

DATED 1 June 2017

(1) DALRADIAN RESOURCES INC.

(2) MINCO PLC; and

(3) BUCHANS RESOURCES LIMITED

IMPLEMENTATION AGREEMENT

m^cevoy
...
partners

27 Hatch Street Lower
Dublin 2

T +353 1 775 5600
F +353 1 775 5600

CONTENTS

1	INTERPRETATION	3
2	IMPLEMENTATION	9
3	CONDITIONS	9
4	THE SCHEME	10
5	COMPLETION	15
6	RECOMMENDATIONS	17
7	REPRESENTATIONS, WARRANTIES AND INDEMNITIES	18
8	CONDUCT OF BUSINESS	20
9	TERMINATION	20
10	NON-SOLICITATION	21
11	CONFIDENTIALITY	22
12	GENERAL PROVISIONS	23
13	NOTICES	24
14	GOVERNING LAW AND JURISDICTION	25
	Schedule 1 - Subsidiaries	26
	PART A - Company Subsidiaries	26
	PART B - Buchans Subsidiaries	28
	Schedule 2 – Company and Buchans Warranties	29
	PART A - Company Warranties	29
	PART B – Buchans Warranties	39
	Schedule 3 – Offeror Warranties	47
	Schedule 4A - Company's and Buchans's limitation of liability	57
	Schedule 4B - Offeror's limitation of liability	59
	Schedule 5 – Conduct of business	61

THIS AGREEMENT is made on 1 June 2017

BETWEEN:-

- (1) **DALRADIAN RESOURCES INC**, a company incorporated under the laws of the Province of Ontario with registered number 002201851 and whose registered office is at Queens Quay Terminal 207 Queens Quay West, Suite 416, Toronto, Ontario, Canada M5J 1A7 ("**Dalradian**" /"**Offeror**");
- (2) **MINCO PLC**, a public company incorporated in Ireland with registered number **38284** and registered office at 27 Hatch Street Lower, Dublin 2 ("**Minco**"/the "**Company**"); and
- (3) **BUCHANS RESOURCES LIMITED**, a company incorporated under the laws of the Province of Ontario with company registration number **1935474** and whose registered office is at Suite 1805, 55 University Avenue, Toronto, Ontario, Canada M5J 2H7 and which is a wholly owned subsidiary of the Company ("**Buchans**").

INTRODUCTION:-

- A The Offeror wishes to acquire the entire issued share capital of the Company.
- B The Offeror will not acquire any interest (direct or indirect) in the Demerged Assets. Accordingly, the Company intends to transfer the Demerged Assets to its shareholders by way of a demerger of its wholly owned subsidiary, Buchans.
- C The parties wish to implement the Acquisition and the Demerger by way of a scheme of arrangement under the Companies Act, 2014.
- D The parties are entering into this Agreement to set out their mutual promises and assurances to each other to implement and support the Scheme.

IT IS AGREED as follows:-

1 INTERPRETATION

1.1 Definitions

In this Agreement the following expressions shall unless the context otherwise requires have the meanings following:

Act	the Companies Act, 2014;
Acquisition	the acquisition by the Offeror of the entire issued share capital of the Company, to be implemented through the Scheme;
Acquisition Reduction	the proposed reduction of the Company's share capital, provided for by the Scheme, for the purposes of the Acquisition, as further defined and set out in Clause 4.2;
AIM	the market of that name operated by the London Stock Exchange;
AIM Rules	the AIM Rules for Companies published by the London Stock Exchange from time to time, including (to the extent relevant) the <i>Note For Mining and Oil & Gas Companies</i> published by the London Stock Exchange plc;

Applicable Laws	means all applicable laws, statutes, regulations, directives, by-laws, orders and codes of conduct and mandatory guidelines which have legal effect, whether local, national, international or otherwise existing from time to time, together with any similar instrument having legal effect in the relevant circumstances, and including (without limitation) the AIM Rules, the Act and the Takeover Rules;
Board	the Board of Directors of the Company;
Buchans Group	Buchans and/or any of the Buchans Subsidiaries;
Buchans Subsidiaries	the subsidiaries of Buchans as listed in Part B of Schedule 1 and the term “ Buchans Subsidiary ” refers to any of them;
Buchans Subsidiaries	
Waiver	the irrevocable and unconditional waivers under seal in the agreed form provided by the Buchans Subsidiaries;
Company Material	
Adverse Effect	<p>means such event, development, occurrence, state of facts or change that has a material adverse effect on the business, operations or financial condition of the Company and its Subsidiaries, taken as a whole, but shall not include:</p> <p>(a) events, developments, occurrences, states of facts or changes (i) generally affecting the industry thereof in which the Company and its Subsidiaries operate (including changes to commodity prices) in the United Kingdom, Canada or elsewhere, (ii) generally affecting the economy or the financial, debt, credit or securities markets, in the United Kingdom, Canada or elsewhere, (iii) resulting from any political conditions or developments in general, or resulting from any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, (iv) reflecting or resulting from changes or proposed changes in Law (including rules and regulations), interpretations thereof or regulatory conditions, or (v) generally applicable changes in Canadian GAAP, IFRS or other accounting standards; or</p> <p>(b) any decline in the stock price of the Company shares on the AIM or any failure to meet internal or published projections, forecasts or revenue or earning predictions for any period; or</p> <p>(c) any events, developments, occurrences, states of facts or changes resulting from the announcement or the existence of this Agreement or the transactions contemplated hereby or the performance of and the compliance with this Agreement;</p> <p>provided, however that each of clauses (a)(i) to (a)(iv) above will not apply to the extent that any result, fact, change, effect, event circumstance, occurrence or development referred to therein relate primarily to or have the effect of relating primarily to the Company and its Subsidiaries, taken as a whole, or disproportionately adversely affects the Company and its Subsidiaries, taken as a whole, in comparison to other persons who operate in the gold mining industry;</p>
Competing Offer	any Takeover Offer by a party other than the Offeror;

Consideration Shares	the 15,490,666 common shares in the Offeror's share capital credited as fully paid being (i) 11,618,000 new common shares to be issued to B Scheme Shareholders as consideration for the B Scheme Shares pursuant to the terms of the Scheme and (ii) 3,872,666 common shares to be issued to Buchans following the Demerger;
Conditions	the conditions to the Scheme and the Acquisition set out in Appendix 1 to the Rule 2.5 Announcement;
Court	the High Court of Ireland;
Deed of	
Indemnity (Tax)	means the deed of indemnity to be granted by Buchans in favour of the Offeror and the Company in the agreed form;
Deed of Indemnity	
(Miscellaneous)	means the deed of indemnity to be granted by Buchans in favour of the Offeror and the Company in relation to environmental liabilities of the Company and Buchans and other liabilities of the Company and Buchans in the agreed form;
Demerger	the demerger of the Company's interest in Buchans to be implemented through the Scheme in accordance with Clause 4.2;
Demerged Assets	the Company's entire interest in Buchans, a wholly owned subsidiary of the Company;
Demerger Reduction	the proposed reduction of (i) the Company's A ordinary shares in issue and (ii) the Company's share premium, provided for by the Scheme, for the purposes of the Demerger, as further defined and set out in Clause 4.2;
Disclosure Letter (Offeror)	the disclosure letter from the Offeror addressed to the Company and Buchans;
Disclosure Letter (Company)	the disclosure letter from the Company addressed to the Offeror;
Effective Date	the date on which the documents described in Clause 4.4.9 are filed with the Registrar of Companies in Ireland in accordance with section 454 of the Act;
First Court Hearing	the Court hearing at which the parties will seek the Court's permission to convene the Scheme Meeting;
Form of Election	the form of election accompanying the Scheme Document;
General Meeting	the extraordinary general meeting of the Shareholders to be convened by the Company for the purposes of approving the Demerger Reduction and the Acquisition Reduction;
Group	the Company and its Subsidiaries at the date hereof, and Group Company means any of them;

IFRS	International Financial Reporting Standards as adopted by the European Union;
Longstop Date	30 September, 2017 (or such later date as the parties may agree);
Offeror Material Adverse Effect	<p>means such event, development, occurrence, state of facts or change that has a material adverse effect on the business, operations or financial condition of the Offeror and its Subsidiaries, taken as a whole, but shall not include:</p> <p>(a) events, developments, occurrences, states of facts or changes (i) generally affecting the industry thereof in which the Offeror and its Subsidiaries operate (including changes to commodity prices) in the United Kingdom, Canada or elsewhere, (ii) generally affecting the economy or the financial, debt, credit or securities markets, in the United Kingdom, Canada or elsewhere, (iii) resulting from any political conditions or developments in general, or resulting from any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism, (iv) reflecting or resulting from changes or proposed changes in Law (including rules and regulations), interpretations thereof or regulatory conditions, or (v) generally applicable changes in Canadian GAAP, IFRS or other accounting standards; or</p> <p>(b) any decline in the stock price of the Offeror shares on the TSX or any failure to meet internal or published projections, forecasts or revenue or earning predictions for any period; or</p> <p>(c) any events, developments, occurrences, states of facts or changes resulting from the announcement or the existence of this Agreement or the transactions contemplated hereby or the performance of and the compliance with this Agreement;</p> <p>provided, however that each of clauses (a)(i) to (a)(iv) above will not apply to the extent that any result, fact, change, effect, event circumstance, occurrence or development referred to therein relate primarily to or have the effect of relating primarily to the Offeror and its Subsidiaries, taken as a whole, or disproportionately adversely affects the Offeror and its Subsidiaries, taken as a whole, in comparison to other persons who operate in the gold mining industry;</p>
Panel	the Irish Takeover Panel;
Pre Court Date	the date which falls immediately before the Second Court Hearing;
Registrars	Computershare Investor Services (Ireland) Limited;
Relevant Authority	any governmental, quasi-governmental, statutory, regulatory or investigative body or authority including, for the avoidance of doubt, the Panel;
Royalty	the 2% net smelter return royalty held by the Company on a portion of the Northern Ireland Properties (as defined in the Royalty Agreement);

Royalty Agreement	means the royalty agreement dated December 13, 2004 between Ulster Minerals Limited (now Dalradian Gold Limited) and the Company;
Rule 2.5 Announcement	the announcement to be made pursuant to Rule 2.5 of the Takeover Rules in the agreed form;
Scheme	the proposed scheme of arrangement under Section 450 of the Act between the Company and the Shareholders, subject to any addition, modification or condition which the Court may impose or the parties may agree, including and for the purpose of implementing the Acquisition and the Demerger;
Scheme Document	the document to be sent to the Shareholders setting out the terms of the Scheme;
Scheme Meeting	the meeting of the Shareholders to be convened by the Company with the permission of the Court for the purposes of approving the Scheme;
Scheme Shareholders	the Company's shareholders as at the Effective Date;
Second Court Hearing	the Court hearing at which the parties will seek an order of the Court sanctioning the Scheme and confirming the Demerger Reduction and the Acquisition Reduction;
Shareholder Materials	the Scheme Document, the notices of the General Meeting and the Scheme Meeting, and any other document ancillary to or connected with the Scheme Document;
Shareholders	the holders of the Shares;
Share(s)	ordinary share(s) in the capital of the Company;
Subsidiary	in relation to any person, any corporation, partnership, association, trust or other form of legal entity of which such person directly or indirectly owns securities or other equity interests representing more than 50% of the aggregate voting power;
Superior Proposal	any Third Party Transaction proposed by any person other than the Offeror or any person acting in concert with the Offeror that the Board of the Company determines in good faith after consultation with the Company's advisers is more favourable to the Shareholders than the transaction contemplated by this Agreement;
Takeover Offer	a "takeover" as defined in the Act and a "takeover scheme" as defined in the Takeover Rules;
Takeover Rules	the Irish Takeover Panel Act, 1997 and the Irish Takeover Rules 2013 (as amended);
Taxation	means all forms of taxation, charges, duties, imposts, levies and governmental charges (whether national or local) in the nature of tax, whatsoever and whenever created, enacted or imposed and whether of the United Kingdom, the Republic of Ireland, Canada or any other relevant jurisdiction, including without limitation, corporation tax, income tax, national insurance and other social security contributions, capital gains

tax, inheritance tax, value added tax, customs and excise and import duties, stamp duty and stamp duty reserve tax and any amount whatsoever payable to any taxation authority or any other person as a result of any enactment relating to taxation and any taxation supplementing or replacing the same together with all fines, penalties, interest, charges and surcharges connected therewith;

Third Party Transaction	means a disposal or transfer of the Royalty by Minco or a Competing Offer made by or on behalf of a party (other than Dalradian) which, if completed, would result in that third party or its associates holding more than twenty percent (20%) of the voting or other equity securities of Minco, or the disposal of any interest in a material part of the business of Minco, or a disposal or acquisition of material assets by Minco;
Transaction Documents	this Agreement, the Deed of Indemnity (Tax), the Deed of Indemnity (Miscellaneous), the Shareholder Materials and any other documents ancillary to or connected with them or otherwise necessary to implement the Scheme, and Transaction Document means any of them; and
Warranties	the representations and warranties given by the Company, Buchans or the Offeror (as the case may be).

1.2 Interpretation Generally

In this Agreement and in the Schedules, unless the context otherwise requires or unless otherwise specified:-

- 1.2.1 reference to any statute, bye-law, regulation, rule, delegated legislation or order is to:
- (i) that statute, bye-law, regulation, rule, delegated legislation or order as amended, modified or replaced from time to time; or
 - (ii) any statute, bye-law, regulation, rule, delegated legislation or order replacing or made under any of them or which any of them re-enacts (with or without variation);
- 1.2.2 references to any Clause, paragraph, Schedule or recital are to those contained in this Agreement. All Schedules are an integral part of this Agreement;
- 1.2.3 headings are for ease of reference only;
- 1.2.4 words in the singular include the plural and *vice versa*;
- 1.2.5 the words **include, including** and **in particular** indicate examples only and do not limit the general nature of any preceding words, so that the *ejusdem generis* rule does not apply to the interpretation of this Agreement;
- 1.2.6 a phrase starting with the words or other or otherwise is not limited by any preceding words where a wider interpretation is possible;
- 1.2.7 reference to any gender includes the others;
- 1.2.8 the expression this Clause, unless followed by the number of a specific part of the Clause, refers to the whole clause in which it occurs;

- 1.2.9 person includes each of the following, even if they have no separate legal personality; an individual, firm, partnership, trust, joint venture, body corporate, unincorporated body, association, organisation or any government, state or local body or authority;
- 1.2.10 in writing means any communication made by letter or fax (but not, unless specifically stated, by electronic mail) and written shall be interpreted accordingly;
- 1.2.11 business day means a day (other than a Saturday or Sunday) on which banks are open for the transaction of general business in Dublin;
- 1.2.12 agreement means any agreement or commitment whether conditional or unconditional and whether by deed, under hand, oral or otherwise;
- 1.2.13 law includes any legislation, any common or customary law, constitution, decree, judgment, order, ordinance, treaty or other legislative measure in any jurisdiction and any directive, request, requirement, guidance or guideline (in each case, whether or not having the force of law but, if not having the force of law, compliance with which is in accordance with the general practice of persons to whom the directive, request, requirement, guidance or guideline applies);
- 1.2.14 a document is in the agreed form if it is in the form of a draft agreed between and initialled by or for the parties on or before the date of this Agreement;
- 1.2.15 a party means a party to this Agreement;
- 1.2.16 a person is connected with another if that person is connected with another within the meaning of section 10 of the Taxes Consolidation Act, 1997;
- 1.2.17 references to a time in this Agreement are to the corresponding time in Dublin unless otherwise stated; and
- 1.2.18 where this Agreement defines a word or expression, related words and expressions have a consistent meaning.

2 Implementation

2.1 The Rule 2.5 Announcement and the Scheme

- (a) Each party confirms that it has duly approved the release of the Rule 2.5 Announcement. The Company shall procure the release of the Rule 2.5 Announcement to a Regulatory Information Service as soon as practicable following execution of this Agreement and in accordance with clause 3.1.
- (b) Each party shall take all steps within its power necessary to implement the Scheme on the terms of this Agreement and, in particular, on the terms of Clauses 4 (*The Scheme*) and 6 (*Recommendation*).

3 CONDITIONS

3.1 Mutual Condition

The parties' obligations under this Agreement (other than the obligations under clause 2.1(a)) are conditional on the Rule 2.5 Announcement being released to a Regulatory Information Service on 1st June 2017.

3.2 **The Conditions**

The Conditions are incorporated in and shall constitute a part of this Agreement.

3.3 **Conditions to the Offeror's obligations**

In addition to the mutual condition in clause 3.1 (*Mutual Condition*), the Offeror's obligations under this Agreement are conditional on the Offeror having received irrevocable undertakings from each of the directors of the Company, who hold Shares, to vote in favour of the Scheme at the Scheme Meeting and to vote in favour of the Reclassification of Shares in accordance with clause 4.2.1(a), the Demerger Reduction and the Acquisition Reduction at the General Meeting.

3.4 **Satisfaction of Conditions**

3.4.1 The parties each agree to use all reasonable endeavours to achieve satisfaction of the Conditions as soon as practicable following publication of the Scheme Document.

3.5.2 Each party will as promptly as possible and, in any event, within any relevant time limit, make all such notification to or filings with all appropriate Relevant Authorities, jointly or separately (as appropriate) as are necessary or expedient for the implementation of the Acquisition and the Demerger and/or satisfaction of the relevant Conditions and/or terms of the Acquisition and the Demerger.

3.5 **Notification**

A party shall notify the other immediately on becoming aware of anything which will or might prevent any Condition from being satisfied on or before the Longstop Date.

3.6 **Waiver of Conditions**

Subject to the requirements of the Panel, the Offeror may at any time before the Longstop Date waive (in whole or in part) satisfaction of any or all of the Conditions which are capable of waiver. Any waiver is at the Offeror's sole discretion and must be given in writing to the Company.

3.7 **Non-satisfaction**

If any Condition is neither satisfied nor waived under Clause 3.6 (*Waiver of Conditions*) on or before the Longstop Date, this Agreement shall end and Clauses 9.1 to 9.3 shall apply.

4 **THE SCHEME**

4.1 **The Scheme**

4.1.1 Subject to Clause 4.1.2, the Scheme shall be implemented on the terms set out in this Agreement.

4.1.2 Subject to the requirements of the Panel, the parties may make any amendment or addition to the terms of the Scheme Document:

- (a) to which all of the parties have agreed;
- (b) which the Court may require; or
- (c) which the Panel may require.

However, the terms of the Scheme must in any event give effect to the matters set out in Clause 4.2.1 below.

4.2 The Demerger and the Acquisition

4.2.1 The Scheme must provide:

- (a) and the Company shall procure, that the Company's existing issued ordinary share capital shall be subdivided into two new classes of shares, A ordinary shares and B ordinary shares (the **Reclassification of Shares**);
- (b) and the Company shall procure, that the Company's issued A ordinary share capital and share premium account shall be cancelled and extinguished (the **Demerger Reduction**);
- (c) and the Company shall procure, that the Company will transfer the Demerged Assets to its shareholders by a return in specie of the shares held by Minco plc in the Demerged Assets using a portion of the reserves created by the Demerger Reduction in the same proportions as those in which the Shareholders hold A ordinary shares in the Company as at 5.00 pm on the day immediately preceding the Second Court Hearing;
- (d) and the Company shall procure, that the Company's entire issued B ordinary share capital will be cancelled and the Company's share capital reduced accordingly by an order of the Court under sections 85 of the Act (the **Acquisition Reduction**); and
- (e) and the Offeror shall procure, that the Offeror shall issue: 75% of the Consideration Shares to the Scheme Shareholders within two business days of the Effective Date.

4.2.2 The Offeror shall issue 25% of the Consideration Shares to Buchans (and/or or its nominee) within two business days of the Effective Date in consideration of Buchans (i) facilitating the Acquisition and the Demerger, including entering into the Deed of Indemnity (Tax) and Deed of Indemnity (Miscellaneous) in accordance with this Agreement, (ii) agreeing to discharge the Company's costs and expenses (including professional fees and outlay) in connection with the Acquisition and the Demerger pursuant to clause 5.4 hereof and (iii) assuming responsibility for any liabilities of the Company as of the Effective Date, including any intra-group liabilities of the Company pursuant to clauses 5.3.3 and 5.3.4 hereof.

4.3 Shareholder Materials

4.3.1 To the extent not already done, the Company, Buchans and the Offeror shall use all reasonable endeavours to finalise the Scheme Document and other Shareholder Materials on or before 29 June 2017.

4.3.2 The Company, Buchans and the Offeror must prepare the Scheme Document in accordance with applicable law.

4.3.3 The Company must consult with the Offeror in relation to finalising the Scheme Document, send revised drafts of the Scheme Document to the Offeror for the Offeror's review and comment and discuss any such comments with the Offeror in order to prepare revised drafts.

4.3.4 The Offeror shall:

- (a) provide to the Company all information about itself, its group of companies, its and their business(es) and its directors which the Company reasonably requests and which is required to be included in the Shareholder Materials; and
- (b) provide all other assistance that may reasonably be required in preparing the Scheme Document.

4.3.5 Each party shall ensure that, to the extent required by applicable law, each of its directors that is mentioned in the Scheme Document will accept responsibility for the

information contained in the Scheme Document in relation to that director and the company of which he is a director in accordance with the Irish Takeover Rules.

4.4 Implementation

4.4.1 Immediately after finalising the Scheme Document and the terms of the Scheme, the Company shall, on an ongoing basis, make all necessary applications to, and file all necessary documents with, the Court in order to implement the Scheme.

4.4.2 The Company will promptly and using its reasonable endeavours make all necessary applications to the Court in connection with the implementation of the Scheme, including, where necessary if the directors of the Company do not convene the Scheme Meeting, issuing appropriate proceedings requesting the Court to order that the First Court Hearing be convened within no more than 10 business days of the earliest possible date for the First Court Hearing following such application but in any event as soon as possible following the publication of the Rule 2.5 Announcement and in any event so as to ensure insofar as possible that the hearing of such proceedings occur on or before **26 June 2017** in order to facilitate the posting of the Scheme Document on or before **29 June 2017** (that is, within 28 days of the publication of the Rule 2.5 Announcement) and the holding of the Scheme Meeting on or before Monday 24 July

4.4.3 The Company will promptly notify the Offeror upon the receipt of any comments from the Panel on, or any request from the Panel for amendments or supplements to, the Scheme Document and the related forms of proxy. Prior to filing or despatch of any amendment or supplement to the Scheme Document requested by the Panel or responding to any comments of the Panel, with respect thereto, the Company shall promptly:

- (a) provide the Offeror with a reasonable opportunity to review and comment on such document or response; and
- (b) discuss with the Offeror and include in such document or response the comments reasonably proposed by the Offeror,

provided, in each case, that the Offeror promptly reverts to the Company with its comments and/or responses.

4.4.4 After:

- (a) the parties and the Court have (to the extent required) agreed the form and content of all documents required in connection with the Scheme; and
- (b) the Court has made an order giving the Company permission to convene the Scheme Meeting,

the Company shall, within five business days of that order, send to the Shareholders and/or publish by way of an advertisement complying with the provisions of the Act:

- (c) the Shareholder Materials; and
- (d) such other documents, announcements and information as the Court may require from time to time in relation to the Scheme.

4.4.5 The Company shall:

- (a) procure that the Board unanimously and without qualification recommend to the Shareholders, pursuant to Clause 6.1.2(a) (*Recommendation*), that the Shareholders vote in favour of the Scheme at the Scheme Meeting and do not withdraw or adversely amend that recommendation;

- (b) procure that the Board unanimously and without qualification recommend to the Shareholders, pursuant to Clause 6.1.2(b) (*Recommendation*), that the Shareholders vote in favour of the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction at the General Meeting and do not withdraw or adversely amend that recommendation;
 - (c) convene the Scheme Meeting to occur, and subsequently hold the Scheme Meeting, on the date and at the time ordered by the Court;
 - (d) convene the General Meeting to occur, and subsequently hold the General Meeting, immediately (and not later than 30 minutes) after the closing of the Scheme Meeting; and
 - (e) if thought fit, approve the resolutions adopting (i) the Scheme at the Scheme Meeting and (ii) the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction at the General Meeting.
- 4.4.6 The Company shall keep the Offeror informed of the number of proxy votes which the Company has received in relation to the resolutions to be proposed at the Scheme Meeting and the General Meeting on a regular basis as soon as practicable following a request from the Offeror.
- 4.4.7 Where the resolutions proposed respectively at the Scheme Meeting and the General Meeting are all passed by the required majorities, the Company must attend the Second Court Hearing and seek the sanction of the Court to the Scheme and the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction.
- 4.4.8 For the purpose of implementing the Scheme, the Company shall instruct Declan Murphy BL or another barrister of appropriate experience and provide the Offeror and its advisers with the opportunity to attend any meetings with such barrister to discuss substantive matters pertaining to the Scheme and any issues arising in connection with it (except to the extent that the barrister is to advise on the fiduciary duties of the directors of the Company or Buchans).
- 4.4.9 Where the Court sanctions the Scheme, the Demerger Reduction and the Acquisition Reduction, the Company must file with the Registrar of Companies in Ireland on the next business day following the Second Court Hearing:
- (a) an office copy of the order of the Court sanctioning the Scheme, and any other documents required to be filed in connection with the Scheme; and
 - (b) an office copy of the order of the Court confirming the Demerger Reduction and the Acquisition Reduction, a copy of the resolution of the Shareholders approving the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction and any other documents required to be filed in connection with the Demerger Reduction and the Acquisition Reduction.
- 4.4.10 The Offeror shall procure the approval to list the Consideration Shares on the Toronto Stock Exchange and admit the Consideration Shares to the AIM Market of the London Stock Exchange plc.
- 4.4.11 If:
- (a) the Rule 2.5 Announcement is not released by the deadline specified in Clause 3.1 (or such later date as may be agreed in writing by the Parties);
 - (b) the Shareholders do not approve the Scheme at the Scheme Meeting;
 - (c) the Shareholders do not approve the Reclassification of Shares at the General Meeting;

- (d) the Shareholders do not approve the Demerger Reduction at the General Meeting;
- (e) the Shareholders do not approve the Acquisition Reduction at the General Meeting;
- (f) the directors of the Company withdraw or adversely modify their recommendation of the Scheme, the Demerger, the Demerger Reduction, the Acquisition Reduction or the Acquisition; or
- (g) the Court refuses to sanction the Scheme and/or confirm the Demerger Reduction and/or the Acquisition Reduction,

this Agreement may be terminated pursuant to Clause 9.1.

4.4.12 Buchans undertakes that it will register the transfer of its shares in issue to the Shareholders as contemplated by the Scheme.

4.5 **De-listing**

Subject to the passing of all resolutions to be proposed at the Scheme Meeting, the Company will take all necessary steps to cancel the listing of the Shares on the AIM Market of the London Stock Exchange plc as soon as possible but in no event later than 2 business days following the Effective Date.

4.6 **Other assurances**

4.6.1 The Company shall prepare all documents required by the Court in relation to the Scheme, including any pleadings, motions, affidavits, advertisements, orders and reports of any meetings.

4.6.2 The Company shall consult with the Offeror in relation to preparing all such documents, send drafts of all such documents to the Offeror for the Offeror's review and comment, discuss any such comments with the Offeror and accommodate such comments reasonably proposed by the Offeror in order to prepare revised drafts.

4.6.3 The Offeror shall review and comment on all such documents as soon as practicable and without causing delay to the Company and/or the implementation of the Scheme and the Demerger.

4.6.4 The Company must not lodge any documents described in this Clause 4.6 with the Court without consulting with the Offeror.

4.6.5 The Company must not:

- (a) amend, or seek to amend, any Shareholder Materials or other documents relating to the Scheme; or
- (b) adjourn the Scheme Meeting or the General Meeting,

without first obtaining the Offeror's written consent (which the Offeror must not unreasonably withhold or delay) except in respect of (b) above where it is not practicable to do so.

4.6.6 Each party must promptly notify the other if it becomes aware that any information contained in the Shareholder Materials is inaccurate or incorrect in any way. In such circumstances, the parties must co-operate in preparing and circulating a supplement or amendment to the Shareholder Materials.

- 4.6.7 The Offeror shall be entitled, at its own cost, but not obliged, to instruct a barrister to appear on its behalf at the First Court Hearing and the Second Court Hearing.
- 4.6.8 The parties hereto shall use all reasonable endeavours to obtain promptly any consents, clearances or authorisations of third parties required in connection with the consummation of the transactions contemplated hereby including the Acquisition and the Scheme.
- 4.6.9 The Offeror irrevocably and unconditionally undertakes to procure that any Shares it holds or will hold in the Company or any Shares any party connected with it holds or will hold will (i) where required by law including the Takeover Rules, abstain from voting at the Scheme Meeting and (ii) will vote in favour of the resolutions to be proposed at the General Meeting.

5 COMPLETION

5.1 Company's obligations

- 5.1.1 On the date hereof, the Company shall deliver to the Offeror a certified copy of the minutes of a meeting of the Company's directors approving this Agreement, all other Transaction Documents and the matters contemplated by them.
- 5.1.2 On the date hereof, the Company shall deliver:
- (a) executed letters of resignation and waiver under seal from all existing directors and the company secretary of the Company confirming their resignations on the Effective Date and waiver of all claims against the Company;
 - (b) executed deeds of cancellation and waiver under seal in relation to all options, warrants or convertible rights over the Shares granted to persons other than the existing directors and the company secretary of the Company;
 - (c) executed deeds of cancellation and waiver under seal in relation to all options, warrants or convertible rights over the Shares granted to the existing directors and the company secretary of the Company;
 - (d) the executed Buchans Subsidiaries Waiver;
 - (e) the executed Deed of Indemnity (Tax); and
 - (f) the executed Deed of Indemnity (Miscellaneous).
- 5.1.3 On the Effective Date the Company shall procure that such parties as the Offeror may nominate are appointed as directors and officers of the Company.

5.2 Offeror's obligations

Within two business days of the Effective Date, the Offeror must issue the Consideration Shares to the Scheme Shareholders and to Buchans.

5.3 Buchans obligations

- 5.3.1 On the date hereof, Buchans shall deliver to the Offeror:
- (a) the executed Deed of Indemnity (Tax);
 - (b) the executed Deed of Indemnity (Miscellaneous); and
 - (c) the executed Buchans Subsidiaries Waiver.

- 5.3.2 Buchans shall provide without delay all documents and information on Buchans required for the Shareholder Materials in relation to the Scheme or any document or information to be sent to Shareholders providing disclosure on the business and affairs of Buchans.
- 5.3.3 On or before the Effective Date Buchans shall:
- (a) procure that (i) all liabilities of the Company owed to other members of the group of companies of which the Company is a member from time to time (the **"Intra Group Liabilities"**) are settled, paid and discharged in full and (ii) all other amounts payable by the Company other than the Intra Group Liabilities are settled, paid and discharged in full; and
 - (b) provide a statement identifying each element and amount of any Intra Group Liabilities and any other liabilities of the Company.
- 5.3.4 In any event, Buchans hereby covenants and undertakes with the Company that the Intra Group Liabilities shall on the Effective Date be unconditionally and irrevocably assumed and taken over by Buchans.
- 5.4 All of the advisers to Minco including without limitation in connection with the Acquisition, the Demerger and the Scheme are and shall be: McEvoy Partners, Davy Corporate Finance, UHY Farrelly Dawe White Limited, Computershare Services (Ireland) Limited, KPMG and any other advisers that may have been engaged by Minco in connection with the transactions contemplated herein and not specifically listed in the foregoing are referred to as the **"Minco Adviser(s)"**.
- All costs, fees, expenses and expenditure whatsoever including the professional fees and outlay of the Minco Advisers incurred or recorded by the Minco Advisers and payable by Minco including, without limitation, in connection with the Acquisition, the Demerger and the Scheme and which are outstanding and un-paid on the Effective Date are referred to as the **"Minco Costs"**.
- Buchans hereby covenants and undertakes with Dalradian and Minco that Buchans shall **irrevocably and unconditionally assume all obligations for, pay and discharge in full without limit**, in place of Minco, all of the Minco Costs which are un-paid on the Effective Date and Buchans shall:
- 5.4.1 procure that on the Effective Date each of the Minco Advisers shall issue a full and final invoice addressed to Minco in relation to the Minco Costs (the **"Minco Advisers Invoices"**);
 - 5.4.2 procure that on or prior to the Effective Date each Minco Adviser delivers the signed acknowledgement in writing addressed to Minco (substantially in the form agreed by the parties hereto at the date hereof) from each of the advisers to Minco that the invoices to be issued on the Effective Date by the advisers to Minco are full and final in relation to all amounts owed by Minco to its advisers including professional fees, services and outlay (the **"Minco Advisers Letters"**);
 - 5.4.3 pay and discharge in full all of the Minco Advisers Invoices promptly following the Effective Date; and
 - 5.4.4 waive and release and be barred absolutely from enforcing any defence, claim, counter-claim or claim for set-off against Minco or Dalradian under this Agreement or otherwise including for breach of Warranty to the extent only that such defence, claim, counter-claim or set-off would be used as a defence to the payment in full, or a reason not to pay or delay payment, by Buchans of the Minco Advisers Invoices.
- 5.5 Following the Scheme becoming effective, and subject to obtaining any necessary approvals, Buchans shall use its reasonable commercial efforts to either (i) make an application to list the

Buchans Shares on a Canadian stock exchange, or (ii) complete another transaction whereby Buchans will acquire or be acquired by a third party which third party shall itself be listed on a Canadian stock exchange, as soon as reasonably practicable, subject to market and trading conditions, provided however that Buchans does not guarantee that such a listing or acquisition will be obtained or completed.

5.6 In the event that (i) any claims are made or legal proceedings are instituted by Minco against any of the Minco Advisers (the “**Minco Claim**”) for loss or damages suffered as a result of including, without limitation, breach of contract or negligence of the Minco Adviser, in relation to services or advice provided to Minco prior to the Effective Date and (ii) Buchans proposes to make a legal claim or institute legal proceedings against any of the Minco Advisers in order to recover loss or damages suffered by it (the “**Buchans Claim**”) in respect of the same or a related cause of action as the Minco Claim:

5.6.1 Minco shall be entitled to pursue, enforce, appeal and recover in full all amounts due to it under the Minco Claim in priority to any Buchans Claim and Buchans hereby agrees to be subordinated to any Minco Claim; and

5.6.2 Buchans shall not pursue or seek to collect or enforce the Buchans Claim if any Minco Adviser would seek to recover or take legal proceedings against Minco as a result of the Buchans Claim.

5.7 Buchans confirms that on the date hereof there are warrants in issue to purchase in total 40,000 shares in Buchans Minerals Corp. with an exercise price of CAN\$0.10 per share (the “**Buchans Warrants**”). In the event of the exercise at any time of any of the Buchans Warrants:

5.7.1 Minco hereby confirms to Dalradian that Minco will have no obligation to issue any shares or securities;

5.7.2 Buchans confirms that it will not require or direct (i) Minco to issue or allot any shares in Minco or (ii) Dalradian to issue or allot any shares in Dalradian.

5.8 Notwithstanding the termination for any reason or expiry of this Agreement, following the Effective Date, the undertaking, covenant and obligations of Buchans (i) to pay and discharge the Minco Advisers Invoices under clause 5.4, and (ii) under clauses 5.5 to 5.7 inclusive shall survive indefinitely any such termination or expiry.

6 RECOMMENDATIONS

6.1 The Scheme

6.1.1 The Company confirms that, as of the date hereof, the Board considers that the terms of the Scheme as contemplated by this Agreement are fair and reasonable and that the Board has resolved to recommend to the Shareholders that they vote in favour of (i) the Scheme at the Scheme Meeting (the “**Scheme Recommendation**”) and (ii) the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction at the General Meeting. The Scheme Recommendation and the related opinion of the financial advisers to the board of the Company, will be set out in the Rule 2.5 Announcement.

6.1.2 Subject to the right of the directors of the Company to withdraw or adversely modify the Scheme Recommendation to the extent necessary to fulfil their fiduciary duties, the Company shall procure that:

(a) its directors unanimously and without qualification recommend to the Shareholders that they vote in favour of the Scheme at the Scheme Meeting;

- (b) its directors unanimously and without qualification recommend to the Shareholders that they vote in favour of the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction at the General Meeting; and
- (c) the Shareholder Materials incorporate those recommendations.

6.1.3 Neither the Board nor any one or more of the directors of Minco shall withdraw or adversely modify the Scheme Recommendation unless:

- (a) Minco has received a Superior Proposal and the Board has determined in good faith, after consideration with its legal counsel and financial advisors, that in order for the Board to properly discharge its fiduciary duties it is necessary to withdraw or adversely modify the Scheme Recommendation and to approve or recommend the Superior Proposal.
- (b) Minco has provided written notice to Dalradian once a determination has been made by the Board to withdraw or adversely modify the Scheme Recommendation; and
- (c) Minco has provided Dalradian with a reasonable opportunity to make adjustments in the terms and conditions of the Scheme and has negotiated in good faith with Dalradian with respect thereto during the five (5) Business Day period after Dalradian has received the notice described in Clause 6.1.3(b) above.

7 REPRESENTATIONS, WARRANTIES AND INDEMNITIES

7.1 Representations and Warranties

7.1.1 Each of the Company and Buchans severally represents and warrants in favour of the Offeror and the Offeror represents and warrants in favour of the Company and Buchans that:

- (a) it has the necessary power and has obtained all necessary authorities to enter into and perform this Agreement in full;
- (b) this Agreement constitutes legal, valid and binding obligations on it which are enforceable in accordance with their terms;
- (c) execution and delivery of this Agreement will not result in a breach of its constitutional documents, any instrument to which it is party or any order, decree or judgement by which it is bound; and
- (d) each of the statements contained in (i) Part A of Schedule 2 (*Warranties*) (in the case of the Company); (ii) Part B of Schedule 2 (*Warranties*) (in the case of Buchans) and (iii) Schedule 3 (*Warranties*) (in the case of the Offeror) is to the best of the knowledge, information and belief of the relevant warrantor, and save as disclosed to the Offeror true and accurate in all material respects and not misleading in any material respect and (B) will be repeated as at the Pre Court Date and on the Pre Court Date each party shall be deemed to have repeated the same and, irrespective of any knowledge or information which any other party or its agents or advisers shall have received or shall be deemed to have received, the same shall have effect as if given on the Pre Court Date as well as at the date hereof.

7.1.2 Each Warranty is a separate warranty and does not limit, restrict or expand the scope of any other Warranty or any other provision of this Agreement.

7.1.3

- (a) The Company and Buchans (as the case may be) must promptly inform the Offeror and disclose in writing to the Offeror, any matter or circumstance of which it becomes aware which would render any Warranty contained in clause 7.1.1 untrue, inaccurate or misleading in any material respect if that Warranty were repeated at any time during the period from the date hereof up to the Pre Court Date by reference to that matter or circumstance.
- (b) The Company must promptly inform the Offeror and disclose in writing to the Offeror, any matter or circumstance of which it becomes aware which would render any Warranty contained in Part A of Schedule 2 untrue, inaccurate or misleading in any material respect if that Warranty were repeated at any time during the period from the date hereof up to the Pre Court Date by reference to that matter or circumstance.
- (c) Buchans must promptly inform the Offeror and disclose in writing to the Offeror, any matter or circumstance of which it becomes aware which would render any Warranty contained in Part B of Schedule 2 untrue, inaccurate or misleading in any material respect if that Warranty were repeated at any time during the period from the date hereof up to the Pre Court Date by reference to that matter or circumstance.

7.1.4 The Offeror must promptly inform the Company and Buchans and disclose in writing to the Company and Buchans, any matter or circumstance of which it becomes aware which would render any Warranty contained in Clause 7.1.1 and/or Schedule 3 untrue, inaccurate or misleading in any material respect if that Warranty were repeated at any time during the period from the date hereof up to the Pre Court Date by reference to that matter or circumstance.

7.1.5 The liability of the Company and Buchans under this Agreement shall be several.

7.2 Limitation of liability

The Company's and Buchans' several liability under the Warranties is limited as set out in Schedule 4A (*Company's and Buchans' limitation of liability*). The Offeror's liability under the Warranties is limited as set out in Schedule 4B (*Offerors' limitation of liability*).

7.3 Deed of Indemnity

Buchans shall enter into (i) the Deed of Indemnity (Tax) and (ii) the Deed of Indemnity (Miscellaneous) on the date hereof. Notwithstanding anything contained in this Agreement, nothing in this Agreement including anything contained in this Section 7 (*Representations, Warranties and Indemnities*) shall limit the liability of Buchans pursuant to (i) the Deed of Indemnity (Tax) and (ii) the Deed of Indemnity (Miscellaneous), which Deeds shall be governed by their own terms. Schedule 4A (*Company's and Buchans' limitation of liability*) shall not apply to (i) the Deed of Indemnity (Tax) and (ii) the Deed of Indemnity (Miscellaneous).

7.4 Accuracy of Information and Waivers

7.4.1 The accuracy of any information supplied by the Company to Buchans or the Buchans Subsidiaries, on or prior to the date hereof in connection with the matters disclosed to or information provided to the Offeror in relation to the Company, Buchans or the Buchans Subsidiaries shall not be deemed to have been warranted or guaranteed by the Company to Buchans or the Buchans Subsidiaries.

7.4.2 In the event of a legal claim or legal proceedings taken by the Offeror against Buchans for breach of this Agreement including breach of the Warranties or a claim pursuant to the Indemnity, Buchans hereby irrevocably and unconditionally waives and shall be barred absolutely from enforcing any legal action, proceeding or claim

whether in contract, tort, statute or any nature whatsoever it may have against the Company or the professional advisers of the Company.

- 7.4.3 Buchans shall procure that the Buchans Subsidiaries shall on the date hereof each provide the Buchans Subsidiaries Waiver.

7.5 Knowledge

Where any statement in this Agreement is qualified by a party being “aware”, to “the best of the knowledge” of a party or to “the best of a party’s knowledge and belief” or any similar expression, that statement shall be deemed to include an additional statement that it has been made after due and careful enquiry with regard to the subject matter of such statement.

7.6 Treatment of Claims

7.6.1 In the event that the Offeror recovers any amount in respect of a claim for breach of Warranty in Schedule 2 Part A or Schedule 2 Part B; if any deductions or withholdings are required by law to be made from any such sums payable by the Company or Buchans, the Company and Buchans shall be obliged to pay to the Offeror such amount as will after the deduction or withholding has been made, leave the Offeror with the same amount as it would have been entitled to receive but for such deduction or withholding.

7.6.2 In the event that the Company and/or Buchans recovers any amount in respect of a claim for breach of Warranty in Schedule 3; if any deductions or withholdings are required by law to be made from any such sums payable by the Offeror to the Company and/or Buchans (as the case may be), the Offeror shall be obliged to pay to the Company and/or Buchans (as the case may be) such amount as will after the deduction or withholding has been made, leave the Company and/or Buchans (as the case may be) with the same amount as it would have been entitled to receive but for such deduction or withholding.

8 CONDUCT OF BUSINESS

8.1 Maintaining Business

From the date of the release of the Rule 2.5 Announcement until the Effective Date, the Company shall (i) conduct its business in the ordinary course consistent with past practice or as may be required to satisfy a specific requirement of a government agency and (ii) preserve or maintain the value of the business and its assets and its relationships with its employees, all government agencies and its joint venture and other partners.

8.2 Restricted matters

Except as may be required for the purposes of the Scheme, the Company shall not do nor allow any of the things set out in Schedule 5 (*Conduct of business*) between the date of this Agreement and the Effective Date, unless the Company obtains the prior consent in writing of the Offeror.

9 TERMINATION

9.1 Breach and Conditions

If between the time of this Agreement and the Longstop Date:

- (a) all of the Conditions are not satisfied or waived;
- (b) the Court refuses to sanction the Scheme or the Demerger;

- (c) the resolutions are not passed adopting (i) the Scheme at the Scheme Meeting or (ii) the Demerger Reduction, the Acquisition Reduction and the Reclassification of Shares at the General Meeting;
- (d) the directors of the Company withdraw or materially alter the Scheme Recommendation;
- (e) the Offeror or the Company (as the case may be) becomes aware that any representation or warranty given by the Company, Buchans or the Offeror (as the case may be) was untrue, inaccurate or misleading in a material respect at the time given;
- (f) there has been a material breach by the Company, Buchans or the Offeror (as the case may be) of any other provision of this Agreement;

the Offeror or the Company (as the case may be) may by notice in writing to the other party at its option terminate this Agreement, in which case Clauses 9.2 and 9.3 shall apply.

9.2 Termination of this Agreement shall not release any Party from liability:

- (a) for intentional breach of this Agreement or fraud;
- (b) in relation to any provisions of this Agreement which are expressed to survive termination of this Agreement including Section 10 (Non-Solicitation), Sections 11 (*Confidentiality*) to 14 (*Governing law and jurisdiction*) (inclusive); or
- (c) where this is set out in Schedule 4A and/or Schedule 4B.

9.3 The consequences of termination or a breach of this Agreement are set out in Schedule 4A and/or Schedule 4B.

10 NON-SOLICITATION

10.1 Subject to any actions which the Company deems necessary to take so as to comply with the requirements of the 2014 Act, the Takeover Rules and/or with the fiduciary duties of the Directors, the Company agrees that none of the Company, any of the directors, officers, employees or advisers of the Company, the subsidiaries of the Company or any of the directors, officers, employees or advisers of the subsidiaries of the Company (collectively, the "**Representatives**") shall:

- (a) directly or indirectly, solicit or otherwise seek any offer or agreement from, any person other than the Offeror in respect of a Third Party Transaction (a "**Third Party Transaction Proposal**") during the period commencing on the date of this Agreement and ending, the earlier of, termination of this Agreement or on three months from the date hereof (the "**Non-Solicitation Period**"); or
- (b) continue pursuing any discussions existing at the date of this Agreement with any other person in connection with any Third Party Transaction Proposal during the Non-Solicitation Period;

provided that nothing in the above clause prevents the Company from responding to enquiries from any bona fide potential offeror or holding discussions with or corresponding with any bona fide potential offeror that has submitted (and not withdrawn) a written proposal to the Company to the extent that the Company's directors (acting in good faith and having taken appropriate legal and financial advice) conclude that not to do so would be inconsistent with their duties as directors of the Company.

10.2 During the Non-Solicitation Period, the Company further agrees that, subject to any provision to the contrary in the Takeover Rules and/or the 2014 Act and subject to restrictions imposed by applicable law of any jurisdiction and the Company's obligations thereunder and subject to

the fiduciary duties of the Directors, the Company shall promptly advise the Offeror of any proposed Third Party Transaction and the material terms of any such Third Party Transaction. The Company shall if the Offeror shall make a counterproposal, consider in good faith the terms of such counterproposal.

11 CONFIDENTIALITY

11.1 Definition

In this Clause 11, **Confidential Information** means all information received or obtained by a party as a result of entering into or performing this Agreement, including information received as part of any due diligence, and which relates to the negotiations concerning this Agreement, the provisions of this Agreement, the subject matter of this Agreement or another party.

11.2 Duty of confidentiality

Subject to Clause 11.3 each party must keep, and must ensure that each of its directors, other officers, employees, advisers, agents and connected persons shall, keep all Confidential Information confidential and not disclose it to any person but this duty of confidentiality does not extend to any information which is already known to such party or which becomes public information through no fault or disclosure by such party.

11.3 Permitted disclosures

A party may disclose or permit the disclosure of Confidential Information:

- (a) to its directors, officers, employees, legal or other professional advisers to the extent necessary to enable that party to perform or enforce any rights or obligations under this Agreement;
- (b) in accordance with applicable law or the rules or any order of any court, tribunal or agency of competent jurisdiction;
- (c) in accordance with the order of any securities exchange or regulatory or governmental body which has jurisdiction over it or to which it submits, including AIM, Toronto Stock Exchange, the Irish Stock Exchange Limited or the Panel;
- (d) to the extent that the Confidential Information has become publicly available or generally known to the public at the time of the disclosure other than as a result of a breach of this Agreement;
- (e) to a relevant tax authority to the extent required for the proper management of the taxation affairs of that party, any of its holding companies or any subsidiary of it or any of its holding companies; or
- (f) if it has first obtained the other party's written consent.

11.4 Consultation

If a party intends to disclose Confidential Information, it must to the extent permitted and practicable:

- (a) give the other party advance notice of its intention to do so and a copy of the information it intends to disclose; and
- (b) at the expense of the other party, give the other party a reasonable opportunity to seek an appropriate remedy to prevent the disclosure and co-operate fully with the other party (including, if necessary, joining in legal proceedings).

11.5 Continuance of obligations

The obligations in this Clause 11 shall continue to apply after completion or termination of this Agreement without limit in time.

12 GENERAL PROVISIONS

12.1 Assignment

No party may assign, hold in trust or otherwise transfer any rights or obligations under this Agreement without the prior written consent of the other party which shall not be unreasonably withheld or delayed.

12.2 Amendments

No party may amend this Agreement without first obtaining the other party's written consent.

12.3 Remedies and waivers

12.3.1 If a party breaches a term of this Agreement, the other party's rights arising from that breach may not be waived except with the other party's express written consent and then only to the extent set out in that consent. Waiver of one breach does not waive or imply waiver of any further or other breach.

12.3.2 This Clause applies if a party becomes entitled to exercise any right or remedy under this Agreement or by law or regulation. No failure by any party to exercise, delay in exercising or single or partial exercise of any right or remedy shall adversely affect or waive that right or remedy or prevent the further exercise of it or of any other right or remedy.

12.3.3 Each Party agrees that damages would not be an adequate remedy for any breach by it of this Agreement and accordingly each Party shall be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of this Agreement.

12.3.4 The rights and remedies provided in this Agreement are cumulative. They are not exclusive of any other rights or remedies provided by law or otherwise.

12.4 Further assurance

The Company must take any action which the Offeror from time to time reasonably requests to carry out the intended purpose of this Agreement, perfect, preserve, protect or enforce the Offeror's rights under this Agreement and/or ensure that third parties do the same.

12.5 Execution of different copies

The parties may execute this Agreement in any number of copies and on separate copies. Each executed copy counts as an original of this Agreement and all the executed copies form one Agreement.

12.6 Invalidity

The invalidity, illegality or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect the validity, legality or enforceability of:

- (a) any other provision of this Agreement under the law of that jurisdiction; or
- (b) any provision of this Agreement under the law of any other jurisdiction.

12.7 Fees

Subject to Clauses 4.2.2 and 5.4 in relation to the Company, each of the parties hereto shall be liable for all fees, commissions, disbursements or outlay owed by that party to any technical, financial, legal, taxation or other advisers in connection with the Scheme and Demerger.

13 NOTICES

13.1 Scope

This Clause applies to all notices and other communications (except formal notices in legal proceedings) between the parties under this Agreement (**Notices**).

13.2 Form

Each Notice must be in writing in English and signed by the party giving it (or its authorised representative).

13.3 Service

Notices must be delivered by hand, registered or recorded post or fax to the address or fax number set out below, or to such other address or fax number as a party may provide to the other:

(a) The Offeror: **DALRADIAN RESOURCES INC**

Address: Queens Quay Terminal 207 Queens Quay West, Suite 416, Toronto, Ontario, Canada M5J 1A7

Attention: Patrick Anderson

Fax number:

Copy to: Brendan Ringrose, WhitneyMoore

Fax number: ++ 353 01 611 0090

(b) The Company: **MINCO PLC**

Address: 27 Hatch Street Lower, Dublin 2

Attention: John Kearney

Fax number: + 353 1 7755601

(c) Buchans: **BUCHANS RESOURCES LIMITED**

Address: Suite 1805, 55 University Avenue, Toronto, Ontario, Canada M5J 2H7

Attention: John Kearney

Fax number: +1 416 368 5344

13.4 **When a Notice becomes effective**

A Notice is deemed received:

- (a) if delivered by hand, on delivery or (if delivered on a day which is not a business day) at 9:00 a.m. on the next business day following delivery;
- (b) if sent by post, on the second business day (for inland mail) or the fifth business day (for international mail) after posting;
- (c) if sent by fax, on sending as long as:
 - (i) the sender's fax machine receives a transmission report confirming uninterrupted and error-free transmission; and
 - (ii) the sender does not receive a telephone call or email message from the intended recipient stating that the fax was not complete and legible within three hours after sending (if the fax is sent between 9:00 a.m. and 4:00 p.m. on a business day) or before noon on the next business day (if the fax is sent on a day which is not a business day).

13.5 **Electronic communication**

A Notice is not validly served under this Agreement if sent by email only unless the recipient of that Notice accepts that Notice in writing.

14 **GOVERNING LAW AND JURISDICTION**

14.1 **Irish law**

This Agreement, its interpretation and any non-contractual claims relating to it are governed by the laws of Ireland.

14.2 **Jurisdiction**

The parties submit to the non exclusive jurisdiction of the Irish courts in relation to any dispute arising out of or relating to this Agreement.

Executed as a deed and delivered as a deed on the date appearing at the beginning of this Deed.

Schedule 1 - Subsidiaries

PART A - Company Subsidiaries

Direct Subsidiary of the Company

Buchans Resources Limited

Name of Company:	Buchans Resources Limited
Date of incorporation:	08.05.2015
Place of registration:	Ontario
Company registration number:	1935474
Registered office:	55 University Avenue, Suite 1805 Toronto, Ontario M5J2H7
Authorised share capital:	
Issued share capital:	47,814,218 common shares
% held by the Company	100%
Names and addresses of directors:	John Kearney 183 Roxborough Drive, Toronto, Ontario M4W 1X7 Neil J Steenberg 342 Victoria Park Avenue Toronto, Ontario M4E 3S8
Name and address of secretary:	Neil J Steenberg 342 Victoria Park Avenue Toronto, Ontario M4E 3S8
Name and address of auditors:	UHY McGovern Hurley LLP 251 Consumers Road, Suite 800 Toronto, Ontario M2J 4RS, Canada
Names of Subsidiaries (if any):	Please see Part B of Schedule 1 for a list of direct and indirect subsidiaries of Buchans.
Mortgages and charges:	None

Indirect Subsidiaries of the Company

Westland Exploration Limited

Minco Ireland Limited

Norsub Limited

Minco Mining Limited

Zacatecas Exploration Limited

Centrerock Mining Limited

Buchans Minerals Corporation

Canadian Manganese Company Inc.

7980736 Canada Inc.

PART B - Buchans Subsidiaries

Direct Subsidiaries

Norsub Limited

Canadian Manganese Company Inc.

Buchans Minerals Corporation

Indirect Subsidiaries

Westland Exploration Limited

Minco Ireland Limited

Minco Mining Limited

Zacatecas Exploration Limited

Centrerock Mining Limited

7980736 Canada Inc.

Schedule 2 – Company and Buchans Warranties

PART A - Company Warranties

1 Capacity and authority

1.1 Incorporation and existence

- 1.1.1 The Company is a public limited company validly incorporated under the laws of Ireland and has been in continuous existence since incorporation.
- 1.1.2 The Company has the requisite power and authority to own its properties and conduct its business as now owned and conducted.
- 1.1.3 The Company is duly registered to do business, and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or nature of its activities makes such registration necessary.

1.2 Authority

The Company has the rights, power and authority and has taken all action necessary (including all corporate authorisations) to execute and deliver, and to exercise its rights and perform its obligations under this Agreement and any other Transaction Document.

1.3 Binding agreement

The Company's obligations under this Agreement and each other Transaction Document are, or when the relevant document is executed will, create valid and binding obligations of the Company.

1.4 No breach

The execution and delivery of this Agreement and each other Transaction Document, and the performance by the Company under them, will not result in a breach of the Company's constitutional documents, any instrument to which it is party or any order, decree or judgement by which it is bound.

2 Market Disclosure

- 2.1.1 There is no confidential or price sensitive matter concerning the Company to the best of the knowledge of the Company which:

- (a) has not been publicly disclosed in the audited consolidated accounts of the Company and its Group together with the directors' report and notes thereon (the "**Accounts**") for the 12 month period ending on 31 December 2016 (the "**Accounts Date**") or in any announcement made by or on behalf of the Company through the Regulatory Information Service (each such announcement being a "**Company Previous Announcement**"); or
- (b) is not disclosed in the Rule 2.5 Announcement,

which, if publicly disclosed by the Company, would of itself be likely to cause the market price on AIM for an ordinary share in the Company to rise or fall to a material extent.

- 2.1.2 The Company is a "reporting issuer" within the meaning of the securities laws of each of the Provinces of Nova Scotia, Newfoundland, Alberta and British Columbia, has no securities law reporting requirements under any other jurisdiction in Canada and, is not on a list of defaulting issuers maintained by the securities commissions in these jurisdictions.

- 2.1.3 The Company has filed with all applicable securities and regulatory authorities (including AIM) all information and documents required to be filed with such authorities (the "**The Company Public Record**") and the statements set forth in The Company Public Record are true, correct and complete in all material respects and do not contain any misrepresentation as of the dates on which they were made, except where the failure to comply strictly with certain form requirements would not cause a Company Material Adverse Effect, and the Company has not filed any confidential material change reports or similar reports which currently remain confidential.
- 2.1.4 The Company is not in default in any material respect of any requirement of any applicable securities laws or regulatory authority having jurisdiction over any securities of the Company.
- 2.1.5 No securities of the Company are subject to any delisting, suspension of trading, or cease trade or other order of AIM or any other applicable stock exchange or securities regulatory authority and, no investigation or other proceedings involving the Company that may operate to prevent or restrict trading of any securities of the Company are currently in progress, or to the best of its knowledge, is pending or threatened before any applicable stock exchange or securities regulatory authority.

3 Company Previous Announcements

- 3.1.1 Each statement of fact in each Company Previous Announcement was true and accurate in all material respects and not misleading (by itself or in its context). Each expression of opinion or intention or expectation in each Company Previous Announcement was made on reasonable grounds after due and careful enquiry and was truly and honestly held by the directors of the Company and was fairly based in all material respects. There was no other material fact known or which could on reasonable enquiry have been known to the directors of the Company omitted to be disclosed in any Company Previous Announcement which, by such omission, would make any such statement or expression in any Company Previous Announcement misleading (by itself or in its context) in any material respect.
- 3.1.2 Each Company Previous Announcement complied in all material respects with the AIM Rules in force at the time of its publication.

4 New Ordinary Shares

- 4.1.1 Subject only to:
- (a) the Shareholders having approved the Scheme at the Scheme Meeting by the requisite majority;
 - (b) the Shareholders having approved the Reclassification of Shares, the Demerger Reduction and the Acquisition Reduction at the General Meeting by the requisite majority; and
 - (c) the Court sanctioning the Scheme and confirming the Demerger Reduction and the Acquisition Reduction,

the allotment and issue of the ordinary shares in the Company to the Offeror pursuant to the Scheme (the "**New Ordinary Shares**") and the entry into and completion of all arrangements contemplated by this Agreement are within the powers of the Company without any further sanction or consent of members of the Company or any other person and will comply with all Applicable Laws and the rules, practices and procedures (in the case of the New Ordinary Shares).

5 Finance

- 5.1.1 Save as set out in the Accounts or any Company Previous Announcement, the Company has no term loans, overdraft or other debt facilities, and to the extent that it does have any such term loans, overdraft or other debt facilities, no event has occurred which (with the giving of

notice or the lapse of time or both or the making of any relevant determination by any person) may cause any such loan or debt facility to be incapable of utilisation in accordance with its terms or repayable in whole or in part prior to its stated date of maturity or cause the lender's commitment thereunder to be cancelled or reduced.

6 Accounts

6.1.1 The Accounts:

- (a) have been prepared in accordance with IFRS and Irish law, using generally accepted accounting principles and practices consistently applied and comply with the provisions of the Companies Acts 1963 to 2013 and/or the Act (as applicable); and
- (b) give a true and fair view of the state of affairs of the Group at the Accounts Date and of the profit or loss and cashflow of the Group for the financial year ending on the Accounts Date.

6.1.2 The Company had not at the Accounts Date any material liability (whether actual, deferred, contingent or disputed) or commitment which, in accordance with generally accepted accounting principles and practices (on the basis on which the Accounts have been prepared), should have been disclosed or provided for in the Accounts and which has not been so disclosed or provided for.

6.1.3 Proper provision for payment or, as appropriate, disclosure in accordance with generally accepted accounting principles (on the basis on which the Accounts have been prepared) have been made for Taxation payable by the Company.

7 Current Financial Period

Save as disclosed in the Accounts, The Company Public Record, the Rule 2.5 Announcement or in any announcements through a Regulatory Information Service provider, since the Accounts Date:

- 7.1.1 the Company has carried out business in the ordinary and usual course of business and there has been no material adverse change in the financial or trading position or prospects of the Company and no material depletion in the net assets of the Company;
 - 7.1.2 the Company has not entered into any related party or non-arm's length transaction that is required to be disclosed in The Company Public Record or in the Accounts which has not been so disclosed;
 - 7.1.3 no dividend or other distribution has been, or is treated as having been declared, paid or made by the Company;
 - 7.1.4 the Company has not incurred or been involved in any transaction which has resulted or would result in any material liability for Taxation of whatsoever nature otherwise than in the ordinary and usual course of business or as disclosed in the Accounts or The Company Public Record ; and
 - 7.1.5 save as provided for in the Scheme, the Company has not acquired or disposed of or agreed to acquire or dispose of any business, company or asset or assumed or acquired any liability (including any contingent liability) other than in the ordinary and usual course of business.
- 7.2 On the Effective Date the Company will have no liability or obligation whatsoever for any amount (actual or contingent) including, without limitation, fees, commissions, disbursements or outlay owed by the Company to any technical, financial, legal, taxation or other advisers.

8 Taxation

- 8.1.1 The Company is not involved in any dispute with the Irish Revenue Commissioners or any other tax authority (in the United Kingdom, Canada, the Republic of Ireland or elsewhere) which could reasonably be considered to be material. There are no actions, suits, proceedings, investigations or claims commenced or, threatened or, to the best of the knowledge of the Company, contemplated against the Company in respect of Taxation, or any matters under discussion with any governmental authority relating to taxes, asserted by any such authority.
- 8.1.2 The Company has, within any applicable time limit, duly made all returns, given all notices and supplied all other information required to be made, given or supplied to the Irish Revenue Commissioners and any other relevant Taxation or excise authority and all such returns, notices and information are correct in all material respects and are not the subject of any material dispute with the relevant Taxation authority and all Taxation of any nature whatsoever whether of the United Kingdom, the Republic of Ireland, Canada or elsewhere for which the Company is liable or is liable to account has been duly paid.
- 8.1.3 Adequate provision has been made for taxes payable by the Company for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by, or payment of any tax against the Company.
- 8.1.4 The Demerger will not result in any Taxation liability actual or contingent for the Company.
- 8.2 For the purpose of the participation exemption under section 626B of the Taxes Consolidation Act, 1997 (as amended):
- (a) the Company has held and will hold at the Effective Date at least 5% of the entire issued share capital in Buchans for an uninterrupted period of 12 months or more; and
 - (b) the Company has held and will hold at the Effective Date at least 5% of the ordinary share capital in Buchans and is beneficially entitled to 5% of any income or capital distribution arising from the shares in Buchans.
- 8.3 On the date hereof and at the Effective Date Buchans will be tax resident in Canada.
- 8.4 Buchans does not and will not at the Effective Date derive its value, directly or indirectly, from land and buildings in the Republic of Ireland or rights over minerals in the Republic of Ireland or other rights, interests or other assets in relation to mining or mineral or searching for minerals in the Republic of Ireland.
- 8.5 The business of the Group taken together consists wholly or mainly of the carrying on of a trade or trades for the purpose of section 626B of the Taxes Consolidation Act, 1997 (as amended).
- 8.6 The transfers which occurred in or around 2015 (a) by Minco of Minco Mining Limited to Minco Ireland Limited, (b) by Minco of Xtierra Inc. to Minco Ireland Limited, (c) by Minco of Buchans Minerals Corp. to Buchans Resources Limited, (d) by Minco of Centrerock Mining Limited to Buchans Resources Limited and (e) by Minco of Norsub Limited to Buchans Resources Limited shall be referred to as the **“2015 Reorganisation”**.

The market value of (i) the 2015 Reorganisation and (ii) the Demerger, in each case is less than the allowable cost of the assets for the purpose of section 552 of the Taxes Consolidation Act, 1997 (as amended).

9 Insolvency

- 9.1 No order has been made, petition presented or threatened, or resolution passed or proposed for the winding up of, or for the appointment of a provisional liquidator to, or for an administration order in respect of the Company. No receiver or receiver and manager has been appointed of the whole or part of the Company's assets or business. In respect of the Company, no voluntary arrangement or composition with its creditors has been proposed, agreed, entered into or sanctioned.
- 9.2 No action is being taken to strike the Company off of the relevant register of companies in its applicable jurisdiction and the Company has not ceased or threatened to cease carrying on its business.
- 9.3 The Company is not insolvent or unable to pay its debts. The Company has not stopped paying its debts as they fall due.

10 Capacity and compliance with Applicable Law

- 10.1.1 The Company has authority to carry on its business as at the date of this Agreement and has conducted its business in all material respects in accordance with all Applicable Laws.
- 10.1.2 The Company has not received notice of any, and to the best of its knowledge, there has been no violation or default by the Company, nor, to the best of its knowledge, by any of its officers, agents or employees, with respect to any Applicable Law or any order, decree or judgment of any Court or any governmental agency of the United Kingdom, the Republic of Ireland or any other relevant jurisdiction, which could have a Company Material Adverse Effect

11 Contracts and Trading

- 11.1 The Company:
- (a) has full and valid title to the Royalty Agreement:
 - (b) has not granted any option in respect of, charged or granted any interest or encumbrance of any nature to any third party over or in respect of the Royalty Agreement and there is no encumbrance, lien, interest or claim of any nature of a third party outstanding in respect of the Royalty Agreement arising by operation of law or otherwise;
 - (c) is not in breach of or has failed to comply with any term or condition of the Royalty Agreement and there are no circumstances that might give rise to such a breach or failure to comply by the Company, or to the best of its knowledge by any third party;
 - (d) there is no litigation current or pending in relation to the Royalty Agreement, and to the best of the Company's knowledge there is no threat of litigation in relation to the Royalty Agreement and to the best of the knowledge of the Company there are no circumstances which might give rise to such a threat.
 - (e) to the extent required by the law of the United Kingdom, the Company has recorded or registered title to the Royalty Agreement in a public register.
- 11.2 The Company is not a party to, or affected by, any contract or arrangement otherwise than by way of a bargain at arm's length.
- 11.3 There are no grounds for rescission, avoidance or repudiation of the Royalty Agreement, or to the best of the Company's knowledge any other agreement or other transaction to which the Company is a party and which is material to the business of the Company, and neither the Royalty Agreement nor, to the best of the Company's knowledge any such other agreements or other transactions are invalid and the Company has not received notice of any intention to

- terminate the Royalty Agreement or any such other agreements or repudiate or disclaim any such transaction.
- 11.4 No event has occurred or is subsisting or, to the best of the Company's knowledge is about to occur which constitutes or would, with the giving of notice and/or lapse of time, constitute a default, or result in the acceleration by reason of default, of any obligation, under any agreement (including the Royalty Agreement), undertaking, instrument or arrangement to which the Company is a party or by which it or any of its properties, revenues or assets are bound and which is material to the business of the Company.
- 11.5 There are no agreements or arrangements in force imposing any material restrictions on the Company or to the best of the Company's knowledge any of its directors, officers or employees which would materially or adversely affect the ability of the Company to conduct its business in the places and in the manner currently undertaken.
- 11.6 The Company carries such insurance against risks which a company carrying on the same type of business as the Company or having similar assets would usually be expected to insure against and all premiums have been paid up to date.
- 11.7 The Company has all necessary licences (including all relevant statutory licences) and consents for the proper carrying on of the business currently carried on by it as described in the Rule 2.5 Announcement and the Company Previous Announcements and the Company does not know of any factors that might in any way prejudice the continuance or renewal of those licences and consents.
- 11.8 All subsisting material contracts (other than contracts entered into in the ordinary course of business but including the Royalty Agreement) entered into by the Company and which are still in force or under which the Company has any material liability have been disclosed in the Accounts, a Company Previous Announcement or the Rule 2.5 Announcement.

12 Intellectual Property

The Company's business is not dependent to any material extent on any intellectual property (other than office administration software) or particular contracts of fundamental importance which are not in the ordinary course of its business.

13 Share Capital and Constitution

- 13.1 As of the date hereof, the authorised capital of the Company consists of EUR11,125,000 divided into 700,000,000 ordinary shares of EUR0.0125 each and 38,000,000 deferred shares of EUR0.0625 each of which a total of 478,142,184 ordinary shares and 38,000,000 deferred shares were issued and outstanding and are all fully paid or properly credited as fully paid, and save as contemplated by this Agreement or the Transaction Documents, there is no agreement, arrangement or obligation requiring: the creation, allotment, issue, transfer, redemption or repayment of; or the grant to a person of the right (conditional or not) to require the allotment, issue, transfer, redemption or repayment of any shares or other securities of the Company (including any option or right of pre-emption, conversion or exchange).
- 13.2 All sums due in respect of the issued capital of the Company have been paid to and received by the Company and save as disclosed in the Accounts, The Company Public Record or any announcement through a Regulatory Information Service since the Accounts Date or as otherwise contemplated by this Agreement there are in force no options or other agreements which call for the issue of, or accord to any person the right to call for the issue of, any shares in or other securities of the Company.

14 Related Parties

- 14.1 Full details of all current agreements and arrangements (whether written or unwritten) between the Company and any one or more of the shareholders in the Company or the Directors or any connected persons (within the meaning of section 220 of the Act) with any one or more of

such shareholders and/or Directors have been disclosed in the Accounts or The Company Public Record. Save to the extent disclosed in the Accounts or The Company Public Record, no contract or arrangement exists between the Company and (in his capacity as such) any person who owns or, has any interest in or rights in relation to any share capital of the Company (or any person who is connected with such a person) with regard to:

- (a) the management of any business of the Company; or
- (b) the appointment or removal of any of the directors of the Company; or
- (c) any other matter concerning the Company or its affairs.

14.2 None of the shareholders of the Company has any rights, in their capacity as such, in relation to the Company other than as set out in the articles of association of the Company in force at the date of this Agreement or contained in the agreements referred to in the Accounts.

14.3 The Accounts, The Company Public Record and/or the Rule 2.5 Announcement (in respect of this transaction only) contain all information concerning any actual or potential conflicts of interest between the Company and any Director or Substantial Shareholder (as such term is defined in the AIM Rules) or any company of which any Director or Substantial Shareholder is a director or in which he has an interest and all statements contained in the Accounts and/or the The Company Public Record and/or the Rule 2.5 Announcement (as applicable) concerning such conflict or concerning the future relationship between such Director or Substantial Shareholder or any of such companies are truly and honestly made and are not misleading and, to the best of the Company's knowledge, there are no other facts concerning the same the omission of which makes any statement therein false or misleading in any material respect.

14.4 There are no arrangements or understandings (whether legally enforceable or not) between the Company and any person who is a shareholder or the beneficial owner of any interest in the Company or any company in which the Company is interested relating to the management of the Company's business or the appointment or removal of the directors of the Company or the ownership or transfer of ownership or the letting of any assets to or by the Company or the provision of finance, goods, services or other facilities to or by the Company or otherwise howsoever relating to its affairs.

15 Effect of the Scheme and Demerger on Obligations of the Company

15.1 Neither the creation, allotment or issue of the New Ordinary Shares nor the performance of this Agreement by the Company will exceed or infringe any covenants in any debt facility, powers or restrictions of, or the terms of any contracts, indenture, security, obligation, commitment or arrangement binding upon, the Company or upon the Company's boards of directors or any of its or their properties, revenues or assets or result in the implementation of any right of pre-emption (subject to the passing of the resolutions of the Shareholders at the Scheme Meeting and the Demerger Reduction and the Acquisition Reduction at the General Meeting) or any other material provision thereof or result in the imposition or variation of any rights or obligations of the Company.

16 Litigation

16.1 There are no actions, suits or proceedings, or other than as disclosed in writing to the Offeror pending or threatened, against or affecting the Company, or any of its principals, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which, if successful, would reasonably be expected to cause a Company Material Adverse Effect, and to the best of the knowledge of the Company there are no existing grounds on which any such action, suit or proceeding might be commenced against the Company.

16.2 There is no unsatisfied judgment or court order outstanding against the Company, other than in the ordinary and regular course of business consistent with past practice, there

has not been any incurrence, assumption or guarantee by the Company of any debt for borrowed money, any creation or assumption by the Offeror of any encumbrance, any making by the Company of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by the Company of any contract, agreement, licence, lease transaction, commitment or other right or obligation which would, individually or in the aggregate, have a Company Material Adverse Effect.

- 16.3 No distress, execution or other process has been levied on an asset of the Company.
- 16.4 No action is being taken by any registrar of companies to strike the Company off the register under its jurisdiction of incorporation.

17 Subsidiaries

- 17.1 The Company has no Subsidiaries other than those disclosed in the Accounts and which are set out in Part A of Schedule 1.
- 17.2 On the date hereof the Company is the legal and beneficial owner of all outstanding shares and other interests in Buchans.
- 17.3 On the Effective Date and on completion of the Scheme the Company will have no Subsidiaries and not own any interests in the issued share capital of any company or corporate body.

18 Licences and Interests

- 18.1 All statutory, municipal and other licences, consents, permits and authorities from any person, authority or body which are necessary for the carrying on of the business of the Company in the places and in the manner in which it is now carried on (including, without limitation, as set out in the Rule 2.5 Announcement) have been obtained and are valid and subsisting, and all conditions applicable to any such licences, consent, permit or authority have been complied with in accordance with their terms in all material respects and to the best of the knowledge of the Company there is no breach of them which might in any way prejudice the continuation or renewal of such licences, consents, permits or authorities or otherwise be materially prejudicial to the Company and, to the best knowledge of the Company, there are no facts, matters or circumstances which might in any way prejudice the continuation or renewal of them.
- 18.2 The terms of all leases, tenancies, licences, concessions and agreements of whatsoever nature to which the Company is a party have been duly complied with by the Company in all material respects, and, to the best of the knowledge of the Company, there are no circumstances likely to give rise to any breach of such terms by the Company, or to the best of its knowledge by any third party or which would entitle the Company, or to the best of its knowledge any third party to terminate any such lease, tenancy, licences, concession or agreement which would have a material effect on the assets and/or business of the Company.

19 Environmental Matters

- 19.1 In this paragraph:

“**Environment**” means:

- (a) land, including without limitation, surface land, sub-surface strata, sea bed and river bed under water (as defined in paragraph (b)) and natural and man-made structures;
- (b) water, including, without limitation, coastal and inland waters, surface waters, aquatic sediment, ground waters, and water in drains and sewers;
- (c) air, including, without limitation, air inside buildings and other natural and man-made structures above or below ground; and

- (d) any living systems or organisms supported by the media set out in (a), (b) or (c) above.

“Environmental Law” means all European Community, Canadian, Irish, national, state, federal, regional or local laws, common law, statutes, ordinances, directives, regulations, notices, standards having force of law, relevant clean-up standards, judgements, decrees or orders, codes of practice, the requirements and conditions of all Environmental Permits, both express and implied covenants, agreements, circulars, guidance notes (statutory or otherwise), judicial and administrative interpretations of each of the foregoing concerning (without limitation) the protection of human health or the Environment or the conditions of the work place and process safety, or the generation, transportation, storage, treatment or disposal of any Hazardous Substance, as enacted, amended, replaced or supplemented from time to time.

“Environmental Permits” means any permits, consents, licences, certificates, notices, filings, lodgements, agreements, directions, declarations, exemptions, variations, renewals and amendments and other authorisations and approvals required or provided under Environmental Law which to the best knowledge of the Company are necessary to conduct the business of the Company.

“Environmental Regulator” means any governmental entity or other public or quasi public authority or privatised utility having responsibility for any matters concerning the Environment or Environmental Law.

“Hazardous Substance” means any natural or artificial substance (whether in solid or liquid form or in the form of a gas or vapour) or organism (including genetically modified organisms) whether alone or in combination with any other substance capable of causing harm to man or any other living organism supported by the Environment or which restricts or makes more costly the use, development, ownership or occupation of the any properties owned, occupied or used by the Company or is capable of damaging the Environment or human health or welfare including but not limited to asbestos or any controlled, special, hazardous, toxic or dangerous chemical, substance or waste.

- 19.2 In relation to its business the Company holds and has always held all Environmental Permits.
- 19.3 The Company has not received any notification that any Environmental Permit it holds is or is likely to be modified, restricted or withdrawn.
- 19.4 The Company has not been prosecuted for or notified of any breach of the terms, conditions or provisions of any Environmental Permit.
- 19.5 The Company has not received any notification that further Environmental Permits will be required under Environmental Law in order for it to continue its present business.
- 19.6 To the best of its knowledge, the Company has operated at all times and continues to operate in compliance with Environmental Law and the requirements of the Environmental Regulator. The Company has not received a notification under Environmental Law or from the Environmental Regulator requiring it to take or refrain from taking any action. There has been no notice or other indication of any decision or proposal to revoke, modify or vary any Environmental Permit.
- 19.7 The Company:
- (a) has not received notice of any breach by it of Environmental Law, and to the best of its knowledge is not in breach of Environmental Law;
 - (b) has not received notice of any liability actual or contingent in relation to Environmental Law, and to the best of its knowledge has no liability actual or contingent in relation to Environmental Law;

- (c) has not received notice of any, and is not party to, any legal proceedings in relation to Environmental Law, and to the best of its knowledge, no such legal proceedings are threatened and there are no circumstances which might give rise to a threat of such proceedings;
- (d) has not carried on in any jurisdiction any exploration or prospecting activities in relation to any mineral, metal or other resource or asset since 2004; and
- (e) has never carried on in any jurisdiction any production or extraction in commercial amounts of any minerals or metals.

19.8 The Company warrants and represents that:

- (a) none of the Buchans Group have ever carried on the production or extraction in commercial amounts of minerals or metals in any jurisdiction, except as disclosed in the Management's Discussion and Analysis published since 1 January 2014 by the Company;
- (b) none of the Buchans Group have received any notice of any actual or contingent liability or obligation in relation to Environmental Law in respect of any of the properties, licences or permits held by any of the Buchans Group; and
- (c) it has no knowledge of any conditions or circumstances existing in relation to any of the properties, permits or licences held by the Buchans Group that could give rise to any liability in relation to Environmental Law.

20 Negative Warranties, Consents and Releases

20.1 The Company:

- (a) to the best of its knowledge, has no liability actual or contingent of any nature whether in contract, tort, statute or howsoever otherwise owed to or arising in relation to any of the other Group Companies;
- (b) is not a party to any guarantee or indemnity in relation to the other Group Companies or other third parties;
- (c) is not party to any trading or other commercial contracts including without limitation joint venture, partnership, joint operating, commercialisation, unitisation, production sharing, development or other agreements save for the Royalty Agreement;
- (d) is not party to any revenue sharing, profit sharing, production sharing, royalties including net smelter royalties, net profit interests and other related interests other than the Royalty Agreement;
- (e) has no material assets of any nature other than the Royalty Agreement and its shareholding in Buchans and does not carry on any active business.

20.2 The Company does not require:

- (a) any consents, permissions or authorisations of third parties; or
- (b) any releases of liability from third parties in respect of the liability of the Company because no such liability has arisen,

in relation to the transfer of assets to Buchans or the Buchans Group in 2015 and the Demerger.

SCHEDULE 2

PART B – Buchans Warranties

1 Capacity and authority

1.1 Incorporation and existence

- 1.1.1 Buchans is a limited company validly incorporated under the laws of the Province of Ontario, Canada and has been in continuous existence since incorporation.
- 1.1.2 Buchans has the requisite power and authority to own its properties and conduct its business as now owned and conducted.
- 1.1.3 Buchans is duly registered to do business, and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or nature of its activities makes such registration necessary.

1.2 Authority

Buchans has the rights, power and authority and has taken all action necessary (including all corporate authorisations) to execute and deliver, and to exercise its rights and perform its obligations under this Agreement and any other Transaction Document.

1.3 Binding agreement

Buchans' obligations under this Agreement and each other Transaction Document are, or when the relevant document is executed will, create valid and binding obligations of Buchans.

1.4 No breach

The execution and delivery of this Agreement and each other Transaction Document, and the performance by Buchans under them, will not result in a breach of any of Buchans' constitutional documents, any instrument to which it is party or any order, decree or judgement by which it is bound.

2 Finance and Liabilities

- 2.1 None of Buchans nor any of the Buchans Subsidiaries have term loans, overdraft or other debt facilities, and to the extent that any of them does have any such term loans, overdraft or other debt facilities, to the best of the knowledge of Buchans no event has occurred which (with the giving of notice or the lapse of time or both or the making of any relevant determination by any person) may cause any such loan or debt facility to be incapable of utilisation in accordance with its terms or repayable in whole or in part prior to its stated date of maturity or cause the lender's commitment thereunder to be cancelled or reduced.
- 2.2 On the Effective Date the Company will have no liability or obligation whatsoever for any amount (actual or contingent) including, without limitation, fees, commissions, disbursements or outlay owed by the Company to any technical, financial, legal, taxation or other advisers.

3 Taxation

- 3.1 None of Buchans nor any of the Group is involved in any dispute with any tax authority (in Canada, the Republic of Ireland or elsewhere) which could reasonably be considered material. There are no actions, suits, proceedings, investigations or claims commenced or threatened or contemplated against Buchans or the Group in respect of Taxation, or any matters under discussion with any governmental authority relating to taxes, asserted by any such authority.

- 3.2 Buchans and each Group Company has, within any applicable time limit, duly made all returns, given all notices and supplied all other information required to be made, given or supplied to the relevant Taxation authority or excise authority and all such returns, notices and information are correct in all material respects and are not the subject of any material dispute with the relevant Taxation authority and all Taxation of any nature whatsoever whether of Canada or elsewhere for which Buchans or any Group Company is liable or is liable to account has been duly paid.
- 3.3 Adequate provision has been made for taxes payable by Buchans and each Group Company for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by, or payment of any tax against Buchans or any Group Company.
- 3.4 The Demerger will not result in any Taxation liability actual or contingent for the Company,
- 3.5 For the purpose of the participation exemption under section 626B of the Taxes Consolidation Act, 1997 (as amended):
- (a) the Company has held and will hold at the Effective Date at least 5% of the entire issued share capital in Buchans for an uninterrupted period of 12 months or more; and
 - (b) the Company has held and will hold at the Effective Date at least 5% of the ordinary share capital in Buchans and is beneficially entitled to 5% of any income or capital distribution arising from the shares in Buchans.
- 3.6 On the date hereof and at the Effective Date Buchans will be tax resident in Canada.
- 3.7 Buchans does not and will not at the Effective Date derive its value, directly or indirectly, from land and buildings in the Republic of Ireland or rights over minerals in the Republic of Ireland or other rights, interests or other assets in relation to mining or mineral or searching for minerals in the Republic of Ireland.
- 3.8 The business of the Group taken together consists wholly or mainly of the carrying on of a trade or trades for the purpose of section 626B of the Taxes Consolidation Act, 1997 (as amended).
- 3.9 The market value of (i) the 2015 Reorganisation and (ii) the Demerger, in each case is less than the allowable cost of the assets for the purpose of section 552 of the Taxes Consolidation Act, 1997 (as amended).

4 Insolvency

- 4.1 No order has been made, petition presented or threatened, or resolution passed or proposed for the winding up of, or for the appointment of a provisional liquidator to, or for an administration order in respect of Buchans nor any Buchans Subsidiary. No receiver or receiver and manager has been appointed to the whole or part of Buchans or any Buchans Subsidiary's assets or business. In respect of Buchans or any Buchans Subsidiary, no voluntary arrangement or composition with its creditors has been proposed, agreed, entered into or sanctioned.
- 4.2 No action is being taken to strike Buchans or any Buchans Subsidiary off of the relevant register of companies in its applicable jurisdiction and none of Buchans or any Buchans Subsidiary has ceased or threatened to cease carrying on its business.
- 4.3 Buchans is not insolvent or unable to pay its debts. Buchans has not stopped paying its debts as they fall due.

5 Capacity and compliance with Applicable Law

- 5.1 Buchans and each Buchans Subsidiary has authority to carry on its business as at the date of this Agreement and has conducted its business in all material respects in accordance with all Applicable Laws.
- 5.2 Buchans has not received notice of any violation or default by Buchans or any Buchans Subsidiary, and to the best of its knowledge, there has been no violation or default by Buchans or any Buchans Subsidiary, nor to the best of Buchans's knowledge by any of their respective officers, agents or employees, with respect to any Applicable Law or any order, decree or judgment of any Court or any governmental agency of Canada or any other relevant jurisdiction, which would have a material adverse effect upon the assets or business of Buchans and the Buchans Subsidiaries.

6 Contracts and Trading

- 6.1 None of Buchans nor any Buchans Subsidiary is a party to, or affected by, any contract or arrangement otherwise than by way of a bargain at arm's length.
- 6.2 To the best of Buchans' knowledge, there are no grounds for rescission, avoidance or repudiation of any agreement or other transaction to which Buchans or any Buchans Subsidiary is a party and which is material to the business of such company, and to the best of Buchans' knowledge none of such agreements or other transactions are invalid and neither Buchans nor any Buchans Subsidiary has received notice of any intention to terminate any such agreement or repudiate or disclaim any such transaction.
- 6.3 No event has occurred or is subsisting or, to the best of Buchans' knowledge, is about to occur which constitutes or would, with the giving of notice and/or lapse of time, constitute a default, or result in the acceleration by reason of default, of any obligation, under any agreement, undertaking, instrument or arrangement to which Buchans or any Buchans Subsidiary is a party or by which it or any of them or any of their respective properties, revenues or assets are bound and which is material to the business of Buchans or any Buchans Subsidiary.
- 6.4 There are no agreements or arrangements in force imposing any material restrictions on Buchans or any Buchans Subsidiary or to the best of Buchans' knowledge, any of its directors, officers or employees which would materially or adversely affect the ability of Buchans or any Buchans Subsidiary to conduct its business in the places and in the manner currently undertaken.
- 6.5 Buchans and the Buchans Subsidiaries carry such insurance against risks which a company carrying on the same type of business as Buchans and the Buchans Subsidiaries or having similar assets would usually be expected to insure against and all premiums have been paid up to date.
- 6.6 Buchans and the Buchans Subsidiaries have all necessary licences (including all relevant statutory licences) and consents for the proper carrying on of the business currently carried on by them as at the date hereof and Buchans does not know of any factors that might in any way prejudice the continuance or renewal of those licences and consents.

7 Intellectual Property

- 7.1 Buchans' business is not dependent to any material extent on any intellectual property (other than office administration software) or particular contracts of fundamental importance which are not in the ordinary course of its business.

8 Effect of the Scheme and Demerger on Obligations of Buchans and the Buchans Subsidiaries

- 8.1 The performance of this Agreement by the Company and Buchans will not exceed or infringe any covenants in any debt facility, powers or restrictions of, or the terms of any contracts,

indenture, security, obligation, commitment or arrangement binding upon Buchans or any Buchans Subsidiary or upon the respective boards of directors or any of its or their properties, revenues or assets or result in the implementation of any right of pre-emption or any other material provision thereof or result in the imposition or variation of any rights or obligations of Buchans or any Buchans Subsidiary.

9 Litigation

- 9.1 There are no actions, suits or proceedings, pending or, to the best of Buchans' knowledge, threatened, against or affecting Buchans or any Buchans Subsidiary, or any of its principals, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which, if successful, would reasonably be expected to cause a material adverse effect on Buchans or any Buchans Subsidiary, and to the best of the knowledge of Buchans there are no existing grounds on which any such action, suit or proceeding might be commenced against Buchans or any Buchans Subsidiary.
- 9.2 There is no unsatisfied judgment or court order outstanding against Buchans or any Buchans Subsidiary.
- 9.3 No distress, execution or other process has been levied on an asset of Buchans or any Buchans Subsidiary.
- 9.4 No action is being taken by any registrar of companies to strike Buchans or any Buchans Subsidiary off the register under its jurisdiction of incorporation.

10 Subsidiaries

- 10.1 Buchans has no Subsidiaries other than those which are set out in Part B of Schedule 1.
- 10.2 On the Effective Date and on completion of the Scheme Buchans will hold, directly or indirectly, legally and beneficially the entire issued share capital in the Subsidiaries which are set out in Part B of Schedule 1.

11 Licences and Interests

- 11.1 To the best of Buchans' knowledge, all statutory, municipal and other licences, consents, permits and authorities from any person, authority or body which are necessary for the carrying on of the business of Buchans and the Buchans Subsidiaries in the places and in the manner in which it is now carried on as at the date hereof have been obtained and are valid and subsisting, and all conditions applicable to any such licences, consent, permit or authority have been complied with in accordance with their terms in all material respects and neither Buchans nor any Buchans Subsidiary is in breach which might in any way prejudice the continuation or renewal of such licences, consents, permits or authorities or otherwise be materially prejudicial to Buchans and the Buchans Subsidiaries to the best knowledge of Buchans and the Buchans Subsidiaries there are no facts, matters or circumstances which might in any way prejudice the continuation or renewal of them.
- 11.2 To the best of Buchans' knowledge, the terms of all leases, tenancies, licences, concessions and agreements of whatsoever nature to which Buchans or any Buchans Subsidiary is a party have been duly complied with by Buchans and the Buchans Subsidiaries, as applicable, in all material respects, by all the third parties to them in all material respects and there are no circumstances likely to give rise to any breach of such terms by Buchans or the Buchans Subsidiaries, by any third party or which would entitle Buchans or the Buchans Subsidiaries, any third party to terminate any such lease, tenancy, licences, concession or agreement which would have a material effect on the assets and/or business of Buchans and the Buchans Subsidiaries.

12 Environmental Matters

12.1 In this paragraph:

“Environment” means:

- (a) land, including without limitation, surface land, sub-surface strata, sea bed and river bed under water (as defined in paragraph (b)) and natural and man-made structures;
- (b) water, including, without limitation, coastal and inland waters, surface waters, aquatic sediment, ground waters, and water in drains and sewers;
- (c) air, including, without limitation, air inside buildings and other natural and man-made structures above or below ground; and
- (d) any living systems or organisms supported by the media set out in (a), (b) or (c) above.

“Environmental Law” means all European Community, Canadian, Irish, national, state, federal, regional or local laws, common law, statutes, ordinances, directives, regulations, notices, standards having force of law, relevant clean-up standards, judgements, decrees or orders, codes of practice, the requirements and conditions of all Environmental Permits, both express and implied covenants, agreements, circulars, guidance notes (statutory or otherwise), judicial and administrative interpretations of each of the foregoing concerning (without limitation) the protection of human health or the Environment or the conditions of the work place and process safety, or the generation, transportation, storage, treatment or disposal of any Hazardous Substance, as enacted, amended, replaced or supplemented from time to time.

“Environmental Permits” means any permits, consents, licences, certificates, notices, filings, lodgements, agreements, directions, declarations, exemptions, variations, renewals and amendments and other authorisations and approvals required or provided under Environmental Law which to the best knowledge of Buchans are necessary to conduct the business of Buchans.

“Environmental Regulator” means any governmental entity or other public or quasi public authority or privatised utility having responsibility for any matters concerning the Environment or Environmental Law.

“Hazardous Substance” means any natural or artificial substance (whether in solid or liquid form or in the form of a gas or vapour) or organism (including genetically modified organisms) whether alone or in combination with any other substance capable of causing harm to man or any other living organism supported by the Environment or which restricts or makes more costly the use, development, ownership or occupation of the any properties owned, occupied or used by Buchans or is capable of damaging the Environment or human health or welfare including but not limited to asbestos or any controlled, special, hazardous, toxic or dangerous chemical, substance or waste.

- 12.2 To the best of Buchans’ knowledge, in relation to its business the Company, holds and has always held all Environmental Permits.
- 12.3 To the best of Buchans’ knowledge, the Company has not received any notification that any Environmental Permit it holds is or is likely to be modified, restricted or withdrawn.
- 12.4 To the best of Buchans’ knowledge, the Company has not been prosecuted for or notified of any breach of the terms, conditions or provisions of any Environmental Permit.
- 12.5 To the best of Buchans’ knowledge, the Company has not received any notification that further Environmental Permits will be required under Environmental Law in order for it to continue its present business.

12.6 To the best of Buchans' knowledge, the Company has operated at all times and continues to operate in compliance with Environmental Law and the requirements of the Environmental Regulator. The Company has not received a notification under Environmental Law or from the Environmental Regulator requiring it to take or refrain from taking any action. There has been no notice or other indication of any decision or proposal to revoke, modify or vary any Environmental Permit.

12.7 To the best of Buchans' knowledge, the Company:

- (a) has not received notice of any breach by it of Environmental Law;
- (b) is not in breach of Environmental Law;
- (c) has not received notice of any liability actual or contingent in relation to Environmental Law;
- (d) has no liability actual or contingent in relation to Environmental Law;
- (e) has not received notice of any, and is not party to any legal proceedings in relation to Environmental Law, and no such legal proceedings are threatened and there are no circumstances which might give rise to a threat of such proceedings;
- (f) has not carried on in any jurisdiction any exploration or prospecting activities in relation to any mineral, metal or other resource since 2004; and
- (g) has never carried on in any jurisdiction any production or extraction in commercial amounts of any mineral, metal or other resource.

12.8 Buchans warrants and represents that:

- (a) none of the Buchans Group have ever carried on the production or extraction in commercial amounts of minerals or metals in any jurisdiction except as disclosed in the Management's Discussion and Analysis published since 1 January 2014 by the Company;
- (b) none of the Buchans Group have received any notice of any actual or contingent liability or obligation in relation to Environmental Law in respect of any of the properties, licences or permits held by any of the Buchans Group; and
- (c) it has no knowledge of any conditions or circumstances existing in relation to any of the properties, permits or licences held by the Buchans Group that could give rise to any liability in relation to Environmental Law.

13 The Royalty Agreement

To the best of Buchans's knowledge, the Company:

- (a) has full and valid title to the Royalty Agreement:
- (b) has not granted any option in respect of, charged or granted any interest or encumbrance of any nature to any third party over or in respect of the Royalty Agreement and there is no encumbrance, lien, interest or claim of any nature of a third party outstanding in respect of the Royalty Agreement arising by operation of law or otherwise;
- (c) is not in breach of or has failed to comply with any term or condition of the Royalty Agreement and there are no circumstances that might give rise to such a breach or failure to comply by the Company,;

- (d) there is no litigation current or pending in relation to the Royalty Agreement, and to the best of Buchans's knowledge there is no threat of litigation in relation to the Royalty Agreement and to the best of the knowledge of Buchans there are no circumstances which might give rise to such a threat; and
- (e) to the extent required by the law of the United Kingdom, the Company has recorded or registered title to the Royalty Agreement in a public register.

14 Severance or termination payments etc.

- (a) (i) Save as disclosed in the The Company Public Record or the Disclosure Letter (Company), no member of the Buchans Group has entered into any written or oral agreement or understanding providing for severance or termination payments to any director, officer, employee or consultant in connection with the termination of their position or their employment as a direct result of a change in control of the Company (including as a result of the Scheme), and (ii) there are no change of control awards payable by the Company to any director, officer, employee or consultant of the Buchans Group.
- (b) Neither the execution of the Implementation Agreement nor the consummation of the Scheme and the other transactions contemplated in the Implementation Agreement will:
 - (i) result in any payment (including severance, unemployment compensation, "golden parachute", bonus or otherwise) becoming due from the Company to any person or other entity including, but not limited to, any director, officer, employee or consultant of any member of the Buchans Group, or increase any benefits otherwise payable by the Company under any pension or benefits plan of any member of the Buchans Group or result in the acceleration of the time of payment or vesting of any such benefits;
 - (ii) increase the rate of wages, salaries, commissions, bonuses, incentive compensation or other remuneration, severance entitlements, or benefits otherwise payable by the Company to any current or former Buchans Group employee; or
 - (iii) result in the acceleration of the time of payment by the Company or vesting of any benefits or entitlements otherwise available pursuant to any benefit plans of the Buchans Group.

15 Negative Warranties, Consents and Releases

15.1 The Company:

- (a) to the best of the knowledge of Buchans, has no liability actual or contingent liability of any nature whether in contract, tort, statute or howsoever otherwise owed to or arising in relation to any of the other Group Companies;
- (b) to the best of the knowledge of Buchans, is not party to any guarantee or indemnity in relation to the other Group Companies or other third parties;
- (c) to the best of the knowledge of Buchans, is not party to any trading or other commercial contracts including without limitation joint venture, partnership, joint operating, commercialisation, unitisation, production sharing, development or other agreements;
- (d) to the best of the knowledge of Buchans, is not party to any revenue sharing, profit sharing, production sharing, royalties including net smelter royalties, net profit interests and other related interests other than the Royalty Agreement;

(e) has no material assets of any nature other than the Royalty Agreement and its shareholding in Buchans and does not carry on any active business.

15.2 The Company does not require:

- (a) any consents, permissions or authorisations of third parties; or
- (b) any releases of liability from third parties in respect of the liability of the Company because no such liability has arisen

in relation to the transfer of assets to Buchans and the Buchans Group in 2015 and the Demerger.

Schedule 3 – Offeror Warranties

1. Capacity and authority

1.1 Incorporation and existence

- 1.1.1 The Offeror is a public company validly incorporated under the laws of the Province of Ontario, Canada and has been in continuous existence since incorporation.
- 1.1.2 The Offeror has the requisite power and authority to own its properties and conduct its business as now owned and conducted.
- 1.1.3 The Offeror is duly registered to do business, and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or nature of its activities makes such registration necessary.

1.2 Authority

The Offeror has the rights, power and authority and has taken all action necessary (including all corporate authorisations) to execute and deliver, and to exercise its rights and perform its obligations under this Agreement and any other Transaction Document.

1.3 Binding agreement

The Offeror's obligations under this Agreement and each other Transaction Document are, or when the relevant document is executed will, create valid and binding obligations of the Offeror.

1.4 No breach

The execution and delivery of this Agreement and each other Transaction Document, and the performance by the Offeror under them, will not result in a breach of the Offeror's constitutional documents, any instrument to which it is party or any order, decree or judgement by which it is bound except in any case where any such breach would not result in an Offeror Material Adverse Effect.

2 Corporate structure and organisation

- 2.1 The Offeror is duly licensed, registered or otherwise qualified to do business and is in good standing in each jurisdiction in which the character of the property and assets now owned by it or the nature of its business as now conducted by it requires it to be so licensed or qualified (save where failure to have such licence or qualification is not in the aggregate material).
- 2.2 As of the date hereof, the authorised capital of the Offeror consists of an unlimited number of common shares of which a total of 251,039,372 shares were issued and outstanding and are all fully paid or properly credited as fully paid, and save in respect of the Offeror's incentive stock option plan, restricted share unit plan, deferred share unit plan, warrants or other rights to purchase common shares as disclosed in The Offeror Public Record (as defined below), or as otherwise contemplated by this Agreement or the Transaction Documents, there is no agreement, arrangement or obligation requiring: the creation, allotment, issue, transfer, redemption or repayment of; or the grant to a person of the right (conditional or not) to require the allotment, issue, transfer, redemption or repayment of any shares or other securities of the Offeror (including any option or right of pre-emption, conversion or exchange).

- 2.3 The Consideration Shares issuable pursuant to the Scheme will, upon their issuance, be validly issued and outstanding, fully paid and non-assessable shares and will be listed on the Toronto Stock Exchange (TSX) and admitted to AIM.
- 2.4 The execution and delivery of this Agreement and each other Transaction Document, and the performance by the Offeror under them and the completion of the transactions contemplated thereby do not and will not:
- 2.4.1 result in a violation, contravention or breach of or constitute a default under, or entitle any party to terminate, accelerate, modify or call any obligations or rights under, require any consent to be obtained under or give rise to any termination rights under any provision of:
- (a) the constitutional documents of the Offeror,
 - (b) any applicable law or the rules or policies of the TSX, or
 - (c) any credit agreement, note, bond, mortgage, indenture, deed of trust, lease, franchise, concession, easement, contract, agreement, licence, permit or other instrument to which the Offeror is bound or is subject to or of which the Offeror is the beneficiary;
- that in each case would individually or in the aggregate result in an Offeror Material Adverse Effect.
- 2.4.2 cause any indebtedness owing by the Offeror to come due before its stated maturity or cause any available credit to cease to be available which would, individually or in the aggregate, have an Offeror Material Adverse Effect on the Offeror; or
- 2.4.3 result in the imposition of any encumbrance upon any of the property or assets of the Offeror or give any person the right to acquire any of the Offeror's assets, or restrict, hinder, impair or limit the ability of the Offeror to conduct the business of the Offeror as and where it is now being conducted which would, individually or in the aggregate, have an Offeror Material Adverse Effect on the Offeror.
- 2.5 There are no actions, suits or proceedings, pending or, to the best knowledge of the Offeror, threatened against or affecting the Offeror, or any of their principals, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which, if successful, would reasonably be expected to cause an Offeror Material Adverse Effect on the Offeror, and to the best of the knowledge of the Offeror there are no existing grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success against the Offeror.
- 2.6 This Agreement has been duly authorised, executed and delivered by the Offeror and constitutes a legal, valid and binding obligation, enforceable against the Offeror in accordance with its terms subject to bankruptcy, insolvency and other applicable laws affecting creditors' rights generally and to general principles of equity.
- 2.7 The Offeror is a "reporting issuer" within the meaning of the securities laws of each of the Provinces of Canada other than Quebec, has no securities law reporting requirements under any other jurisdiction in Canada and, is not on a list of defaulting issuers maintained by the securities commissions in these jurisdictions.
- 2.8 The audited consolidated financial statements of the Offeror for its financial year ended 31 December, 2016 (the "**Offeror Accounts**") are true and correct in every material respect, and have been prepared on a consolidated basis in accordance with generally accepted accounting principles and International Financial Reporting Standards, and fairly reflect in all material respects the consolidated financial position of the Offeror as at the dates of such financial statements and the results of its operations for the periods then ended and there is

- no material liability (whether actual, deferred, contingent or disputed) or commitment which, in accordance with generally accepted accounting principles and practices (on the basis on which the Offeror Accounts have been prepared), should have been disclosed or provided for in the Offeror Accounts and which has not been so disclosed or provided for.
- 2.9 Proper provision for payment or, as appropriate, disclosure in accordance with generally accepted accounting principles (on the basis on which the Accounts have been prepared) have been made for Taxation payable by the Offeror.
- 2.10 Since December 31, 2016, except as disclosed by the Offeror in The Offeror Public Record (as defined below):
- 2.10.2 the Offeror has conducted its business only in the ordinary and regular course of business consistent with past practice;
- 2.10.3 the Offeror has not incurred or suffered an Offeror Material Adverse Effect;
- 2.10.4 there has not been any acquisition or sale by the Offeror of any material property or assets thereof;
- 2.10.5 other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by the Offeror of any debt for borrowed money, any creation or assumption by the Offeror of any encumbrance, any making by the Offeror of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by the Offeror of any contract, agreement, licence, lease transaction, commitment or other right or obligation which would, individually or in the aggregate, have an Offeror Material Adverse Effect;
- 2.10.6 neither the Offeror nor any of its Subsidiaries has entered into any related party or non-arm's length transaction that is required to be disclosed in The Offeror Public Record or in the Offeror Accounts which has not been so disclosed;
- 2.10.7 the Offeror has not declared or paid any dividends or made any other distribution on any of the Offeror's shares;
- 2.10.8 the Offeror has not affected or passed any resolution to approve a split, consolidation or reclassification of any of its outstanding shares;
- 2.10.9 neither the Offeror nor any of its Subsidiaries has incurred or been involved in any transaction which has resulted or could result in any material liability for Taxation of whatsoever nature otherwise than in the ordinary and usual course of business or as disclosed in the Offeror Accounts;
- 2.10.10 the Offeror has not changed or amended its constitutional documents; and
- 2.10.11 the Offeror has not adopted any, or materially amended any bonus, pension, profit sharing, stock purchase, stock option or other benefit plan or shareholder rights plan in any form other than as posted on the Offeror's corporate website.
- 2.11 There is no confidential or price sensitive matter concerning the Offeror to the best of the knowledge of the Offeror which has not been publicly disclosed in the Offeror Accounts or in any announcement made by or on behalf of the Offeror (each such announcement being a "**Offeror Previous Announcement**") which, if publicly disclosed by the Offeror, would of itself be likely to cause the market price for a common share in the Offeror to rise or fall to a material extent.
- 2.12 The shares of the Offeror are listed and posted for trading on the TSX and AIM and the Offeror is in compliance with all rules, regulations and policies of the TSX and AIM in all material respects.

- 2.13 The Offeror is not in default in any material respect of any requirement of any applicable securities laws or regulatory authority having jurisdiction over any securities of the Offeror.
- 2.14 The Offeror has filed with all applicable securities and regulatory authorities (including the TSX and AIM) all information and documents required to be filed with such authorities ("**The Offeror Public Record**") and the statements set forth in The Offeror Public Record are true, correct and complete in all material respects and do not contain any misrepresentation as of the dates on which they were made, except where the failure to comply strictly with certain form requirements would not have a Offeror Material Adverse Effect, and the Offeror has not filed any confidential material change reports or similar reports which currently remain confidential.
- 2.15 No securities of the Offeror are subject to any delisting, suspension of trading, or cease trade or other order of the TSX or any other applicable stock exchange or securities regulatory authority and, no investigation or other proceedings involving the Offeror that may operate to prevent or restrict trading of any securities of the Offeror are currently in progress, or to the best of its knowledge, is pending or threatened before any applicable stock exchange or securities regulatory authority.
- 2.16 The descriptions of the business of the Offeror and its financial condition, assets and properties as provided to the Company for inclusion in the Scheme Documents will not contain any untrue statement of a material fact or omit to state any material fact necessary to make such description not misleading and will contain all information required by all applicable securities laws.
- 2.17 There is no agreement, judgement, injunction, order or decree binding upon the Offeror or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or materially impairing any business practice of the Offeror or any of its subsidiaries, any acquisition of property by the Offeror or any of its subsidiaries or the conduct of business by the Offeror or any of its subsidiaries as currently conducted (including following the transaction contemplated by this Agreement) other than such agreements, judgements, injunctions, orders or decrees which would not, individually or in the aggregate, reasonably be expected to have an Offeror Material Adverse Effect.
- 2.18 The Offeror is in compliance in all material respects with each material licence and permit held by it and is not in any material respect in violation of, or default under, the applicable statutes, ordinances, rules, regulations, orders or decrees (including, without limitation, Environmental Laws (as defined below)) of any governmental entities, regulatory agencies or bodies having, asserting or claiming jurisdiction over it or over any part of its operations or assets.
- 2.19 As of the date hereof,
- 2.19.1 no securities of the Offeror are registered or required to be registered under Section 12 of the U.S. Exchange Act of 1934, as amended (the "U.S. Exchange Act"), and the Offeror is not required to file reports under Section 13 or Section 15(d) of the U.S. Exchange Act; and
- 2.19.2 the Offeror (A) is a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act, (B) is not registered or required to register as an investment company under the U.S. Investment Company Act of 1940 (as amended) and (C) has not been subject to any proceeding under Section 12(j) of the U.S. Exchange Act.

3 Offeror Previous Announcements

- 3.1 Each statement of fact in each Offeror Previous Announcement and The Offeror Public Record was true and accurate in all material respects and not misleading (by itself or in its context). Each expression of opinion or intention or expectation in each Offeror Previous Announcement was made on reasonable grounds after due and careful enquiry and was truly and honestly held by the directors of the Offeror and was fairly based in all material aspects. There was no other material fact known or which

could on reasonable enquiry have been known to the directors of the Offeror omitted to be disclosed in any Offeror Previous Announcement which, by such omission, would make any such statement or expression in any Offeror Previous Announcement misleading (by itself or in its context) in any material respect.

3.2 Each Offeror Previous Announcement complied in all material respects with the AIM Rules in force at the time of its publication.

4 Insolvency

4.1 Winding-up

No order has been made, resolution passed, meeting convened or petition presented for the Offeror to be wound up, for a provisional liquidator to be appointed over the Offeror or for an administration order in respect of the Offeror under applicable legislation or analogous procedures under applicable law.

4.2 Receivership

No receiver has been appointed of the whole or part of the business of the Offeror or its assets or analogous procedures under applicable law.

4.3 Voluntary arrangements

The Offeror has not made any voluntary arrangements with any of its creditors.

4.4 Insolvency and debts

The Offeror is not insolvent or unable to pay its debts. The Offeror has not stopped paying its debts as they fall due.

4.5 Distress

No distress, execution or other process has been levied on an asset of the Offeror.

4.6 Unsatisfied judgments

There is no unsatisfied judgment or court order outstanding against the Offeror.

4.7 Striking-off

No action is being taken by any registrar of companies to strike the Offeror off the register under its jurisdiction of incorporation.

5 Finance

Save as set out in the Offeror Accounts or any Offeror Previous Announcement, the Offeror has no term loans, overdraft or other debt facilities, and to the extent that it does have any such term loans, overdraft or other debt facilities, no event has occurred which (with the giving of notice or the lapse of time or both or the making of any relevant determination by any person) may cause any such loan or debt facility to be incapable of utilisation in accordance with its terms or repayable in whole or in part prior to its stated date of maturity or cause the lender's commitment thereunder to be cancelled or reduced

6. Taxation

6.1

6.1.1 The Offeror is not involved in any dispute with any Taxation Authority (in the United Kingdom, Canada or elsewhere) which could reasonably be considered to be

material. There are no actions, suits, proceedings, investigations or claims commenced or, threatened or, to the best of the knowledge of the Offeror, contemplated against the Offeror in respect of Taxation, or any matters under discussion with any governmental authority relating to taxes, asserted by any such authority.

- 6.1.2 The Offeror has, within any applicable time limit, duly made all returns, given all notices and supplied all other information required to be made, given or supplied to the relevant Taxation authority and all such returns, notices and information are correct in all material respects and are not the subject of any material dispute with the relevant Taxation authority and all Taxation of any nature whatsoever whether of the United Kingdom, Canada or elsewhere for which the Offeror is liable or is liable to account has been duly paid.
 - 6.1.3 Adequate provision has been made for taxes payable by the Offeror for the current period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by, or payment of any tax against the Offeror.
- 6.2 On the date hereof and at the Effective Date the Offeror will be tax resident in Canada.

7. Capacity and compliance with Applicable Law

- 7.1 The Offeror has authority to carry on its business as at the date of this Agreement and has conducted its business in all material respects in accordance with all Applicable Laws.
- 7.2 The Offeror has not received notice of any, and to the best of its knowledge, there has been no violation or default by the Offeror, nor, to the best of its knowledge, by any of its officers, agents or employees, with respect to any Applicable Law or any order, decree or judgment of any Court or any governmental agency of Canada, the United Kingdom or any other relevant jurisdiction, which could have an Offeror Material Adverse Effect.

8. Contracts and Trading

- 8.1 Other than as set out in The Offeror Public Record, the Offeror is not a party to, or affected by, any contract or arrangement otherwise than by way of a bargain at arm's length.
- 8.2 To the best of the Offeror's knowledge there are no grounds for rescission, avoidance or repudiation of any other agreement or other transaction to which the Offeror is a party and which is material to the business of the Offeror, to the best of the Offeror's knowledge no agreements or other transactions are invalid and the Offeror has not received notice of any intention to terminate the Royalty Agreement and agreements or repudiate or disclaim any such transaction.
- 8.3 No event has occurred or is subsisting or, to the best of the Offeror's knowledge is about to occur which constitutes or would, with the giving of notice and/or lapse of time, constitute a default, or result in the acceleration by reason of default, of any obligation, under any agreement, undertaking, instrument or arrangement to which the Offeror is a party or by which it or any of its properties, revenues or assets are bound and which is material to the business of the Offeror.
- 8.4 There are no agreements or arrangements in force imposing any material restrictions on the Offeror or to the best of the Offeror's knowledge any of its directors, officers or employees which would materially or adversely affect the ability of the Offeror to conduct its business in the places and in the manner currently undertaken other than pursuant to confidentiality agreements entered into by the Offeror.

- 8.5 The Offeror carries such insurance against risks which an offeror carrying on the same type of business as the Offeror or having similar assets would usually be expected to insure against and all premiums have been paid up to date.
- 8.6 The Offeror has all necessary material licences (including all relevant statutory licences) and consents for the proper carrying on of the business currently carried on by it and the Offeror does not know of any factors that might in any way prejudice the continuance or renewal of those licences and consents.
- 8.7 All subsisting material contracts (other than contracts entered into in the ordinary course of business) entered into by the Offeror and which are still in force or under which the Offeror has any material liability have been disclosed in The Offeror Public Record.

9. Intellectual Property

The Offeror's business is not dependent to any material extent on any intellectual property (other than office administration software) or particular contracts of fundamental importance which are not in the ordinary course of its business.

10. Share Capital and Constitution

All sums due in respect of the issued capital of the Offeror have been paid to and received by the Offeror and save as disclosed in the Offeror Accounts or any Offeror Previous Announcement, or as otherwise contemplated by this Agreement there are in force no options or other agreements which call for the issue of, or accord to any person the right to call for the issue of, any shares in or other securities of the Offeror.

11. Related Parties

- 11.1 Full details of all current agreements and arrangements (whether written or unwritten) between the Offeror and any one or more of the shareholders in the Offeror or its directors or any connected persons with any one or more of such shareholders and/or directors have been disclosed in The Offeror Public Record. Save to the extent disclosed in The Offeror Public Record, no contract or arrangement exists between the Offeror and (in his capacity as such) any person who owns or, has any interest in or rights in relation to any share capital of the Offeror (or any person who is connected with such a person) with regard to:

11.1.1 the management of any business of the Offeror; or

11.1.2 the appointment or removal of any of the directors of the Offeror; or

11.1.3 any other matter concerning the Offeror or its affairs.

- 11.2 None of the shareholders of the Offeror has any rights, in their capacity as such, in relation to the Offeror other than as set out in the constituting documents of the Offeror in force at the date of this Agreement or contained in the agreements referred to in The Offeror Public Record.

- 11.3 The Offeror Public Records contain all information concerning any actual or potential conflicts of interest between the Offeror and any director or Substantial Shareholder (as such term is defined in the AIM Rules) or any company of which any director or Substantial Shareholder is a director or in which he has an interest and all statements contained in the Offeror Accounts concerning such conflict or concerning the future relationship between such director or Substantial Shareholder or any of such companies are truly and honestly made and are not misleading and, to the best of the Offeror's knowledge, there are no other facts concerning the same the omission of which makes any statement therein false or misleading in any material respect.

- 11.4 There are no arrangements or understandings (whether legally enforceable or not) between the Offeror and any person who is a shareholder or the beneficial owner of any interest in the

Offeror or any company in which the Offeror is interested relating to the management of the Offeror's business or the appointment or removal of the directors of the Offeror or the ownership or transfer of ownership or the letting of any assets to or by the Offeror or the provision of finance, goods, services or other facilities to or by the Offeror or otherwise howsoever relating to its affairs.

12. Litigation

- 12.1 There are no actions, suits or proceedings, or other than as disclosed in writing to the Offeror pending or threatened, against or affecting the Offeror, or any of its principals, at law or in equity, or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which, if successful, would reasonably be expected to cause an Offeror Material Adverse effect and to the best of the knowledge of the Offeror there are no existing grounds on which any such action, suit or proceeding might be commenced against the Offeror.
- 12.2 There is no unsatisfied judgment or court order outstanding against the Offeror, other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by the Offeror of any debt for borrowed money, any creation or assumption by the Offeror of any encumbrance, any making by the Offeror of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by the Offeror of any contract, agreement, licence, lease transaction, commitment or other right or obligation which would, individually or in the aggregate, have an Offeror Material Adverse Effect.

13. Licences and Interests

- 13.1 All statutory, municipal and other licences, consents, permits and authorities from any person, authority or body which are necessary for the carrying on of the business of the Offeror in the places and in the manner in which it is now carried on have been obtained and are valid and subsisting, and all conditions applicable to any such licences, consent, permit or authority have been complied with in accordance with their terms in all material respects and to the best of the knowledge of the Offeror there is no breach of them which might in any way prejudice the continuation or renewal of such licences, consents, permits or authorities or otherwise be materially prejudicial to the Offeror and, to the best knowledge of the Offeror, there are no facts, matters or circumstances which might in any way prejudice the continuation or renewal of them.
- 13.2 The terms of all leases, tenancies, licences, concessions and agreements of whatsoever nature to which the Offeror is a party have been duly complied with by the Offeror in all material respects, and, to the best of the knowledge of the Offeror, there are no circumstances likely to give rise to any breach of such terms by the Offeror, or to the best of its knowledge by any third party or which would entitle the Offeror, or to the best of its knowledge any third party to terminate any such lease, tenancy, licences, concession or agreement which would have a material effect on the assets and/or business of the Offeror.
- 13.3 Without prejudice to the generality of paragraphs 13.1 and 13.2 above:
- (a) all of the relevant documents of title in relation to the licences required to operate the business of the Offeror or any interest therein ("**Offeror Licences and Interests**") are in the possession or under the control of or accessible by the Offeror and are validly executed by the Offeror or predecessors in title to the Offeror and the relevant granting authority, are enforceable in accordance with their terms and are duly registered with the appropriate authorities;
 - (b) all operations carried out by or on behalf of the Offeror on the areas that are the subject of the Offeror Licences and Interests have been in accordance with all applicable legislation and regulations in any material respect and any orders, consents or permissions made or given thereunder.

- (c) the Offeror holds all property rights necessary for the conduct of the business of the Offeror as currently conducted, the Offeror is not aware of any claim or the basis for any claim that might or could materially adversely affect the right thereof to use, transfer or otherwise exploit such property rights once acquired and the Offeror does not have any responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any Person with respect to the property rights thereof other than as disclosed in The Offeror Public Record.
- (d) the Offeror holds the options to acquire or owns mining leases, mining claims or other conventional property or proprietary interests or rights described in The Offeror Public Record, recognized in the jurisdiction in which each property is located, in respect of the ore bodies and minerals located in properties in which the Offeror conducts business under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Offeror to explore the minerals relating thereto (the "**Mining Rights**"). The Offeror has all necessary surface rights, access rights and other necessary rights and interests relating to the properties on which the Offeror conducts business granting the Offeror the right and ability to explore for minerals, ore and metals for exploration or development purposes as are appropriate in view of the rights and interest therein of the Offeror with only such exceptions as do not materially interfere with the use made by the Offeror of the rights or interests so held and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Offeror.
- (e) any and all of the agreements and other documents and instruments pursuant to which the Offeror holds the mineral properties are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof (except as may be qualified by the standard enforceability qualifications), the Offeror is not in default of any of the material provisions of any such agreements, documents or instruments nor to the Offeror's knowledge, has any such default been alleged, and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licences and claims pursuant to which the Offeror derives the interests thereof in such property and assets are in good standing and there has been no material default under any such lease, licence or claim and all taxes required to be paid with respect to such properties and assets to the date hereof have been paid.
- (f) all material Mining Rights in which the Offeror holds an interest or right have been validly registered and recorded in accordance in all material respects with all applicable laws and are valid and subsisting.
- (g) the mineral properties and Mining Rights of the Offeror as disclosed in The Offeror Public Record, constitute an accurate description of the mineral properties and all material Mining Rights held by the Offeror.
- (h) the Offeror is in material compliance with the provisions of NI 43- 101 and has filed all technical reports required thereby and there have been no developments of which the Offeror is aware that would require the filing of a new technical report under NI 43-101.

14. Environmental Matters

- 14.1 In this warranty 14.1 the definitions shall be as defined in Paragraph 19.1 of Schedule 2A, save that references to the Company shall be deemed to be references to the Offeror:
- 14.2 The Offeror has not received any notification that any Environmental Permit it holds is or is likely to be modified, restricted or withdrawn.
- 14.3 The Offeror has not been prosecuted for or notified of any breach of the terms, conditions or provisions of any Environmental Permit.

- 14.4 The Offeror has not received any notification that further Environmental Permits will be required under Environmental Law in order for it to continue its present business.
- 14.5 To the best of its knowledge, the Offeror has operated at all times and continues to operate in compliance with Environmental Law and the requirements of the Environmental Regulator. The Offeror has not received a notification under Environmental Law or from the Environmental Regulator requiring it to take or refrain from taking any action. There has been no notice or other indication of any decision or proposal to revoke, modify or vary any Environmental Permit.
- 14.6 The Offeror:
- (a) has not received notice of any breach by it of Environmental Law, and to the best of its knowledge is not in breach of Environmental Law;
 - (b) has not received notice of any liability actual or contingent in relation to Environmental Law, and to the best of its knowledge has no liability actual or contingent in relation to Environmental Law; and
 - (c) has not received notice of any, and is not party to, any legal proceedings in relation to Environmental Law, and to the best of its knowledge, no such legal proceedings are threatened and there are no circumstances which might give rise to a threat of such proceedings.

Schedule 4A - Company's and Buchans' limitation of liability

- 1 No provision of this Schedule or this Agreement limits the liability of the Company in relation to any claim:
 - 1.1 arising out of or in connection with that person's fraud, dishonesty or wilful concealment; or
 - 1.2 relating to the Warranties contained in paragraph 1.1 to 1.4 of Part A of Schedule 2 (*Capacity and authority*).
- 2 No provision of this Schedule or this Agreement limits the liability of Buchans in relation to any claim:
 - 2.1 arising out of or in connection with that person's fraud, dishonesty or wilful concealment; or
 - 2.2 relating to the Warranties contained in paragraph 1.1 to 1.4 of Part B of Schedule 2 (*Capacity and authority*).

Scheme lapses

- 3 If the Scheme lapses or is not implemented for any reason or, following such a lapse, the Agreement is terminated pursuant to Clause 9.1:
 - 3.1 the Company shall have no liability whatsoever for any claim under the Warranties in Part A of Schedule 2; and
 - 3.2 the liability of the Company arising in respect of any provision of this Agreement other than the Warranties in Part A of Schedule 2 shall be limited as follows:
 - 3.2.1 the Company shall have no liability unless it has received notice in writing from the Offeror stating in reasonable detail the nature of the liability and, if practical, the amount claimed, within twelve months from the lapse of the Scheme; and
 - 3.2.2 the aggregate liability of the Company shall not exceed an amount equal to one per cent. of the value of the aggregate Consideration Shares being C\$1.2911 (C\$200,000 in total).
- 4 If the Scheme lapses or is not implemented for any reason or, following such a lapse, the Agreement is terminated pursuant to Clause 9.1:
 - 4.1 Buchans shall have no liability whatsoever for any claim under the Warranties in Part B of Schedule 2; and
 - 4.2 the liability of Buchans in relation to any provision of this Agreement other than the Warranties in Part B of Schedule 2 shall be limited as follows:
 - 4.2.1 Buchans shall have no liability unless it has received notice in writing from the Offeror stating in reasonable detail the nature of the liability and, if practical, the amount claimed, within twelve months from the lapse of the Scheme; and
 - 4.2.2 the aggregate liability of Buchans shall not exceed an amount equal to one per cent. of the value of the aggregate Consideration Shares being C\$1.2911 per Share (being C\$200,000 in total).

Scheme is implemented

- 5 If the Scheme is implemented:
- 5.1 the Company shall not have any liability for any claim under the Warranties pursuant to Part A of Schedule 2 or any other provision of the Agreement, unless the Offeror gives notice in writing of the claim to the Company stating in reasonable detail the nature of the claim and, if practical, the amount claimed on or before the first anniversary of the Effective Date;
 - 5.2 the Company shall not have any liability under any claims under the Warranties pursuant to Part A of Schedule 2 unless the respective aggregate liability in respect of all such claims exceeds €50,000, in which case the Company shall be liable for all of the amount of the claims and not just the amount in excess of €50,000; and
 - 5.3 the aggregate liability of the Company under the Warranties pursuant to Part A of Schedule 2 shall not exceed an amount equal to five per cent. of the value of the aggregate Consideration Shares issued in connection with the Scheme at C\$1.2911 per Share (or C\$1,000,000 in total).

- 6 If the Scheme is implemented:
- 6.1 Buchans shall not have any liability for any claim under the Warranties pursuant to Part B of Schedule 2 or any other provision of the Agreement, unless the Offeror gives notice in writing of the claim to Buchans stating in reasonable detail the nature of the claim and, if practical, the amount claimed on or before the first anniversary of the Effective Date;
 - 6.2 Buchans shall not have any liability under any claims under the Warranties pursuant to Part B of Schedule 2 unless the aggregate liability in respect of all such claims exceeds €50,000, in which case Buchans shall be liable for all of the amount of the claims and not just the amount in excess of €50,000; and
 - 6.3 the aggregate liability of Buchans under the Warranties pursuant to Part B of Schedule 2 shall not exceed an amount equal to **five per cent.** of the value of the aggregate Consideration Shares issued in connection with the Scheme at C\$1.2911 per Share (or C\$1,000,000 in total).

Other

- 7 The Company shall not have any liability under any claim under the Warranties pursuant to Part A of Schedule 2 to the extent that the matter or circumstance giving rise to the claim was fully and fairly disclosed in the Disclosure Letter (Company) prior to the Effective Date (with sufficient details to identify the nature and scope of the matter disclosed) to the Offeror.
- 8 Buchans shall not have any liability under any claim under the Warranties pursuant to Part B of Schedule 2 to the extent that the matter or circumstance giving rise to the claim was fully and fairly disclosed in the Disclosure Letter (Company) prior to the Effective Date (with sufficient details to identify the nature and scope of the matter disclosed) to the Offeror.
- 9 Where any matter or circumstances could give rise to a claim under more than one Warranty in Schedule 2 or pursuant to the Deed of Indemnity (Tax), the Offeror may not recover for the same liability more than once. For the avoidance of doubt the Offeror may not sue both the Company and Buchans under a Warranty in Schedule 2 in respect of the same matter or circumstances.
- 10 The Offeror shall not be entitled to make a claim pursuant to Clause 7 and Schedule 2 against the Company or Buchans (as the case may be) if and to the extent that the facts, matters, events or circumstances giving rise to the claim are fully and fairly disclosed in the Disclosure Letter (Company).

Schedule 4B - Offeror's limitation of liability

- 1 No provision of this Schedule limits the liability of the Offeror in relation to any claim:
 - 1.1 arising out of or in connection with the Offeror's fraud, dishonesty or wilful concealment; or
 - 1.2 relating to the Warranties contained in paragraphs 1.1 to 1.4 of Schedule 3.

Scheme lapses

- 2 If the Scheme lapses or is not implemented for any reason or, following such a lapse, the Agreement is terminated pursuant to Clause 9.1:
 - 2.1 the Offeror shall have no liability whatsoever for any claim under the Warranties in Schedule 3;
 - 2.2 the liability of the Offeror in relation to any provision of this Agreement other than the Warranties in Schedule 3 shall be limited as follows:
 - 2.2.1 the Offeror shall have no liability unless it has received notice in writing from the Company stating in reasonable detail the nature of the liability and, if practical, the amount claimed, within twelve months from the lapse of the Scheme.
 - 2.2.2 the aggregate liability of the Offeror shall not exceed an amount equal to one per cent. of the value of the aggregate Consideration Shares being C\$1.2911 per Share (or C\$200,000).

Scheme is implemented

- 3 If the Scheme is implemented:
 - 3.1 the Offeror shall not have any liability under any claim under the Warranties in Schedule 3 or any other provision of the Agreement unless the Company or Buchans gives notice in writing of the claim to the Offeror stating in reasonable detail the nature of the claim and, if practical, the amount claimed on or before the first anniversary of the Effective Date;
 - 3.2 the Offeror shall not have any liability under any claims under the Warranties in Schedule 3 unless the aggregate liability in respect of all claims exceeds €50,000, in which case the Offeror shall be liable for all of the amount of the claim(s) and not just the amount in excess of EUR50,000; and
 - 3.3 the aggregate liability of the Offeror under the Warranties in Schedule 3 shall not exceed an amount equal to five per cent. of the value of the aggregate Consideration Shares issued in connection with the Scheme at C\$1.2911 per Share (or C\$1,000,000 in total).

Other

- 4 The Offeror shall not have any liability under any claim under Clause 7 and/or the Warranties in Schedule 3 to the extent that the matter or circumstance giving rise to the claim was fully and fairly disclosed prior to the Effective Date (with sufficient details to identify the nature and scope of the matter disclosed) in the Disclosure Letter (Offeror) to the Company.
- 5 Where any matter or circumstances could give rise to a claim under more than one Warranty, the Company may not recover for the same liability more than once.

- 6 Neither the Company nor Buchans shall be entitled to make a claim pursuant to Clause 7 and/or Schedule 3 against the Offeror if and to the extent that the facts, matters, events or circumstances giving rise to the claim are fully and fairly disclosed in the Disclosure Letter (Offeror).

Schedule 5 – Conduct of business

The Company shall not do any of the following:

- (a) save pursuant to the Scheme, amend its memorandum and articles of association or constitution;
- (b) save pursuant to the Scheme, (i) issue or agree to issue any shares or other rights or securities convertible or exchangeable into or grant, the right to call for the issue of any shares affecting any share subdivision, consolidation, reverse share split, share dividend recapitalisation, alter the rights attaching to any shares, reduction, repayment or cancellation of share capital or share premium or capitalise any reserves or redeem or buy back any shares or other similar transaction and (ii) grant, confer or award any option right, warrant, deferred share or other right not existing on the date hereof to acquire any of its shares;
- (c) other than in the ordinary course of business dispose of the whole or any part of its business or any asset having an aggregate value of in excess of €20,000;
- (d) in each case (i) increase any compensation or remuneration of any employee, consultant or officer or enter into any employment or severance agreement with any person, (ii) grant any bonuses to employees or directors, (iii) adopt any employee benefit plan or pension scheme or amend any existing employee benefit scheme or existing plan except for changes which are less favourable to participants in such plans or which are required to implement such schemes, (iv) commence or terminate the employment of any employee or proposed employee whose annual remuneration exceeds EUR50,000 or (v) enter into or amend any other agreement with any employee or director of the Company;
- (e) save pursuant to the Scheme (i) declare or pay any dividend or make any distribution or payment with respect to any of the Company's shares or allow the Company to pay or make such a dividend or distribution or payment or (ii) directly or indirectly redeem, purchase or otherwise acquire any of the Company's shares;
- (f) merge with or enter into a consolidation with, enter into a scheme of arrangement with or acquire an interest of 10% or more in any person or acquire a substantial portion of assets or the business of any person, or otherwise acquire any assets;
- (g) sell, lease, licence, pledge, transfer, or otherwise dispose of or encumber any properties or other assets of the Company, contracts, licensing options, production licences, exploration licences or prospecting licences in Ireland or any other country;
- (h) (i) enter into any joint venture or profit sharing arrangement, (ii) licence any material intellectual property to or from any third party or (iii) enter into any agreement the effect of which would be to impose any material restrictive covenants on the Company which would following the Effective Date bind the Offeror;
- (i) (i) create, incur or suffer to exist any indebtedness for borrowed money, (ii) guarantee the indebtedness of any other person or (iii) issue, sell or amend any debt securities or warrants or other rights to acquire any debt securities of the Company;
- (j) change any of its methods, principles or practices of accounting currently in effect except as required by generally accepted accounting principles or as may be required to implement the Scheme and/or Demerger;
- (k) make or change any tax election, settle or compromise any tax claim or amend any tax return;
- (l) open or expand any facility or office;
- (m) authorise, recommend, propose or announce an intention to liquidate or dissolve the Company;

- (n) incur any capital expenditure in excess of EUR20,000;
- (o) other than in the ordinary course of business modify amend or terminate any material contract or agreement to which the Company is a party or waive, release or assign any material right or claim;
- (p) discontinue any insurance policies now in effect or renewals thereof, and shall not knowingly default under any provision of any those policies, or fail duly to give any notice and present and maintain any claims under those policies;
- (q) fail to file all reports required to be filed with governmental authorities and or fail to observe and comply with all laws, rules, regulations, licences and permits relating to its business or any of its assets;
- (r) authorise any of, or commit to or agree in writing or to otherwise to take any of the foregoing actions;
- (s) knowingly do anything which might materially risk or decrease any of the Company's assets, goodwill or the value of any Shares.

PRESENT WHEN THE COMMON SEAL
of **DALRADIAN RESOURCES INC**
was affixed to this deed and this
deed was delivered:-

"Patrick F.N. Anderson"

DIRECTOR

DIRECTOR/SECRETARY

PRESENT WHEN THE COMMON SEAL
of **MINCO PLC**
was affixed to this deed and this
deed was delivered:-

"John F. Kearney"

DIRECTOR

"Danesh K. Varma"

DIRECTOR/SECRETARY

PRESENT WHEN THE COMMON SEAL
of **BUCHANS RESOURCES LIMITED**
was affixed to this deed and this
deed was delivered:-

"John F. Kearney"

DIRECTOR

DIRECTOR/SECRETARY

DATED 1 June 2017

(1) DALRADIAN RESOURCES INC

(2) MINCO PLC

AND

(3) BUCHANS RESOURCES LIMITED

IMPLEMENTATION AGREEMENT

m^cevoy
partners

27 Hatch Street Lower
Dublin 2

T +353 1 775 5600
F +353 1 775 5601