rights Offering Documents with the Regulatory Authorities and take all other steps and proceedings that may be necessary to exempt the distribution of the Rights and the Rights Shares in the Qualifying Jurisdiction, including mailing the Rights Documents to the Shareholders in Qualifying Jurisdictions. The Company will provide the Standby Purchasers with the reasonable opportunity to review and comment on the Rights Offering Documents and will consider any reasonable comments provided by the Standby Purchasers thereon.

(b) **Supplementary Material**. If required by Securities Laws, the Company will prepare any amendment to the Rights Offering Documents or any other document required to be filed by it under Securities Laws. The Company will also promptly, and in any event within any applicable time limitation, comply with all applicable filing and other requirements under the Securities Laws because of any Material Change. The Company will provide the Standby Purchasers with the reasonable opportunity to review and comment on any such amending or supplemental documentation and will consider any reasonable comments provided by the Standby Purchasers thereon.

(c) **Changes to Terms**. The Company will not amend the terms of the Rights Offering, including any change to the Subscription Price, without the written consent of the Standby Purchasers, which consent will not be unreasonably withheld or delayed.

(d) **Consents and Approvals**. The Company will use its best efforts to obtain all necessary consents, approvals or exemptions in the Qualifying Jurisdictions for the creation, offering and issuance of the Securities, and the entering into and performance by it of this Agreement.

(e) **Cease Trade Order or Other Investigation**. From the date of this Agreement to the earlier of: (i) the Closing Date; and (ii) the termination of this Agreement, the Company will immediately notify the Standby Purchasers in writing of any written demand, request or inquiry (formal or informal) by any Regulatory Authority or other Governmental Entity that concerns any matter relating to the Company's affairs that may affect the Rights Offering or the transactions contemplated in this Agreement, or that relates to the issuance, or threatened issuance, by any such authority of any cease trading or similar order or ruling relating to any of the Company's securities. Any notice delivered to the Standby Purchasers as aforesaid will contain reasonable details of the demand, request, inquiry, order or ruling in question. The Company will use its best efforts to prevent the issuance of any orders contemplated by this Section 4.1(e) and, if issued, to obtain their prompt withdrawal.

(f) **Exchange Acceptance**. The Company will take all action as may be necessary and appropriate to obtain conditional acceptance by the Exchange of the issuance of the Rights, the Rights Shares, the Standby Shares, and the Bonus Warrants, subject to receipt of customary final documentation.

(g) **Securities Laws**. The Company will take all action as may be necessary and appropriate so that the Rights Offering and the transactions contemplated in this Agreement will be effected in accordance with Securities Laws. The Company will not file the Rights Offering Circular and the Rights Offering Notice without first providing a copy of such documents to the Standby Purchasers and their advisors who will have a reasonable period of time to review and comment on such documents.

(h) **Obtaining of Report**. The Company will cause the Rights Agent to deliver to the Standby Purchasers, as soon as is practicable following the Rights Expiry Time, details concerning the total number of Rights Shares duly subscribed and paid for by holders of Rights under the Rights Offering, including (without limitation) those subscribed and paid for pursuant to the Additional Subscription Privilege.

(i) **No Issuance of Securities**. Other than pursuant to the Rights Offering, the Bonus Warrants and the grant and exercise of stock options, during the period from the date hereof until the Closing Date, the Company will not issue any Shares or securities convertible or exchangeable or exercisable into Shares.

(j) **Exercise of the Rights**. The Company will use commercially reasonable efforts as the Standby Purchasers may reasonably request to enforce payment in respect of, or to otherwise ensure the valid exercise of, all Rights purported to be exercised either under the Basic Subscription Privilege or the Additional Subscription Privilege.

(k) **Use of Proceeds**. The net proceeds (net of all legal, accounting and other fees and expenses related to the Rights Offering) received by the Company in connection with the Rights Offering will be used substantially as set forth in the Rights Offering Circular.

## ARTICLE 5
## MATERIAL CHANGES

### 5.1 Material Changes During Distribution

During the period from the date of this Agreement to the Closing Date, the Company will promptly notify the Standby Purchasers in writing of:

(a) any Material Change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company and its subsidiaries taken as a whole;

(b) any material fact that has arisen or been discovered and that would be required to be disclosed in the Rights Offering Circular if filed on such date; and

(c) any change in any material fact contained in the Rights Offering Circular, which fact or change is, or may be, of such a nature as to result in a Misrepresentation in the Rights Offering Circular or that would result in the Rights Offering Circular not complying with applicable Securities Laws.

The Company will promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Standby Purchasers, acting reasonably, with all applicable filings and other requirements under the Securities Laws as a result of such material fact or Material Change.

### 5.2 Change in Securities Laws

If, prior to the Rights Expiry Date, there is any change in the Securities Laws that, in the opinion of the Standby Purchasers, acting reasonably, requires the filing of an amendment to a Rights Offering Document, the Company will, to the satisfaction of the Standby Purchasers, acting reasonably, promptly prepare and file such amendment with the Regulatory Authorities.

### 5.3 Change in Closing Date

If a Material Change occurs after the date of filing of the Rights Offering Circular with the Regulatory Authorities and prior to the Closing Date, then, subject to Article 8, the Closing Date will be, unless the Company and the Standby Purchasers otherwise agree in writing, the later of the previously scheduled Closing Date and the sixth ($6^{th}$) Business Day following the date on which all applicable filings or other requirements of the Securities Laws with respect to such Material Change have been complied with in all Qualifying Jurisdictions and any appropriate documents obtained for such filings and notice of such filings from the Company or the Company's counsel have been received by the Standby Purchasers. For greater certainty, under no circumstances will the exercise period for the Rights Offering exceed ninety (90) days.

## ARTICLE 6
## WARRANTIES AND REPRESENTATIONS OF THE COMPANY

### 6.1 Representations

The Company warrants and represents to each of the Standby Purchasers that:

(a) it has been duly incorporated and organized and are validly existing and in good standing under the Laws of British Columbia;

(b) it has not commenced, participated or agreed to commence or participate in any bankruptcy, involuntary liquidation, dissolution, winding up, insolvency or similar proceeding and no such proceedings have been threatened by any other party;

(c) it has all requisite corporate power to enter into and perform this Agreement, to own or lease its property and to carry on the part of the business as now being conducted by it;

(d) no order ceasing or suspending the trading of the Shares has been issued to or is outstanding against the Company;

(e) the Rights will, when issued, be duly authorized and validly issued securities of the Company, enforceable against the Company in accordance with their terms;

(f) the Rights Shares issuable upon the exercise of the Rights will, when issued, be duly authorized, validly issued, fully paid and non-assessable Shares in the capital of the Company;

(g) the Standby Shares will, when issued, be duly authorized, validly issued, fully paid and non-assessable Shares in the capital of the Company;

(h) the Shares issuable upon the exercise of the Bonus Warrants will, when issued, be duly authorized, validly issued, fully paid and non-assessable Shares in the capital of the Company;

(i) prior to such time as they are issued, all necessary documents will have been filed and other necessary steps taken to permit the distribution of the Rights and the Rights Shares issuable thereon under applicable Securities Laws;

(j) the authorized capital of the Company consists of an unlimited number of Shares, of which 250,615,623 Shares have been duly issued and are outstanding as fully paid and non-assessable as of the date hereof. No Person has any agreement or option or any right or privilege (whether by law, preemptive or contractual) capable of becoming an agreement or option for the purchase from the Company of any Shares or other securities of the Company, other than pursuant to the Standby Commitment, the Bonus Warrants or equity incentive awards (outstanding and which may be granted under the Company's equity incentive plan);

(k) the execution, delivery and performance by the Company of this Agreement:

(i) has been duly authorized by all necessary corporate action on its part;

(ii) does not and will not, with the giving of notice, the lapse of time or the happening of any other event or condition:

(A) violate or conflict with any of the terms, conditions or provisions of the Company's constating documents or resolutions of the Shareholders, directors or any committee of directors of the Company;

(B) except for the required filings, acceptances or approvals of the Exchange or as required by Securities Laws with respect to the filing of the Rights Offering Documents in respect of the transactions contemplated hereby, require any authorization, consent, approval, exemption or other action by, or notice to, any stock exchange, governmental agency, authority, regulatory body or court;

(C) violate or conflict with, or constitute a default under any material indenture, mortgage, agreement, contract or other material instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected;

(D) trigger any change of control or similar provision in any material indenture, mortgage, agreement, contract or other material instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected;

(E) result in the termination of, or any additional payment under, or the change in any terms of, or accelerate the performance of any obligation required by (or give rise to a right of any party thereto, exercisable on notice or otherwise, to terminate, to require that any additional payment be made under, to change any terms of, or to accelerate the performance of any obligation under) any material indenture, mortgage, agreement, contract or other material instrument to which the Company is a party or by which it or any of its assets or properties may be bound or affected;

(F) result in the creation of any encumbrance upon any of the property or assets of the Company; or

(G) violate or conflict with any material license, permit, approval, consent, certificate, registration or authorization held by the Company necessary to carry on the Company's business or to own or lease any of the material property of or assets utilized by the Company; and

(iii) does not and will not result in the violation of any applicable Laws or any judgment, decree, order or award of any court, Governmental Entity or arbitrator having jurisdiction over the Company;

(l) this Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms;

(m) the Company is a reporting issuer in British Columbia, Alberta, Manitoba, and Ontario and is in compliance in all material respects with all applicable, and is not in default of any, requirements of applicable Securities Laws. The Shares are listed on the Exchange and the Company is in compliance in all material respects with all applicable rules of the Exchange. All documents required to be filed under applicable Securities Laws have been filed and conform in all material respects to the requirements of the applicable Securities Laws. Such documents at the time of filing thereof: (a) were true and correct in all material respects; and (b) did not contain any Misrepresentations. There has been no material change as defined in the Securities Act to the matters set forth in the Disclosure Record that has not been publicly disclosed;

(n) the Financial Statements:

(i) comply in all material respects with applicable Securities Laws;

(ii) have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board applied on a consistent basis with those of the comparable prior period (except as may be indicated in the notes thereto); and

(iii) fairly present, in all material respects, the consolidated financial position of the Company and its subsidiaries as at the respective dates thereof and the consolidated results of operations and cash flows for the periods indicated;

(o) other than as set forth in the Financial Statements, the Company has no material debt or liability of any kind whatsoever (whether accrued, contingent, absolute or otherwise) except for debt or liabilities incurred in the ordinary course of business;

(p) since July 31, 2024, there has not been any “reportable event” (within the meaning of National Instrument 51-102 -*Continuous Disclosure Obligations*) with the present or any former auditor of the Company;

(q) each of the Company is, in all material respects, conducting its business in compliance with all applicable Laws of each jurisdiction in which its respective business is carried on and each is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor does it have knowledge of any facts that could give rise to a notice of material non-compliance with any such Laws, rules, regulations, licences, registrations or qualifications;

(r) there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal); arbitration or other dispute settlement procedure; investigation or inquiry by any Governmental Entity; or any similar matter or proceeding (collectively "**proceedings**") pending or, to the knowledge of the Company, threatened against or involving the Company or any of its subsidiaries (whether in progress or, to the Company's knowledge, threatened) which, if determined adversely to the Company, would have a material adverse effect on the Company, or the Company's business or would prevent or significantly impede the issue of the Rights and the Rights Shares issued upon the exercise thereof. The Company has received no notice of, and has no knowledge of, any event that has occurred which might give rise to any proceedings except as disclosed in the Disclosure Record and there is no judgment, decree, injunction, ruling, award or order of any Governmental Entity to which the Company or any of its subsidiaries is subject;

(s) the Company is legal and beneficial owner of the properties and assets or the interests in properties and assets referred to as owned by it in the Disclosure Record, which are free and clear of all encumbrances, other than as disclosed in the Disclosure Record. All agreements under which the Company an interest in a property or asset are in good standing in all material respects;

(t) other than as disclosed in the Disclosure Record:

   (i) there has not been any Material Change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company;

   (ii) the Company has carried on its businesses in the ordinary course; and

   (iii) no Material Adverse Change has occurred;

(u) the Company has not received any notice of or is in default or violation of any Order of any Governmental Entity or any applicable Laws which would reasonably be expected to have a material adverse effect on the Company;

(v) there are no outstanding Orders against the Company or any of its subsidiaries to which the Company or a subsidiary is subject or by which its assets are bound and, as of the date hereof, there are no claims, proceedings, actions or lawsuits in existence, or to Company's knowledge, threatened or asserted against the Company or its subsidiaries or with respect to any of the assets of the Company or its subsidiaries or the interests of the Company or its subsidiaries therein which would reasonably be expected to have a material adverse effect on the Company or on the Rights Offering or the other transactions contemplated herein; and

(w) there are no contracts which are material to the business and affairs of Company other than as disclosed in the Disclosure Record which have been publicly filed by the Company on SEDAR+ as of the date hereof or which have been entered into in the ordinary course of business, and all such contracts are in full force and effect. All such contracts are valid, binding and subsisting and have not been amended or modified and the terms thereof have not been waived, amended or modified except as disclosed in the Disclosure Record which have been publicly filed by the Company on SEDAR+ as the date hereof or except in the ordinary course of business. To the knowledge of the Company, it is not, nor is it alleged to be (with or without the lapse of time or the giving of notice, or both), in breach or default in any material respect of any such contract, and, to the knowledge of the Company, no other party to any such contract is (with or without the lapse of time or the giving of notice or both) in breach or default in any material respect thereunder.

### 6.2 **Survival**

All representations and warranties of the Company contained in this Agreement will survive the completion of the purchase of Standby Shares by the Standby Purchasers and will continue in full force and effect for a period of two (2) years despite any investigation, inquiry or other steps which may be taken by or on behalf of the Standby Purchasers.

### 6.3 **Notification**

The Company will notify the Standby Purchasers forthwith if it becomes aware of a fact or circumstance which has caused or would be reasonably likely to cause a representation or warranty set out in this Article 6 to become untrue, inaccurate or misleading at any time (by reference to circumstances subsisting at that time) before the Closing Date.

## ARTICLE 7
## REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE STANDBY PURCHASERS

### 7.1 **Representations**

Each of the Standby Purchasers severally, and not jointly, represents and warrants to the Company that:

(a) it is duly organized and validity existing and in good standing under the Laws of the jurisdiction of its existence;

(b) it has full corporate power and authority to enter into this Agreement and to perform its obligations as set out herein;

(c) the execution, delivery and performance by the Standby Purchaser of this Agreement:

(i) has been duly authorized by all necessary action on its part;

(ii) does not and will not, with the giving of notice, the lapse of time or the happening of any other event or condition, result in a breach or a violation of, or conflict with, any of the terms or provisions of any agreements or instruments to which he is a party or pursuant to which any of his assets or property may be affected; and

(iii) will not result in the violation of any applicable Laws by it;

(d) this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms;

(e) as of the date hereof, the number of securities of the Company owned, directly or indirectly, or controlled by the Standby Purchaser is accurately reported on the System for Electronic Disclosure by Insiders (SEDI);

(f) it has, and on the Closing Date will have (regardless of the number of Rights that are exercised by the holders of Rights prior to the Rights Expiry Time), the financial ability and sufficient funds to make and complete the payment for the Standby Shares that it has committed to purchase pursuant to the Standby Commitment, and the availability of such funds is not and will not be subject to the consent, approval or authorization of any other Person;

(g) it (i) is not resident in the United States (as that term is used in Regulation S promulgated by the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Act of 1933, as amended) or a U.S. Person (as that term is used in Regulation S promulgated by the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Act of 1933, as amended), (ii) was not offered the Rights Shares or the Standby Shares, as applicable, in the United States, (iii) was not in the United States at the time the buy order for the Rights Shares it is entitled to or obligated to purchase hereunder was or will be placed or this Agreement was executed, (iv) is not acquiring the Rights Shares or the Standby Shares, as applicable, for the account or benefit of a Person in the United States or a U.S. Person, (v) has no intention to distribute either directly or indirectly any of the Rights Shares or the Standby Shares, as applicable, in the United States, except in compliance with the U.S. Securities Act of 1933, as amended, and applicable state securities laws of any state of the United States; and (vi) has not acquired the Rights Shares or the Standby Shares, as applicable, as a result of any form of directed selling efforts (as that term is used in Regulation S promulgated by the U.S. Securities and Exchange Commission pursuant to the U.S. Securities Act of 1933, as amended); and

(h) none of the funds that the Standby Purchaser is using to purchase any Rights Shares or Standby Shares are proceeds obtained or derived, directly or indirectly, as a result of illegal activities, and in particular, such are not proceeds of crime as defined in the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) (the "**PCMLTFA**"). None of the funds to be provided by the Standby Purchaser (i) have been or will be derived from or related to any activity that is deemed criminal under the Laws of Canada or any other applicable jurisdiction; or (ii) are being tendered on behalf of a Person or entity (A) with whom the Company would be prohibited from dealing with under applicable money laundering, terrorist financing, economic sanctions, criminal or other similar Laws or regulations or (B) who has not been identified to the Standby Purchaser. The Standby Purchaser acknowledges that the Company may, in the future, be required by Law to disclose the Standby Purchaser's name and other information relating to this Agreement, on a confidential basis pursuant to the PCMLTFA or other Laws and will promptly notify the Company if the Standby Purchaser discovers that any of the foregoing representations ceases to be true, and to provide the Company with appropriate information in connection therewith.

### 7.2 Covenants and Agreements

(a) Each Standby Purchaser agrees to, in connection with Section 2.1(3)(i)(ii) of NI 45-106, deliver to the Company satisfactory evidence of the foregoing for delivery to the Regulatory Authorities at or prior to the time of filing of the final Rights Offering Circular with the Regulatory Authorities; and

(b) If required under applicable Laws or Securities Laws or under the rules and policies of the Exchange, each Standby Purchaser will use commercially reasonable efforts to assist the Company to execute, deliver and file such required reports and such other required documents with respect to the issue of the Rights, the Rights Shares and the Standby Shares, provided that the Company acknowledges and agrees that it has not engaged the Standby Purchasers to act as underwriters (as defined under applicable Securities Laws) and none of the Standby Purchasers will be required to sign a certificate in the Rights Offering Circular in that capacity or any other capacity.

### 7.3 Survival

All representations and warranties of each party contained in this Agreement or contained in any document delivered pursuant to this Agreement or in connection with the Rights Offering contemplated in this Agreement will survive the completion of the purchase of Securities by the Standby Purchaser and will continue in full force and effect for a period of two (2) years despite any investigation, inquiry or other steps which may be taken by or on any Party’s behalf.

### 7.4 Notification

The applicable Standby Purchaser will notify the Company forthwith if it becomes aware of a fact or circumstance which has caused or would be reasonably likely to cause a representation or warranty set out in this Article 7 to become untrue, inaccurate or misleading at any time (by reference to circumstances subsisting at that time) before the Closing Date.

## ARTICLE 8
## CLOSING AND CONDITIONS

### 8.1 Closing

The closing of the purchase by the Standby Purchasers and sale by the Company of the Standby Shares to be purchased by the Standby Purchasers hereunder (the “**Closing”**) will be completed at 4:00 p.m. (Vancouver time) (the “**Closing Time**”) on the Closing Date or at such other time and/or on such other date as the Company and each of the Standby Purchasers may agree upon in writing. On such date, and upon payment being made by the Standby Purchasers for the Standby Shares in accordance with Section 3.3, the Company will issue, and thereafter deliver as soon as practicable, to the Standby Purchasers certificates or direct registration statements representing the Standby Shares and Bonus Warrants, registered in the name of the Standby Purchaser or one or more designee of the Standby Purchaser, as applicable.

## 8.2 **Mutual Conditions**

The obligations of the Standby Purchasers and the Company to complete the transactions set out in this Agreement are subject to the following conditions being satisfied in full, to the satisfaction of each of the Standby Purchasers and the Company acting separately (each of which may only be waived by mutual consent):

(a) there will be no inquiry, investigation (whether formal or informal) or other proceeding commenced by a Governmental Entity pursuant to applicable Laws in relation to the Company or any of its subsidiaries or in relation to any of the directors and officers of the Company or any of its subsidiaries or in relation to the Standby Purchasers, any of which suspends or ceases trading (which suspension or cessation of trading is continuing) in the Rights or Shares or operates to prevent or restrict the lawful distribution of the Rights Shares or Standby Shares (which prevention or restriction is continuing);

(b) there will be no Order issued by a Governmental Entity pursuant to applicable Laws and no change of Law, either of which suspends or ceases trading in the Rights or Shares (which suspension or cessation of trading is continuing) or operates to prevent or restrict the lawful distribution of the Rights, Rights Shares or Standby Shares (which prevention or restriction is continuing); and

(c) there will not be any claims, litigation, investigations or proceedings, including appeals and applications for review, in progress, pending, commenced or threatened by any Person, in respect of the Rights Offering, that is reasonably likely to result in a Material Adverse Change.

## 8.3 **Conditions in Favour of the Standby Purchasers**

The obligations of the Standby Purchasers to complete the transactions set out in this Agreement are subject to the following conditions being satisfied in full, to the satisfaction of each of the Standby Purchaser, acting separately and in each’s soles discretion:

(a) no Material Adverse Change will have occurred between the date hereof and Closing;

(b) the Exchange will have approved the listing of the Rights and will have conditionally approved the listing of the Rights Shares and Standby Shares, subject to filing of customary final documentation;

(c) the Company will have made and/or obtained all necessary filings, approvals, orders, rulings and consents of all relevant Regulatory Authorities and other Governmental Entities required in connection with the Rights Offering and the purchase of the Standby Shares by the Standby Purchasers as contemplated by this Agreement;

(d) the Company will have performed or complied with, in all material respects, each of its terms, conditions and covenants contained in this Agreement and each of its representations and warranties will be true and correct as of the Closing Time with the same force and effect as if made at and as of such time;

(e) the terms and timing of the Rights Offering will not have been changed without the approval in writing of each of the Standby Purchaser; and

(f) the Rights Agent will have confirmed the amount of subscription proceeds that it is holding from Persons who have exercised Rights pursuant to the Basic Subscription Privilege and, if applicable, the Additional Subscription Privilege.

### 8.4 Conditions in Favour of the Company

The obligation of the Company to complete the closing of the transactions set out in this Agreement is subject to the following conditions being satisfied in full or waived by the Corporation in its sole discretion:

(a) the Rights Agent will have confirmed the amount of subscription proceeds that it is holding from Persons who have exercised Rights pursuant to the Basic Subscription Privilege and, if applicable, the Additional Subscription Privilege; and

(b) each of the Standby Purchasers will have performed or complied with, in all material respects, each of its terms, conditions and covenants contained in this Agreement and each of its representations and warranties will be true and correct as of the Closing Time with the same force and effect as if made at and as of such time.

## ARTICLE 9
## TERMINATION

### 9.1 Termination by the Company

The Company will be entitled, at any time and in its sole discretion, to elect to terminate this Agreement by giving written notice of such election to the Standby Purchasers, if:

(a) any of the Standby Purchasers is in material default of its obligations hereunder and fails to remedy such breach on or before the date that is five (5) days following the date upon which the Company has provided written notice of such breach;

(b) if any of the conditions set out in Sections 8.2 or 8.4 are not satisfied as at the Closing Time; or

(c) the Rights Offering is otherwise terminated or cancelled or the completion of the Rights Offering and the Standby Commitment has not occurred on or before the Outside Date.

### 9.2 Termination by the Standby Purchasers

Any of the Standby Purchasers will be entitled, by giving written notice to the Company at any time, to terminate and cancel, without any liability on its part, its obligations under this Agreement independently of the other Standby Purchasers, if:

(a) there is any Material Adverse Change between the date hereof and Closing;

(b) any representation or warranty of the Company made in this Agreement is determined not to have been true and correct when made or ceases to be true and correct, or if any covenant of the Company made in this Agreement is not complied with;

(c) any of the other Standby Purchasers fail to perform their obligations under this Agreement;

(d) the Company is in material default of its obligations hereunder and fails to remedy such breach on or before the date that is five (5) days following the date upon which the Company has been provided written notice of such breach;

(e) if any of the conditions set out in Section 8.2 or 8.3 are not satisfied on or before the Closing Time;

(f) if the Rights Offering is otherwise terminated or cancelled or the completion of the Rights Offering and the Standby Commitment has not occurred on or before the Outside Date.

Despite any other provision of this Agreement, if the Company or any of the Standby Purchasers validly terminate(s) its obligations under this Agreement in accordance with this Article 9, the obligations of both the Company and the terminating Standby Purchaser under this Agreement will terminate, and there will be no further liability on the part of either of the terminating Standby Purchaser to the Company or on the Company's part to the terminating Standby Purchaser hereunder (except for any liability of any Party that exists at such time or that may arise thereafter pursuant to Section 12.1).

## ARTICLE 10
## INDEMNIFICATION

### 10.1 Indemnification by the Company

The Company covenants and agrees to protect, indemnify and hold harmless each of the Standby Purchasers for and on behalf of itself and for and on behalf of and in trust for each of their respective directors, officers, employees, agents and shareholders from and against any and all losses claims, damages, liabilities, costs or expense caused or incurred:

(a) by reason of or in any way arising, directly or indirectly, out of any Misrepresentation or alleged Misrepresentation in the Rights Offering Circular other than any Misrepresentation or alleged Misrepresentation relating to any information in the Rights Offering Circular relating to the Standby Purchasers approved in writing by the Standby Purchasers for inclusion in the Rights Offering Circular;

(b) by reason of or in any way arising, directly or indirectly, out of any Order made or inquiry, investigation or proceeding commenced or threatened by any securities commission, or any other competent authority in Canada or before or by any

Governmental Entity, based upon or relating to the Rights Offering or the other transactions contemplated in this Agreement including, without limitation, any actions taken or statements made by or on behalf of the Company in connection with the Rights Offering or the other transactions contemplated in this Agreement or any Misrepresentation or alleged Misrepresentation relating to any information in the Rights Offering Circular relating to the Standby Purchasers and provided by the Standby Purchasers;

(c) the non-compliance or alleged non-compliance by the Company with any requirement of the Securities Laws or any other applicable Laws in connection with the Rights Offering or the other transactions contemplated in this Agreement, including the Company's non-compliance with any statutory requirement to make any document available for inspection; and/or

(d) by reason of, or in any way arising, directly or indirectly, out of any material breach or default of or under any representation, warranty, covenant or agreement of the Company contained herein.

10.2 **Indemnification by the Standby Purchasers**

Each of the Standby Purchasers covenants and agrees, solely with respect to itself, to protect, indemnify and hold harmless the Company for and on behalf of itself and for and on behalf of and in trust for each of its directors, officers, employees and agents from and against any and all losses, claims, damages, liabilities, costs or expenses caused or incurred by reason of, or in any way arising, directly or indirectly, out of any breach or default of or under any representation, warranty, covenant or agreement of such Standby Purchaser contained herein or by reason of or in any way arising, directly or indirectly, out of any Misrepresentation or alleged Misrepresentation relating to any information in the Rights Offering Circular relating to such Standby Purchaser approved in writing by such Standby Purchaser for inclusion in the Rights Offering Circular.

10.3 **Notification**

In the event that any claim, action, suit or proceeding, including, without limitation, any inquiry or investigation (whether formal or informal), is brought or instituted against any of the Persons in respect of which indemnification is or might reasonably be considered to be provided for herein, such Person (an "**Indemnified Party**") will promptly notify the Company (the "**Indemnifying Party**") and the Indemnifying Party will promptly retain counsel who will be reasonably satisfactory to the Indemnified Party to represent the Indemnified Party in such claim, action, suit or proceeding, and the Indemnifying Party will pay all of the reasonable fees and disbursements of such counsel relating to such claim, action, suit or proceeding. To the extent that any Indemnified Party is not a party to this Agreement, the Indemnified Party will obtain and hold the right and benefit of this Article 10 in trust for and on behalf of such Indemnified Party.

10.4 **Retention of Counsel**

In any such claim, action, suit or proceeding, the Indemnified Party will have the right to retain other counsel to act on its behalf, provided that the fees and disbursements of such other counsel will be paid by the Indemnified Party unless:

(a) the Indemnifying Party and the Indemnified Party will have mutually agreed to the retention of such other counsel;

(b) the named parties to any such claim, action, suit or proceeding (including any added, third or impleaded parties) include both the Indemnifying Party and the Indemnified Party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them (such as the availability of different defenses); or

(c) the Indemnifying Party will have retained competent counsel and taken up the defence of such claim, action, suit or proceeding within ten (10) days after notice has been provided under Section 11.1 and, having retained such counsel, is diligently and timely pursuing such defence.

In the event that the Indemnified Party has retained its own counsel, as permitted by the preceding clause (a), (b) or (c), the Indemnifying Party will reimburse the Indemnified Party monthly and in arrears for the fees, disbursements and taxes of such counsel to the Indemnified Party.

### 10.5 **Fees and Expenses of Counsel**

Subject to Section 10.4, it is understood and agreed that the Indemnifying Party will not, in connection with any claim, action, suit or proceeding referred to in Section 10.4 commenced in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate legal firm for all Persons in respect of which indemnification is or might reasonably be considered to be provided for herein and such firm will be designated in writing by the Indemnified Party (on behalf of itself and its directors, officers, employees and agents).

### 10.6 **Settlement**

Notwithstanding anything herein contained, no admission of liability and no settlement of any action, suit, proceeding, claim or investigation will be made without the consent of the Indemnified Party affected, no Indemnified Party will agree to any settlement of any claim, action, suit, proceeding, inquiry or investigation in respect of which indemnification is or might reasonably be considered to be provided for herein, unless the Indemnifying Party has consented in writing thereto, and the Indemnifying Party will not be liable for any settlement of any such claim, action, suit, proceeding, inquiry or investigation unless it has consented in writing thereto.

## ARTICLE 11
## NOTICE

### 11.1 **Notice**

Any notice under this Agreement will be given in writing and must be delivered, sent by email, or mailed by prepaid post and addressed to the party to which notice is to be given at the following address, or at another address designated by such party in writing:

(a) if to the Company:

Aluula Composites Inc.
#300 4240 Glanford Ave, Victoria, BC V8Z 4B8
Attn: Sage Berryman, CEO and Briony Bayer, CFO
Email: EMAILS REDACTED

With a copy (which will not constitute notice) to:

Morton Law LLP
Suite 1200 – 750 West Pender St. Vancouver BC V6C 2T8
Attn: Jed M. Hops
Email: EMAIL REDACTED

(b) if to Epic:

Epic Ventures Inc.
ADDRESS REDACTED
Attn: Peter Berrang
Email: EMAIL REDACTED

(c) if to GCC:

Gustavson Capital Corp.
ADDRESS REDACTED
Attn: Peter Gustavson
Email: EMAIL REDACTED

(d) if to Blum:

Blum Management Consulting Inc.
ADDRESS REDACTED
Attn: Hannes Blum
Email: EMAIL REDACTED

(e) if to Helston:

Helston Capital Corp.
ADDRESS REDACTED
Attn: Jeremy South
Email: EMAIL REDACTED

(f) if to Tantalus:

11999524 Canada Inc.
ADDRESS REDACTED
Attn: Tyler Cuthbert
Email: EMAIL REDACTED

If notice is sent by email or is delivered, it will be deemed to have been given at the time of transmission or delivery. If notice is mailed, it will be deemed to have been received three (3) business days following the date of mailing of the notice. If there is an interruption in normal mail service due to strike, labour unrest or other cause at or prior to the time a notice is mailed the notice will be sent by email or will be delivered.

## ARTICLE 12
## GENERAL

### 12.1 Expenses

The Company will be responsible for all of the expenses related to the Rights Offering, whether or not it is completed, including, without limitation, all fees and disbursements of its legal counsel, fees and disbursements of its accountants and auditors, printing costs, translation fees and filing fees, which will not include professional fees incurred by the Standby Purchasers in connection with this Agreement and the transactions contemplated thereunder.

### 12.2 Further Assurances

From time to time after the date of this Agreement, the Parties to this Agreement will execute, acknowledge and deliver to the other Parties such other instruments, documents and certificates and will take such other actions as the other Parties may reasonably request in order to consummate the transactions contemplated by this Agreement.

### 12.3 Assignment

This Agreement may not be assigned by any party to this Agreement, by operation of law or otherwise, without the prior written consent of each of the other parties to this Agreement.

### 12.4 Enurement

This Agreement will enure to the benefit of and be binding upon the Parties to this Agreement and their respective heirs, executors, successors and permitted assigns.

### 12.5 Waiver

Failure by any Party to this Agreement to insist in any one or more instances upon the strict performance of any one of the covenants or rights contained in this Agreement will not be construed as a waiver or relinquishment of such covenant or right. No waiver by any Party to this Agreement of any such covenant or right will be deemed to have been made unless expressed in writing and signed by the waiving Party.

### 12.6 Amendments

No term or provision of this Agreement may be amended, discharged or terminated except by an instrument in writing signed by the Party against which the enforcement of the amendment, discharge or termination is sought.

### 12.7 Counterparts and Electronic Transmission

This Agreement may be executed in several counterparts and by email or other electronic means, each of which when so executed will be deemed to be an original and such counterparts together will constitute one and the same instrument and despite their date of execution they will be deemed to be dated as of the date of this Agreement.

12.8 **Time**

Time is of the essence of this Agreement.

12.9 **Entire Agreement**

This Agreement and any other agreements and other documents referred to in this Agreement and delivered in connection with this Agreement, constitutes the entire agreement between the Parties to this Agreement pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter of this Agreement.

***[Remainder of page intentionally left blank. Signature page follows.]***

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

**ALUULA COMPOSITES INC.**

*"Briony Bayer"*

___________________________________
*Authorized signatory*
Name: Briony Bayer
Title: CFO and Director

**EPIC VENTURES INC.**

*"Peter Berrang"*

___________________________________
*Authorized signatory*
Name: Peter Berrang
Title: Director

**GUSTAVSON CAPITAL CORPORATION**

*"Peter Gustavson"*

___________________________________
*Authorized signatory*
Name: Peter Gustavson
Title: Director

**BLUM MANAGEMENT CONSULTING INC.**

*"Hannes Blum"*

___________________________________
*Authorized signatory*
Name: Hannes Blum
Title: Director

**HELSTON CAPITAL CORP.**

*"Jeremy South"*

___________________________________
*Authorized signatory*
Name: Jeremy South
Title: Director

**11999524 CANADA INC.**

*"Tyler Cuthbert"*

___________________________________
*Authorized signatory*
Name: Tyler Cuthbert
Title: Director