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JUDICIAL CENTRE CALGARY

PROCEEDING IN THE MATTER OF THE BANKRUPTCY OF 2585929
ALBERTA LTD.

DOCUMENT FIRST REPORT OF KSV RESTRUCTURING INC. AS
TRUSTEE IN BANKRUPTCY

COM
Nov 19, 2025

NOVEMBER 10, 2025

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1.0 Introduction

1. On November 13, 2023 (the “**NOI Filing Date**”), each of Athabasca Minerals Inc. (“**AMI Pub Co**”), 2132561 Alberta Ltd., 2140534 Alberta Ltd., AMI Aggregates Inc., AMI RockChain Inc., AMI Silica Inc., and TerraShift Engineering Ltd. (collectively the “**NOI Entities**” or “**AMI**”) filed a Notice of Intention to Make a Proposal (the “**NOI Proceedings**”) pursuant to Section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “**BIA**”). KSV Restructuring Inc. (“**KSV**”) was appointed as the proposal trustee of the NOI Entities (the “**Proposal Trustee**”).
2. Through the NOI Proceedings, the NOI Entities, with the assistance of the Proposal Trustee, completed a Sales and Investment Solicitation Process (the “**SISP**”). As part of the SISP, the first ranking secured creditor, JMAC Energy Services LLC (“**JMAC**”), participated in the SISP as the stalking horse bidder through a stalking horse bid of \$13,200,000 (the “**Stalking Horse Bid**”).
3. During the SISP, Badger Mining Corporation (“**Badger**”) submitted a bid that was deemed superior to the Stalking Horse Bid. As a result, on February 9, 2024, the Proposal Trustee held an auction under the SISP (the “**Auction**”). The Auction was highly successful and comprised 162 rounds of bidding in \$100,000.00 increments. JMAC and Badger submitted bids at the Auction that were based upon a reverse vesting order structure and provided an increase in overall consideration of at least \$17,000,000.00, or approximately 60% greater value that would otherwise be provided based upon JMAC's Stalking Horse Bid. Ultimately, Badger's final bid of \$29,100,000 was deemed the successful bid.
4. 2585929 Alberta Ltd. (“**258 Alberta**”, the “**Company**” or “**ResidualCo**”) was established pursuant to the Transaction Approval and Reverse Vesting Order dated April 19, 2024 (“**RVO**”). The RVO, among other things:
 - a) approved a Subscription Agreement dated February 9, 2024 (“**Subscription Agreement**”) between the Companies and Badger for the sale of substantially all of the Companies' Business and Property (the “**Transaction**”);
 - b) authorized the transfer of all Transferred Assets and Transferred Liabilities (as defined in the Subscription Agreement) to ResidualCo pursuant to the terms set forth in the Subscription Agreement; and

- c) authorized the discharge of the Companies from the NOI proceedings upon delivery of the Proposal Trustee's Certificate.
- 5. Copies of the Subscription Agreement and RVO are attached as **Appendix "A"** and **"B"** for ease of reference.
- 6. On April 26, 2024 the Transaction closed and the terms of the RVO were implemented, including the transfer of \$21,954,189.12 to ResidualCo as the net consideration under the Subscription Agreement, after payment of priority charges and other court ordered payments in the NOI proceedings.
- 7. Pursuant to the RVO, 258 Alberta was incorporated to serve as ResidualCo in the NOI Proceedings and the NOI Entities exited the NOI Proceedings. ResidualCo, as the only remaining entity in the NOI Proceedings, did not file a proposal or obtain an extension to do so by the stay expiry date of May 13, 2024, and was deemed to have made an assignment in bankruptcy on May 14, 2024 (the "**Bankruptcy**"). The Notice of Bankruptcy dated May 21, 2024 is attached as **Appendix "C"**.
- 8. On June 4, 2024, the first meeting of creditors in ResidualCo's Bankruptcy was held, at which the appointment of KSV as Licensed Insolvency Trustee ("**Trustee**") was affirmed. In addition, three inspectors were appointed pursuant to section 116 (1) by the creditors (the "**Inspectors**"). Following this, the first meeting of the Inspectors was convened on the same day to outline their role and discuss the next steps the Trustee would take in administering the Bankruptcy proceedings (the "**Bankruptcy Proceedings**").
- 9. This report (the "**Report**") is filed by KSV in its capacity as Trustee.

1.1 Purposes of this Report

- 1. The purposes of this Report are to:
 - a) provide a summary of certain background information concerning the Companies;
 - b) provide an update on the status of the Bankruptcy Proceedings;
 - c) to outline certain work completed by the Trustee and its advisors to identify potential tax liabilities to allow for a further interim distribution to relevant stakeholders and to allow for the implementation of an ongoing plan to finalize the administration of ResidualCo's estate (the "**Estate**"); and

- d) support the Trustee's application seeking an order from the Court:
- i. declaring the TCP Analysis and TCP Plan (as defined herein) to be valid and directing the Trustee to implement the TCP Plan;
 - ii. declaring the PUC Analysis and PUC Plan (as defined herein) to be valid and directing the Trustee to implement the PUC Plan;
 - iii. declaring the Trustee's interpretation of paragraphs 5(e) and 11(e) of the RVO to be correct and authorizing the Trustee to administer the Estate in accordance with that interpretation;
 - iv. alternatively, amending paragraphs 5(e) and 11(e) as outlined in Section 5.1 of this Report and authorizing the Trustee to administer the Estate in accordance with the amendments;
 - v. approving the Trustee's proposed interim distributions of funds held and collected by the Trustee for the benefit of ResidualCo's stakeholders, and authorizing and directing the Trustee to make such distributions as follows:
 1. distribution to proven creditors who were not paid as part of the initial distribution on August 30, 2024 (the "**Second Interim Distribution**");
 2. the Interest Distribution (as defined further in the Report); and
 3. an interim distribution to equity claimants ("**Interim Equity Distribution**"), and to retain the remaining funds which will be distributed to equity claimants upon the discharge of the Trustee following the final distribution of any amounts payable to the CRA; and
 - vi. approving the actions of the Trustee as reported in Section 9 of this Report.

1.2 Restrictions

1. In conducting its review and preparing this Report, the Trustee has relied upon financial and other information supplied by the Companies.
2. The Trustee has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Trustee expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information contained in this Report should perform its own diligence.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. AMI Pub Co was a corporation amalgamated under the laws of the Province of Alberta and, through its subsidiaries, is in the business of exploring and developing aggregates and industrial minerals in the Province of Alberta. The registered office of AMI Pub Co was located in Edmonton, Alberta, with its corporate office located in Calgary, Alberta. AMI Pub Co was a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario. The common shares of AMI Pub Co were listed for trading on the TSX Venture Exchange (TSX-V) under the symbol "AMI". Due to the filing of the NOI Proceedings, the trading of AMI's common shares (the "**AMI Shares**") was suspended. At the time of this trading suspension, AMI had an approximate market capitalization of \$10.6 million. AMI was an integrated group of companies providing full life-cycle development and supply of aggregates and industrial minerals.
2. The principal purpose of the Bankruptcy Proceedings is to allow for the Trustee to administer claims pursuant to the BIA, file appropriate tax filings as required by the tax authorities and to pay any taxes owing by the Estate, distribute dividends to proven creditors, and to distribute remaining funds to equity claimants¹.

3. Further background on the NOI proceedings and the Companies is contained in the Proposal Trustee's reports to Court which are available on the Proposal Trustee's website at www.ksvadvisory.com/experience/case/athabasca-minerals (the "**Case Website**").

3.0 Financial Situation

3.1 Assets

1. On May 14, 2024, the date of Bankruptcy, and in accordance with the statement of affairs, the assets of 292 Alberta consisted of \$21,954,189 in cash, which are the proceeds from the Transaction after the distribution of the Court ordered priority charges and payment of the Court ordered Settlement Amount in the NOI Proceedings.
2. As discussed further in this report, the Trustee currently holds cash of \$18,170,512.24 after disbursements and the First Interim Distribution (as defined below). A summary of receipts and disbursements is detailed in Section 7 of this Report.

4.0 Creditor Claims

4.1 Proven Claims

1. On June 13, 2024, the Trustee issued a Section 149 Notice to all known creditors, notifying them to prove their claim, providing a notice of dividend, and establishing a claims bar date of July 13, 2024 (the "**Claims Process**"). Subsequently, on July 10, 2024, a second Section 149 Notice was issued to additional creditors the Trustee was made aware of, setting a second claims bar date of August 10, 2024 (the "**Claims Bar Date**").
2. Following the expiration of the Claims Bar Date, the Trustee received 26 claims from creditors. Upon the Trustee's review, 23 of these claims were determined to be valid ("**Proven Claims**").
3. A summary of the Proven Claims is as follows:

| | (\$) |
|---------------------------------|-----------|
| Ordinary claims – Employees | 1,416,077 |
| Ordinary claims – non-Employees | 2,734,908 |
| | 4,150,985 |

¹ BIA Section 2 defines an Equity Claim to include (b) *a return of capital*.

4. Employee claims referenced above relate to severance pay and accrued vacation pay.
5. A second meeting of the Inspectors was held on August 20, 2024, to seek approval for an interim distribution (the “**First Interim Distribution**”) in respect of the Proven Claims. The First Interim Distribution motion was unanimously approved by all three Inspectors, and the Trustee subsequently issued payments to the creditors in relation to the Proven Claims on August 30, 2024 for a total of \$4,150,985.

4.2 Disputed Claims

1. The remaining 3 claims, (collectively, the “**Disputed Claims**”) are as follows:
 - a) **JMAC Energy Services LLC**:
 - i. Secured: \$2,747,672.19
 - ii. Unsecured: \$750,000
 - b) **AMI Silica LLC**: USD \$645,111
 - c) **Iain Munro**: \$183,365.
2. At the third Inspectors’ Meeting held on October 3, 2024, the Trustee reviewed the Disputed Claims with the Inspectors in detail and determined that further analysis was required to assess their validity. Where appropriate, conflicted inspectors recused themselves from discussions.
3. The Trustee had extensive correspondence with the parties holding Disputed Claims and investigated the NOI Entities’ books and records to determine the validity of the submitted claims. Following receipt and review of the requested supporting documentation from the respective creditors related to the Disputed Claims and review of the books and records of the NOI Entities, the Trustee issued Notices of Disallowance to each creditor, disallowing the portions of their claims as summarized in the table below:

| Creditor | Total Claim | Allowed | Disallowed |
|--------------------------|--------------------|---------------------|-------------------|
| JMAC Energy Services LLC | 3,497,672 | 3,106,589 | 391,083 |
| Iain Munro | 183,365 | 80,250 | 103,115 |
| AMI Silica LLC | USD 645,111 | - | USD 645,111 |
| Total Allowed | | \$ 3,186,839 | |

4. No party holding a Disputed Claim appealed the Trustee's disallowances and the allowed portion of the Disputed Claims were admitted as proven claims. The Trustee intends to make a distribution to these three creditors in respect of the allowed portions of the Disputed Claims as part of the Second Interim Distribution. The Trustee has communicated its intention to do so with the relevant creditors, subject to the outcome of its application and the advice and direction of the Court.

4.3 Interest on Claims

1. Section 143 of the BIA provides for where there is a surplus after payment of the claims as provided in sections 136 to 142, it shall be applied in payment of interest from the date of the bankruptcy at the rate of five percent per annum on all claims proved in the bankruptcy and according to their priority (the "**Interest Distribution**"). As discussed in its legal brief, the Trustee understands that these amounts are payable in priority to equity claims. Currently, no creditors have received an Interest Distribution on their claim. The Trustee intends to make an initial Interest Distribution in conjunction with the Second Interim Distribution.

5.0 Tax Considerations

1. Following the First Interim Distribution and in consultation with its counsel, the Trustee determined that there were potential significant tax implications resulting from the Transaction that must be investigated prior to a further distribution of funds from the Estate. This was not initially anticipated as in almost all restructurings there is a deficit, not surplus, of funds after creditor claims are assessed. In the Trustee's experience, the percentage of Estate funds potentially available to equity claims in an RVO scenario was unprecedented.
2. The Trustee worked diligently with BJ's tax specialists and retained Kenway Mack Slusarchuk Stewart LLP ("**KMSS**") to provide tax assistance to resolve the complex tax issues because of the RVO structure, the nature of the assets sold, the non-resident shareholders and the proceeds that were generated from the Transaction that provided for distribution to equity claimants. Together, a plan of action was developed to determine how the tax issues would be addressed and allow for distributions to the remaining creditors and equity holders. This plan, broken into its various components, is discussed below.

3. Accordingly, the Trustee seeks the advice and direction of this Court authorizing the implementation of a plan of action to retain adequate funds in respect of the tax matters outlined below in order to ensure all tax obligations can be complied with and to ensure there is no personal liability for the Trustee, and to proceed with the Second Interim Distribution, the Interest Distribution and the Interim Equity Distribution.

5.1 Vesting of Distributable Proceeds

1. Following completion of the Transaction, the Trustee's tax counsel identified that ambiguity in the RVO could unintentionally lead to uncertain tax treatment regarding funds paid to ResidualCo, thereby complicating the resolution of the Estate, leading to increased professional fees and potentially depriving ResidualCo's shareholders from additional distributions in the Bankruptcy (the "**Vesting Issue**").
2. Pursuant to paragraph 5(e) of the RVO, all equity interests in AMI that remained issued and outstanding immediately prior to the closing of the transaction were deemed terminated and cancelled for no consideration. At the same time, paragraph 11(e) of the RVO provides that any portion of the purchase price remaining after repayment of the ResidualCo Notes (as defined in the RVO) would "vest" in ResidualCo and is to be administered by the Proposal Trustee for the benefit of ResidualCo's creditors.
3. The Trustee was advised that while the RVO treats the AMI Shares as cancelled for no consideration, the Transaction mechanics arguably resulted in an amount of value effectively flowing to ResidualCo following that cancellation. As such, there was ambiguity as to how this vested amount should properly be characterized for income tax purposes under the *Income Tax Act*, RSC 1985, c 1 (the "**ITA**").
4. The Trustee, in consultation with its legal counsel and advisors, has determined that the ambiguity can be resolved through a purposeful interpretation of the RVO (the "**RVO Interpretation**"). Absent the RVO Interpretation, it is unclear how the receipt of the funds should be characterized and will result in further delays to the final resolution of ResidualCo's Estate, including interim distributions, to determine whether additional funds must be held back and potentially paid as taxes. Specifically, the Trustee seeks advice and direction from this Court confirming and directing that paragraphs 5(e) and 11(e) of the RVO should be read as though the emphasized language below was included in the RVO:

5(e) - Each Equity Interest that is issued and outstanding immediately prior to the Closing Date, together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of AMI shall be deemed terminated and cancelled for no consideration **other than any consideration received as proceeds of disposition for the cancellation of such shares pursuant to Paragraph 11(e) of the Order**, in accordance with and pursuant to the Reverse Vesting Order; **[Emphasis added]**

11(e) AMI shall satisfy the amounts owing under the ResidualCo Notes ... using the Purchase Price. ... If the aggregate principal amount of the ResidualCo Notes is less than the Purchase Price then any remaining Purchase Price shall vest in ResidualCo **as proceeds of disposition for the cancellation of the AMI Shares**, to be administered by the Proposal Trustee (as trustee of ResidualCo) for the benefit of ResidualCo's creditors (which creditors arise from the assumption of the Transferred Liabilities); **[Emphasis added]**

5. Alternatively, the Trustee seeks an order amending the RVO to specifically include this clarifying language.
6. The Trustee is concerned that without resolution of the Vesting Issue, the proceeds from the Transaction could be characterized as taxable income and result in a significant tax liability for the Estate which we are advised could be approximately \$3 million to \$3.5 million before penalties and interest. The Trustee emphasizes that it understood the parties to the SISP and Transaction were seeking to maximize the value payable to the creditors (and possibly shareholders) of AMI Pub Co and the Transaction was intended to be tax efficient to allow for this value maximization. The Trustee believes that whether this Court directs the interpretation outlined above or alternatively amends the RVO, that such clarity will allow for the Trustee to efficiently wind up the Estate with maximal proceeds from the Transaction flowing to AMI's creditors and investors as intended.

5.2 Taxable Canadian Property

1. The second identified tax issue relates to potential tax obligations owing in respect of AMI's shareholders that were not resident in Canada ("**Non-Resident Shareholders**") if the AMI Shares constituted "taxable Canadian property" ("**TCP**") as dictated under section 116 of the ITA.
2. On April 26, 2024, each issued and outstanding common share of AMI held by an existing shareholder was exchanged without any further act or formality for consideration in the form of one share of ResidualCo for each such common share held in AMI (the "**Share Transfer**").
3. The Trustee is advised by its tax professionals that as a result of the Share Transfer, if the AMI Shares constituted TCP, ResidualCo would have been required to withhold and remit to the Canada Revenue Agency (the "**CRA**") 25% of the value of shares acquired from Non-Resident Shareholders. The Trustee was advised that since ResidualCo did not withhold and remit 25% of the value of the AMI Shares acquired from the Non-Resident Shareholders, it should now withhold and pay those amounts to the CRA. The Trustee further understands that Non-Resident Shareholders may be able to reclaim amounts from the CRA; however, each Non-Resident Shareholder should seek independent advice to determine whether it may have been entitled to a return of some or all of the TCP amounts from the CRA.
4. The Trustee understands that the definition of TCP includes, among other things:
 - a) real or immovable property situated in Canada, including interests in Canadian resource properties and timber resource properties in Canada; and
 - b) a share of the capital stock of a corporation that is not listed on a designated stock exchange (and the Trustee notes that the AMI Shares were delisted from the TSX-V on close of business on April 24, 2024, two days prior to the Share Transfer) if at any time during the previous 60-month period more than 50% of the fair market value of the share or interest was derived directly or indirectly from one or any combination of:
 - i) real or immovable property situated in Canada; ii) Canadian resource properties; iii) timber resource properties; and iv) options in respect of, or interests in, property described in any of (i) to (iii), whether or not the property exists.

5. Therefore, the Trustee understands that the shares of a particular non-listed corporation will constitute TCP if, at any time in the 60-month period preceding the disposition of such shares, more than 50% of the fair market value of such shares was derived, directly or indirectly, from real or immovable property situated in Canada. This is relevant in the context of the Companies, which owned, directly or indirectly, certain real or immovable resource-related properties relating to its gravel pit operations throughout Canada and the United States.
6. In order to determine whether the AMI Shares constituted TCP, the Trustee conducted extensive diligence, including the following steps:
 - a) engaging in discussions with its tax advisors, which included BJ and KMSS, to determine the appropriate steps to make a determination on whether the AMI Shares constituted TCP;
 - b) based on the tax advice provided to the Trustee, it determined that it needed to engage a qualified valuator to review the Companies' books and records to determine whether the fair market value of the AMI Shares exceeded the 50% threshold at any single point over the previous 60-month period;
 - c) the Trustee then held a meeting of the Inspectors, who approved the engagement of Sequeira Partners to conduct a valuation (the "**TCP Valuation**") of AMI for the previous 60-month period to the Share Transfer to determine if, at any time during that timeframe, more than 50% of the value of the AMI Shares was derived from real or immovable property situated in Canada;
 - d) Based on the TCP Valuation, the Trustee, with the support of its professional advisors, has determined that the 50% threshold was met and that the AMI Shares did constitute TCP (the "**TCP Analysis**"). A copy of the TCP Valuation supporting the TCP Analysis is appended to this report as **Appendix "D"**; and
 - e) As a result, the Trustee has developed the TCP Plan (outlined below) to identify where a TCP withholding is indicated.

5.3 Paid- Up Capital

1. The cancellation of the ResidualCo shares upon completion of the Interim Equity Distribution could give rise to deemed dividends under subsection 84(3) of the ITA to the extent that the amounts distributed exceed the paid-up capital ("**PUC**") of the ResidualCo Shares.
2. Accordingly, the third identified tax issue relates to potential tax withholding obligations of ResidualCo in respect of AMI Pub Co shareholders where there is a deemed dividend (the "**Deemed Dividend**") paid to Non-Resident Shareholders to the extent that the distributable proceeds (the "**Distributable Proceeds**") arising from the Transaction exceed the paid-up capital ("**PUC**") of the ResidualCo Shares. The Trustee understands that if a Deemed Dividend exists, the withholding obligation for taxes potentially payable by Non-Resident Shareholders would generally be equal to 25% of the amount, subject to potential reductions under an applicable tax treaty.
3. The Trustee has been advised by its legal counsel that the PUC of the ResidualCo Shares should be, pursuant to subsection 85.1(2.1) of the ITA, equal to the PUC of the AMI Shares transferred to ResidualCo. The Trustee, with the assistance of its legal counsel has determined that a range of PUC exists that is between approximately \$14.7 million and \$23.8 million. Details of the PUC calculations to support these amounts is attached as **Appendix "E"**.²
4. As a result, the Trustee, in consultation with its legal counsel and advisors, has determined that because the Interim Equity Distribution is \$8,000,000, there is not a Deemed Dividend payable related to the Interim Equity Distribution. Consequently, there is no 25% withholding obligation by each Non-Resident Shareholder for distributions that are below the \$14.7 million threshold (the "**PUC Analysis**"). If it is determined that withholdings are required for any future equity distributions the Trustee will make that determination, acting reasonably, and will notify the transfer agent of any required remittances.

² This range is a result of assumptions based upon available information.

6.0 The TCP and PUC Plans

6.1 The TCP Plan

1. The Trustee, in consultation with its legal counsel, has developed a plan to address the requirements under section 116 of the ITA (the “**TCP Plan**”) to ensure sufficient funds are withheld and remitted to the CRA on behalf of Non-Resident Shareholders.
2. The principal objective of the TCP Plan is to ensure compliance with ResidualCo's Canadian tax withholding and remittance obligations (the “**Tax Obligations**”) in respect of both resident and non-resident shareholders and to allow for some interim distributions to entitled parties while protecting the Trustee from claims that could arise against it for a failure to withhold sufficient funds. The Trustee therefore seeks a direction from the Court that the TCP Plan is valid and directing the Trustee to implement the TCP Plan.
3. Pursuant to paragraph 23 of the RVO, all shares of ResidualCo will be cancelled following the satisfaction and discharge of all Transferred Liabilities (as defined therein), and the resulting value distributed to shareholders in accordance with their pro rata entitlements. The implementation of the TCP Plan distinguishes between:
 - a) **Non-CDS Holders** – being registered shareholders whose shares are not held through the Canadian Depository for Securities (“**CDS**”); and
 - b) **Beneficial Holders** – being those shareholders who hold their shares through CDS (“**Beneficial Holders**”).

6.1.1 Interim Equity Distribution to Non-CDS Holders

1. Upon approval of the TCP Plan and the cancellation of the ResidualCo shares:
 - a) registered non-CDS Canadian shareholders will receive their full pro rata share of the available Interim Equity Distribution;
 - b) registered non-CDS Non-Resident Shareholders (“**Registered US Holders**”) will have 25% of their pro-rata share withheld and remitted to the CRA in relation to the Tax Obligations and will receive the remaining 75% as pro rata share of the available Interim Equity Distribution.

6.1.2 Distribution to Beneficial Holders

1. The Trustee proposes that the transmittal process (the "**Transmittal Process**") be implemented through TSX Trust Company (or such other institution capable of performing the following duties), acting as depositary and transfer agent (the "**Transfer Agent**"), in accordance with a Depositary Agreement to be entered into following confirmation of the TCP Plan as follows:
 - a) Letters of transmittal will be sent to CDS, as despository on behalf of the beneficial shareholders, stating that for a Beneficial Holder to receive a distribution for their cancelled ResidualCo shares, a properly completed letter of transmittal must be received for each Beneficial Shareholder (each a "**Letter of Transmittal**"). Each Letter of Transmittal will require confirmation of the Beneficial Shareholder's residency and, where applicable, completion of treaty entitlement forms for each Beneficial Holder. A time frame for completion of the Letters of Transmittal will be determined at the discretion of the Trustee, acting reasonably (the "**Completion Period**").
 - b) Upon receipt of the Letters of Transmittal, CDS will in turn contact its participant brokers to obtain the necessary certifications and forms from the underlying Beneficial Holders (either one for each Beneficial Holder or one from each such participant on behalf of all of the underlying Beneficial Holders it represents);
 - c) Once the Completion Period has expired:
 - i. ResidualCo will remit 25% of the pro rata portion of Interim Equity Distribution attributable to each non-resident Beneficial Holder to the CRA in relation to the Tax Obligations resolve ResidualCo's liability under section 116;
 - ii. the balance of the pro rata portion of the Interim Equity Distribution payable to non-resident Beneficial Holders will be distributed through CDS and its brokers, who are expected to withhold and remit any applicable dividend withholding tax; and
 - iii. Canadian resident Beneficial Holders will receive their full pro-rata share of the Interim Equity Distribution.

- d) If a Letter of Transmittal is not returned within the Completion Period, the Trustee will, on behalf of ResidualCo as a protective measure, remit 25% of the related consideration to the CRA on the presumption of non-resident status, with the balance distributed either by the Trustee or through CDS subject to ordinary dividend withholding. The Trustee understands excess withholding remitted to the CRA may be recoverable by the recipients through appropriate tax filings on the advice of their independent tax advisors.

6.2 The PUC Plan

- Subject to this Court declaring the PUC Analysis to be valid, the Trustee will not withhold any amounts on account of non-resident dividend withholding tax provided that the distributions in cancellation of ResidualCo Shares does not exceed \$14.7 million. Should there be an amount available in excess of \$14.7 million, the Trustee, in its discretion, may withhold and remit such amounts on account of non-resident dividend withholding tax as it reasonably deems required or revert to the Court for further direction.

7.0 Statement of Receipts and Disbursements

- The receipts and disbursements (the “**Receipts and Disbursements**”) of these proceedings since the date of the Bankruptcy to November 8, 2025 are as follows:

| (unaudited; CAD) | | Notes |
|-------------------------------------|---|-------------------|
| Receipts | | |
| Proceeds from Transaction | | 21,954,189 |
| Estate interest | | 872,737 |
| Total Receipts | | 22,826,926 |
| Disbursements | | |
| First Interim Distribution | | 4,083,107 |
| Trustee fees and disbursements | A | 226,924 |
| Legal fees and disbursements | B | 196,331 |
| Levy | | 67,877 |
| Valuation fees | C | 63,000 |
| GST paid on disbursements | | 15,899 |
| Administrative expenses | D | 3,276 |
| Total Disbursements | | 4,656,414 |
| Balance in Trustee's account | | 18,170,512 |

2. The Trustee notes the following regarding the Receipts and Disbursements:
 - A. **Trustee fees and disbursements:** represents the Trustee's fees and disbursements paid for the period from May 14, 2024, to September 30, 2025. These amounts have been approved by the Estate Inspectors.
 - B. **Legal fees and disbursements:** represents the fees and disbursements paid to the Trustee's legal counsel for the period from May 14, 2024, to October 1, 2025. These amounts have been approved by the Estate Inspectors.
 - C. **Valuation fees:** relates to payments made to Sequeira Partners in connection with the preparation of the TCP Valuation.
 - D. **Administrative Expenses:** includes payment issued by the Trustee related to newspaper ads, banking fees, mailing notices to creditors, and fees payable to the OSB.

8.0 Proposed Distribution

1. The Trustee is seeking approval of the following distributions:
 - a) A Second Interim Distribution in the amount of \$3,186,839.19 for payment to settle the resolved Disputed Claims;
 - b) an Interest Distribution of approximately \$308,064.45 to comply with section 143 of the BIA; and
 - c) an Interim Equity Distribution of \$8,000,000 which is on a gross basis and is inclusive of any necessary remittances required for the TCP remittances to CRA.
2. This would result in remaining funds of approximately \$6,675,608 that would be held in the Estate by the Trustee (the "**Holdback Funds**"). These Holdback Funds would be retained by the Trustee until the following has occurred:
 - a) Filing of tax returns with CRA and obtaining notices of assessments and payment of any tax obligations including penalties and interest, including remitting any withholding obligations for TCP and/or dividend withholding tax;

- b) Payment of ongoing professional fees for the Trustee and its advisors, including its legal counsel and ResidualCo's tax accountants; and
- c) the Trustee attending to its discharge pursuant to the BIA and as a final step payment of any remaining interest to creditors and all remaining amounts to equity claimants.

9.0 Activities of the Trustee

1. Since its appointment, the Trustee has undertaken the following activities to administer the Bankruptcy Estate:
 - a) filing the statutory documents required pursuant to the BIA and providing notice to all known creditors;
 - b) setting up the necessary trust accounts for the receipt and disbursement of Estate funds;
 - c) carrying out the Claims Process and making the First Interim Distribution with respect to the Proven Claims;
 - d) working with creditors to obtain information with respect to claims and conducting extensive reviews of records of AMI to either allow or disallow claims;
 - e) engaging KMSS as tax advisors and Sequeira as valuers to assist with the TCP Analysis;
 - f) preparing and filing with the CRA T4A slips in respect of distributions made to former employees during the Claims Process;
 - g) discussions with TSX as Transfer Agent to determine appropriate steps with respect to distributions;
 - h) convening four formal Inspectors' Meetings during the administration of the Estate held on June 4, 2024, August 27, 2024, October 30, 2024, and May 6, 2025;
 - i) corresponding extensively with stakeholders of ResidualCo regarding the status of the administration and the anticipated timing of the Second Interim Distribution;
 - j) worked extensively in respect of matters relating to the TCP Analysis, PUC Analysis, and the Vesting Issue;

- k) maintaining the Case Website for these proceedings; and
- l) preparing this Report

10.0 Conclusion and Recommendation

1. For the reasons set out in this Report, the Trustee is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully recommends that this Honorable Court issue the orders granting the Trustee's requested relief.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE OF
2585929 ALBERTA LTD.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

SUBSCRIPTION AGREEMENT

BETWEEN:

ATHABASCA MINERALS INC.

- and -

BADGER MINING CORPORATION OR ITS AFFILIATE

Dated:

February 9, 2024

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SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT made as of February 9, 2024.

BETWEEN:

ATHABASCA MINERALS INC. (the “Company”)

- and -

BADGER MINING CORPORATION OR ITS AFFILIATE
(the “Purchaser”)

WHEREAS:

- A. The Company is an Alberta-based, publicly listed Alberta company with its Common Shares (as defined herein) listed on the TSX Venture Exchange under the symbol “AMI”;
- B. On November 13, 2023, the Company, TerraShift Engineering Ltd., AMI Silica Inc., AMI Aggregates Inc., AMI RockChain Inc., 2140534 Alberta Ltd., and 2132561 Alberta Ltd. (collectively, the “Companies”) each filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended with the Office of the Superintendent of Bankruptcy (the “**Proposal Proceedings**”);
- C. KSV Restructuring Inc. was appointed as proposal trustee of each of the Companies (in such capacity, the “**Proposal Trustee**”);
- D. On December 12, 2023, the Companies obtained an order from the Court of King’s Bench of Alberta (the “**Court**”) in the Judicial District of Calgary Alberta, which, among other things, approved the procedure for the sales and investment solicitation process of the Companies (the “**SISP Order**”);
- E. Further to the SISP Order, the Company and the Purchaser entered into negotiations for the subscription for and purchase of the Purchased Shares (as defined herein) by the Purchaser, to be completed through a series of transactions between the Company and the Purchaser to proceed by way of the Reverse Vesting Order (as defined herein);
- F. Subject to the conditions set forth in this Subscription Agreement and the issuance by the Court (as defined herein) of the Reverse Vesting Order (as defined herein), the Company wishes to issue to the Purchaser, and the Purchaser has agreed to subscribe for and purchase from the Company, the Purchased Shares, upon the terms and conditions set forth herein;
- G. The Company shall effect a reorganization pursuant to the statutory procedure set out in Section 192 of the *Business Corporations Act* (Alberta) (“**ABCA**”), or Section 59(4) of the BIA (as defined below), as applicable, whereby, among other things, all existing Common Shares (as defined herein) issued and outstanding immediately prior to the

Closing Date (as defined herein) shall be deemed to be exchanged by the registered holders thereof, without any act or formality on their part, for consideration in the form of ResidualCo Shares (as defined herein) on the basis of one ResidualCo Share being issued for each Common Share then outstanding, following which the Common Shares so transferred, and all other Equity Interests, shall be cancelled, immediately prior to the subscription for and purchase of the Purchased Shares by the Purchaser pursuant to this Subscription Agreement (the “**Reorganization**”);

- H. At Closing, the Purchased Shares shall represent all of the issued and outstanding equity of the Company; and
- I. The Transactions (as defined herein) contemplated by this Subscription Agreement are subject to the approval of the Court and will be consummated only pursuant to and in accordance with this Subscription Agreement and the approval of the Court pursuant to the Reverse Vesting Order.

NOW THEREFORE, THIS SUBSCRIPTION AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties have agreed as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Subscription Agreement, unless the context otherwise requires:

- (a) “**ABCA**” has the meaning ascribed thereto in the Recitals;
- (b) “**Affiliate**” means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term “**control**” as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;
- (c) “**Applicable Law**” means, in relation to any Person, property, transaction, event or other circumstance, any transnational, foreign or domestic, federal, provincial, territorial, state, local or municipal (or any subdivision of them) law (including common law and civil law), constitution, treaty, statute, rule, regulation, code, ordinance, principle of common law or equity rule, by-law (zoning or otherwise), official directive, order of Governmental Authorities (whether administrative, legislative, executive or otherwise, including any Securities Laws or requirements of stock exchanges and any consent decree or administrative order) or other requirement having the force of law, including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and

includes the provisions and conditions of any Permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;

- (d) **“Articles of Reorganization”** means the articles of reorganization of the Company in respect of the Reorganization required under Section 192(4) of the ABCA to be sent to the Registrar after the Reverse Vesting Order has been granted, giving effect to the Reorganization;
- (e) **“ASC Revocation Order”** means an Order or Orders of the Alberta Securities Commission, on its own behalf and to the extent necessary, on behalf of the Ontario Securities Commission and any other applicable securities regulator, authorizing the Company to cease to be a reporting issuer, effective on Closing;
- (f) **“Badger Credit”** means the amount of \$50,000 to be credited towards the Purchase Price as provided for in paragraph 15 of the SISP Order;
- (g) **“BIA”** means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;
- (h) **“Bid Value Differential”** means such amount, not to exceed \$111,000, to be paid at Closing by the Purchaser to the Proposal Trustee on behalf of the Company, to satisfy any Terminated Employee Claims, if any, which shall be and constitute Transferred Liabilities which, pursuant to the Reverse Vesting Order and the Closing Sequence, shall be discharged as against the Company and transferred to the ResidualCo;
- (i) **“Buildings and Fixtures”** means all plant, buildings, structures, erections, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) situate on or under or forming part of the land or lands owned or controlled by the Companies or any of them;
- (j) **“Business”** means the business and operations carried on by the Companies as at the date of this Subscription Agreement;
- (k) **“Business Day”** means a day other than a Saturday, a Sunday or a statutory holiday in the Province of Alberta or the State of Wisconsin;
- (l) **“Canadian Securities Laws”** means the securities legislation or ordinance and regulations thereunder of each province and territory of Canada and the rules, instruments, policies and orders of each Canadian Securities Administrator made thereunder;
- (m) **“Certificate of Reorganization”** means the certificate of reorganization to be issued by the Registrar for the Reorganization pursuant to Section 192(5) of the ABCA in respect of Articles of Reorganization;

- (n) **“Claim”** means any claim, action, cause of action, demand, lawsuit, proceeding, arbitration, or any investigation by a Third Party or a Governmental Authority (whether pertaining to the Retained Assets or otherwise), in each case whether asserted, threatened, pending or existing;
- (o) **“Closing”** means the completion of the Transactions pursuant to this Subscription Agreement;
- (p) **“Closing Date”** the date on which Closing occurs, which date shall be no later than three (3) Business Days from the date on which all conditions set out in Article 4 (other than those conditions that by their nature can only be satisfied on the Closing Date) have been satisfied or waived or such other date as may be agreed upon by the Parties;
- (q) **“Closing Place”** means the office of the Company or its counsel, or such other place as may be agreed upon in writing by the Parties;
- (r) **“Closing Sequence”** has the meaning ascribed thereto in Section 3.3;
- (s) **“Common Shares”** means common shares in the capital of the Company;
- (t) **“Companies”** has the meaning ascribed thereto in the Recitals;
- (u) **“Company Shareholders”** means the registered holders of issued and outstanding Common Shares as of close of business on the day prior to the Closing Date;
- (v) **“Confidential Materials”** has the meaning ascribed thereto in Section 8.13;
- (w) **“Confidentiality Agreement”** means the non-disclosure and confidentiality agreement between the Companies and Badger Mining Corporation, dated December 19, 2023;
- (x) **“Court”** has the meaning ascribed thereto in the Recitals;
- (y) **“Cure Costs”** means amounts described in Schedule “C” hereto in respect of monetary defaults owing in connection with the Retained Contracts;
- (z) **“Deposit”** has the meaning ascribed thereto in Section 2.4;
- (aa) **“Disclaimer Liability”** has the meaning ascribed thereto in Section 6.14;
- (bb) **“Effective Time”** means 12:01 a.m. on the Closing Date;
- (cc) **“Employees”** has the meaning ascribed thereto in Section 6.7;
- (dd) **“Encumbrances”** means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options,

rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, Taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the SISP Order, the Reverse Vesting Order or any other Order of the Court; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of Alberta, British Columbia or any other personal property registry system or pursuant to *The Lands Title Act* (Alberta) or any other land titles or similar registry system;

- (ee) **“Escrow Amount”** has the meaning ascribed thereto in Section 6.14;
- (ff) **“Estimated Employee Claims Amount”** has the meaning ascribed thereto in Section 6.7(e);
- (gg) **“Equity Interests”** includes, in respect of the Company, (i) any shares, interests, participations or other equivalents (however designated) of capital stock or share capital; (ii) any phantom stock, phantom stock rights, stock appreciation rights or stock-based performance securities; and (iii) any warrants, options, convertible, exchangeable or exercisable securities (whether convertible, non-convertible, voting or nonvoting, whether preferred, common or otherwise), subscriptions, rights (including any pre-emptive or similar rights), calls or other rights to purchase or acquire any of the foregoing;
- (hh) **“Excluded Contracts”** means those contracts, agreements, and commitments described in Schedule “B” hereto which shall be disclaimed or terminated by any one of the Companies prior to Closing;
- (ii) **“Governmental Authority”** means any federal, national, provincial, territorial, state, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, commission or department, as well as any government-owned entity, any regulatory authority and any public authority, including any public utility, having jurisdiction over a Party, the Retained Assets or the Transactions;
- (jj) **“GST”** means the goods and services tax payable pursuant to the GST Legislation;
- (kk) **“GST Legislation”** means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder, all as amended from time to time;
- (ll) **“Interim Period”** means the period from the date that this Subscription Agreement is entered into by the Parties through to Closing;

- (mm) **“JMAC”** means JMAC Energy Services LLC, a limited liability company subsisting under the laws of the State of Delaware;
- (nn) **“Losses”** means all losses, costs, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis;
- (oo) **“Material Adverse Effect”** means any fact or state of facts, circumstance, change, effect, occurrence or event which:
 - (i) either individually is or in the aggregate are, or individually or in the aggregate could reasonably be expected to be, material and adverse to the Business, operations, results of operations, properties, assets, liabilities (whether absolute, accrued, contingent or otherwise), capitalization or condition (financial or otherwise) of the Company and its subsidiaries, taken as a whole; or
 - (ii) either individually or in the aggregate prevents, or individually or in the aggregate could reasonably be expected to prevent, the completion of the Transactions or the Company from performing its obligations under this Subscription Agreement in any material respect by the Outside Date; provided, however, that the bringing or filing of a motion, action, objection or other litigation by JMAC seeking to prohibit the closing of the Transactions shall not in and of itself constitute a Material Adverse Effect;
- (pp) **“Order”** means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;
- (qq) **“Outside Date”** means March 30, 2024, or such other date as may be agreed upon between the Parties in writing;
- (rr) **“Parties”** means, collectively, all of the parties to this Subscription Agreement; and **“Party”** means a party to this Subscription Agreement;
- (ss) **“Permits”** means all authorizations, permits, decisions, determinations, judgments, directions, entitlements, licenses, orders, consents, approvals, notices, correspondence, directives, exemptions, registrations, rulings, advance rulings and certifications whether now existing or hereafter issued or obtained or required to be issued or obtained and which are or may be given or issued by any Governmental Authority;
- (tt) **“Person”** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
- (uu) **“Proposal Proceedings”** has the meaning ascribed thereto in the Recitals;

- (vv) **“Proposal Trustee”** has the meaning ascribed thereto in the Recitals;
- (ww) **“Proposal Trustee’s Certificate”** means the certificate, substantially in the form attached as Schedule “A” to the Reverse Vesting Order, to be delivered by the Proposal Trustee in accordance with Section 4.5, and thereafter filed by the Proposal Trustee with the Court;
- (xx) **“Purchase Price”** has the meaning set out in Section 2.2;
- (yy) **“Purchase Price Balance”** has the meaning set out in Section 2.2;
- (zz) **“Purchased Shares”** means 1,000 Common Shares subscribed for by the Purchaser in accordance with the Reverse Vesting Order and this Subscription Agreement, representing all of the issued and outstanding Common Shares of the Company at the time of issuance;
- (aaa) **“Real Property”** means collectively all land or lands owned by or controlled by the Companies or any of them and all other Buildings and Fixtures;
- (bbb) **“Recitals”** means the preamble and the recitals to this Subscription Agreement;
- (ccc) **“Registrar”** means the Registrar of Corporations or a Deputy Registrar of Corporations appointed pursuant to Section 263 of the ABCA;
- (ddd) **“Reorganization”** has the meaning ascribed thereto in the Recitals;
- (eee) **“Representative”** means, with respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and with respect to the Company includes its employees and consultants, and its and their respective directors, officers, agents, advisors, employees and consultants;
- (fff) **“ResidualCo”** means a corporation to be formed in advance of Closing, for the purposes of (i) accepting the transfer of all Transferred Assets and Transferred Liabilities, as part of the Closing Sequence as further set out in Section 3.3 of this Subscription Agreement, and (ii) being added as an applicant in the Proposal Proceedings upon the completion of the Transactions contemplated herein;
- (ggg) **“ResidualCo Notes”** means one or more non-interest bearing promissory notes issued by the Company and/or Subsidiaries in consideration for the assumption of the Transferred Liabilities by ResidualCo pursuant to Section 3.3 of this Subscription Agreement with an aggregate principal amount equal to the Transferred Liabilities less the value of the Transferred Assets;
- (hhh) **“ResidualCo Shares”** means the common shares of ResidualCo;

- (iii) **“Retained Assets”** means those assets described in Schedule “B” hereto and includes, where the context requires, the Retained Contracts, which shall be retained by the Company;
- (jjj) **“Retained Contracts”** means those contracts, agreements and commitments described in Schedule “B” hereto which shall be retained by the Company;
- (kkk) **“Retained Employees”** has the meaning ascribed thereto in Section 6.7;
- (lll) **“Retained Liabilities”** means those liabilities described in Schedule “B” hereto which shall be retained by the Company;
- (mmm) **“Reverse Vesting Order”** means an Order of the Court, in substantially the form attached hereto as Schedule “A”, or in such other form as may be agreed to by the Parties in writing that, among other things: (a) approves this Subscription Agreement and the Transactions contemplated hereby (including the cancellation of all of the issued and outstanding Equity Interests, other than the Purchased Shares); (b) authorizes and directs the Company to file the Articles of Reorganization with the Registrar; and (c) upon the delivery of a copy of the Proposal Trustee’s Certificate to the Purchaser, among other things: (i) transfers all of the Companies’ right, title and interest in and to the Transferred Assets to ResidualCo; (ii) transfers all Transferred Liabilities to ResidualCo; (iii) releases and discharges the Companies from all of the Transferred Liabilities; and (iv) releases the Companies from the purview of the Proposal Proceedings and adds ResidualCo as an entity in the Proposal Proceedings;
- (nnn) **“Securities Laws”** means collectively, the Canadian Securities Laws and U.S. Securities Laws;
- (ooo) **“SISP Order”** has the meaning ascribed thereto in the Recitals;
- (ppp) **“Subscription Agreement”** means this subscription agreement between the Company and the Purchaser, including all Recitals and schedules attached hereto, and **“this Agreement”, “this Subscription Agreement” “herein”, “hereto”, “hereof”** and similar expressions mean and refer to this subscription agreement;
- (qqq) **“Subsidiaries”** means any subsidiary of the Company that has issued a ResidualCo Note in consideration for the assumption of the Transferred Liabilities by ResidualCo pursuant to Section 3.3 of this Subscription Agreement;
- (rrr) **“Target Closing Date”** means March 8, 2024, or such other date as may be agreed upon between the Parties in writing;
- (sss) **“Taxes”** means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under Applicable Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, whether disputed or not, and any liability for the payment of any such amounts as a result

of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, and all employment insurance, amounts or refunds owing in respect of any form of COVID-19 economic support, health insurance and governmental pension plan premiums or contributions;

- (ttt) **“Tax Refunds”** means all refunds in respect of Taxes to which the Companies are entitled in respect of the period prior to Closing;
- (uuu) **“Tax Returns”** means all reports, elections, designations, forms, declarations of estimated Tax, information statements and returns relating to, or required to be filed in connection with any Taxes, including any amendment thereof, and whether in tangible or electronic form;
- (vvv) **“Terminated Employee Claims”** has the meaning ascribed thereto in Section 6.7;
- (www) **“Terminated Employees”** has the meaning ascribed thereto in Section 6.7(d);
- (xxx) **“Third Party”** means any individual or entity other than the Companies and the Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (yyy) **“Transactions”** means the issuance by the Company to the Purchaser, and the subscription for and purchase by the Purchaser, of the Purchased Shares in consideration of the Purchase Price and all matters related or ancillary to the foregoing contemplated by or in the manner provided for in this Subscription Agreement or the Reverse Vesting Order;
- (zzz) **“Transfer Agent”** means TSX Trust Company;
- (aaaa) **“Transferred Assets”** means those assets, if any, described in Schedule “B” hereto which shall be transferred the Company, or the Companies, as applicable, to ResidualCo;
- (bbbb) **“Transferred Liabilities”** means those liabilities described in Schedule “B” hereto which shall be transferred by the Company, or Companies, as applicable, to ResidualCo; and
- (cccc) **“U.S. Securities Laws”** means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder.

1.2 Headings

The words “Article”, “Section”, “subsection” and “Schedule” followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Subscription Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Subscription Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Subscription Agreement.

1.4 Plurals and Gender

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting all genders.

1.5 Schedules

There are appended to this Subscription Agreement the following Schedules pertaining to the following matters:

| | |
|----------------|---|
| Schedule “A” – | Form of Reverse Vesting Order |
| Schedule “B” – | Transferred Assets; Transferred Liabilities; Excluded Contracts; Retained Assets; Retained Liabilities and Retained Contracts |
| Schedule “C” – | Cure Costs |

Such Schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such Schedules conflicts or is at variance with any term or condition in the body of this Subscription Agreement, such term or condition in the body of this Subscription Agreement shall prevail.

1.6 Derivatives

Where a term is defined in the body of this Subscription Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word “include” and derivatives thereof shall be read as if followed by the phrase “without limitation”.

1.7 Conflicts

If there is any conflict or inconsistency between a provision of the body of this Subscription Agreement and that of a schedule, the provision of the body of this Subscription Agreement shall prevail. If any term or condition of this Subscription Agreement conflicts with a term or condition of any Applicable Law or the Reverse Vesting Order, the term or condition of such

Applicable Law or the Reverse Vesting Order, as applicable, shall prevail, and this Subscription Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

1.8 Currency

All dollar (\$) amounts referenced in this Subscription Agreement are expressed in the lawful currency of Canada.

ARTICLE 2 SUBSCRIPTION OF PURCHASED SHARES

2.1 Subscription for Purchased Shares

Subject to the provisions of this Subscription Agreement and the Reverse Vesting Order, on the Closing Date, in consideration for the Purchase Price the Purchaser shall subscribe for and purchase from the Company, and the Company shall issue to the Purchaser the Purchased Shares, free and clear of and from all Claims, Losses and Encumbrances.

2.2 Purchase Price

The aggregate consideration payable by the Purchaser for the Purchased Shares is: (i) \$29,200,000, (ii) the amount of the Expense Reimbursement (as defined in Appendix A to the SISP Order), (iii) any amounts payable pursuant to Section 6.7, (iv) any amounts payable pursuant to Section 6.14 (together with Sections 2.2(i), 2.2(ii), 2.2(iii) and 2.2(iv) hereof, the “**Purchase Price**”), and (v) the value of the Retained Liabilities. The Purchase Price shall be satisfied by: (i) the retention of the Deposit by the Company, (ii) application of the Badger Credit, and (iii) payment in cash by the Purchaser to the Company of an amount equal to the balance of the Purchase Price after the application of Sections 2.2(i), 2.2(ii), 2.2(iii) and 2.2(iv) hereof (the “**Purchase Price Balance**”).

2.3 Form of Payment

All payments to be made pursuant to this Subscription Agreement shall be in Canadian funds and shall be made by wire transfer.

2.4 Deposit

The Parties acknowledge that a deposit in the amount of \$1,320,000 has already been delivered by the Purchaser to the Proposal Trustee pending execution of this Subscription Agreement, and shall be released only in accordance with the provisions of this Section 2.4 (the “**Deposit**”). Until release, the Deposit shall be held by the Proposal Trustee in a non-interest-bearing trust account. In the event:

- (a) Closing occurs, the Deposit shall be paid to the Company at Closing as partial payment of the Purchase Price;
- (b) Closing does not occur by the Outside Date:

- (i) as a result of a breach of this Subscription Agreement by the Purchaser, and (A) the conditions set out in Sections 4.1 and 4.2 have been satisfied or waived, and (B) the Company is not in breach of any obligations hereunder, the Deposit shall be forfeited to the Company for the account of the Company;
- (ii) for any reason other than as set out in Section 2.4(b), the Deposit shall be returned to the Purchaser for the account of the Purchaser.

2.5 Damages

The Parties agree that the amount of the Deposit constitutes their genuine estimate of all damages that will be suffered as a result of Closing not occurring and the Company shall retain the Deposit pursuant to Section 2.4(b)(i) if such circumstances described therein arise. The Deposit shall constitute liquidated damages to the Company and not a penalty of Closing not occurring. For greater certainty, retention of the Deposit shall be the sole and exclusive remedy of the Company.

ARTICLE 3 CLOSING

3.1 Date, Time and Place of Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained prior to the Outside Date.

3.2 Effectiveness of Reverse Vesting Order

Subject to the other terms of this Subscription Agreement and the Reverse Vesting Order, to the extent such further action is required to give effectiveness thereto, the Company and ResidualCo, as applicable, shall effect the steps set forth in the Reverse Vesting Order, in the sequence and at the times specified therein, as such steps, transactions, sequence and/or times may be amended by written agreement of the Parties.

3.3 Closing

Commencing at the Effective Time, each of the events set out below shall (and shall be deemed to) occur, except as otherwise expressly noted, sequentially in the following order, without any further authorization, act or formality (the “**Closing Sequence**”):

- (a) The Purchaser shall deliver the Purchase Price (for the subscription and purchase of the Purchased Shares by the Company) to the Proposal Trustee, on behalf of and for the benefit of the Company, as follows: (1) the delivery of the written direction as contemplated in Section 3.4(b)(i); and (2) the payment of the Purchase Price Balance to be paid in cash by wire transfer;
- (b) The Purchaser shall deliver the Escrow Amount, if applicable, pursuant to Section 6.14, to the Proposal Trustee;

- (c) The Terminated Employees shall be terminated by the Company or Companies, as applicable;
- (d) All legal and beneficial right, title and interest of the Companies in and to the Transferred Assets (which, for certainty, does not include the Purchase Price) shall be transferred to ResidualCo and shall vest absolutely and exclusively with ResidualCo, and all Encumbrances attached to the Transferred Assets prior to the transfer shall continue to attach to the Transferred Assets following the transfer with the same nature and priority as they had immediately prior to their transfer;
- (e) Concurrently with Step 3.3(d) above, all Transferred Liabilities shall be transferred to, assumed by and vest absolutely and exclusively with ResidualCo in consideration for the ResidualCo Notes and the Transferred Assets, and the Transferred Liabilities shall be novated and become obligations of ResidualCo and shall no longer, under any circumstances, be or represent obligations of the Companies;
- (f) Concurrently with Step 3.3(e) above, the Companies shall be forever released and discharged from all Transferred Liabilities and all Encumbrances securing the Transferred Liabilities, and any obligations thereunder, shall be forever released and discharged in respect of the Companies and the Retained Assets;
- (g) Each issued and outstanding Common Share held by a Company Shareholder immediately prior to the Closing Date shall be exchanged without any further act or formality thereof for consideration in the form of one ResidualCo Share for each Common Share formerly held by each Company Shareholder immediately prior to the Closing Date;
- (h) Each Equity Interest that is issued and outstanding immediately prior to the Closing Date, together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of the Company shall be deemed terminated and cancelled for no consideration in accordance with and pursuant to the Reverse Vesting Order;
- (i) The Company shall, in consideration for the Purchase Price, issue the Purchased Shares to the Purchaser in accordance with Section 2.1, free and clear of and from any and all Claims, Losses and Encumbrances;
- (j) The Retained Assets will be retained by the Company in each case free and clear of and from any and all Claims, Losses and Encumbrances including, as applicable, without limiting the generality of the foregoing: (i) any Encumbrances or charges created by the SISP Order or any other Order of the Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), or any other personal property registry

system or pursuant to *The Lands Title Act* (Alberta) or any other land titles or similar registry system, all of which affect or relate to the Purchased Shares and/or the Retained Assets shall be expunged and discharged as against the Purchased Shares and Retained Assets, as applicable, in accordance with the Reverse Vesting Order;

- (k) The Company shall satisfy the amounts owing under the ResidualCo Notes (including on behalf of the Subsidiaries, which in such case shall constitute a contribution of capital by the Company to the Subsidiaries) using the Purchase Price. If the aggregate principal amount of the ResidualCo Notes exceeds the Purchase Price then any such remaining unpaid principal amount of the ResidualCo Notes shall be extinguished for nil consideration and the Company and its Subsidiaries shall have no further liability or obligation to ResidualCo. If the aggregate principal amount of the ResidualCo Notes is less than the Purchase Price then any remaining Purchase Price shall vest in ResidualCo to be administered by the Proposal Trustee (as trustee of ResidualCo) for the benefit of ResidualCo's creditors (which creditors arise from the assumption of the Transferred Liabilities);
- (l) All directors of the Company immediately prior to the Closing Date shall be deemed to resign and Camille LeRouge, Michael C. Hess, Robert L. Brooks, and Cody Wickersheim shall be deemed to be appointed as directors of the Company;
- (m) The Companies shall cease to be applicants in the Proposal Proceedings and the Companies shall be deemed to be released from the purview of the SISP Order and all other orders of the Court granted in relation to the Proposal Proceedings;
- (n) ResidualCo shall replace the Companies as applicants and debtor, as applicable, in the Proposal Proceedings and shall be subject to the terms of all Orders granted in the Proposal Proceedings;
- (o) Pursuant to the Reverse Vesting Order or further Order of the Court, the Proposal Trustee's powers shall be enhanced in respect of ResidualCo, including the authority to authorize and direct ResidualCo to make an assignment in bankruptcy and the Proposal Trustee shall be authorized to be appointed as trustee in bankruptcy of the estate of ResidualCo; and
- (p) The Company shall cease to be a reporting issuer by Order of the Alberta Securities Commission and the Ontario Securities Commission under the securities legislation of the jurisdictions in which the Company is a reporting issuer.

3.4 Closing Deliveries

- (a) On the Closing Date, the Company shall deliver or cause to be delivered to the Purchaser:
 - (i) a true copy of the Reverse Vesting Order, as granted by the Court;

- (ii) a true copy of the Certificate of Reorganization;
 - (iii) a true copy of the TSX Venture Exchange bulletin confirming the delisting of the Common Shares;
 - (iv) a true copy of the ASC Revocation Order;
 - (v) a true copy of a joint direction of the Company and ResidualCo to the Transfer Agent directing the Transfer Agent to (A) transfer all Common Shares held by registered Company Shareholders as at the close of business on the Business Day prior to the Closing Date to ResidualCo, (B) issue one ResidualCo Share for each Common Share formerly held by each registered Company Shareholder immediately prior to the Closing Date, (C) cancel all of the formerly held issued and outstanding Common Shares and (D) issue the Purchased Shares to the Purchaser and provide evidence of same;
 - (vi) a certificate dated as of the Closing Date and executed by an executive officer of the Company confirming and certifying that each of the conditions in Sections 4.2(a) and 4.2(c) have been satisfied; and
 - (vii) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions provided for in this Subscription Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.
- (b) On the Closing Date, the Purchaser shall deliver or cause to be delivered to the Company:
- (i) a written direction to the Company to retain the Deposit and apply the Badger Credit as partial payment of the Purchase Price;
 - (ii) the Purchase Price Balance, and the Escrow Amount, if applicable, shall be paid to the Proposal Trustee on behalf of the Company;
 - (iii) a certificate dated as of the Closing Date and executed by an executive officer of the Purchaser confirming and certifying that each of the conditions in Sections 4.3(a) and 4.3(c) have been satisfied; and
 - (iv) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Company to complete the Transactions.

ARTICLE 4 CONDITIONS OF CLOSING

4.1 Mutual Conditions

The respective obligations of the Purchaser and Company to complete the Transactions are subject to the satisfaction of, or compliance with, at or prior to the Closing Date, the following conditions precedent:

- (a) the Reverse Vesting Order shall have been granted and entered by the Court and shall not have been vacated, set aside, or stayed, and all conditions to the effectiveness of the Reverse Vesting Order shall have been satisfied or waived in accordance with the terms thereof, or will be satisfied and waived in accordance with the Closing;
- (b) on or before Closing, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or law which has: (i) the effect of making any of the Transactions illegal, or (ii) the effect of otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Subscription Agreement; or (iii) the effect of varying, modifying or amending the Reverse Vesting Order without the consent of the Purchaser;
- (c) no stay or appeal or application to vary the Reverse Vesting Order shall have been filed with the Court at any time by the Company or any other Person on or before the Closing;
- (d) ResidualCo shall be incorporated; and
- (e) the Court shall not have granted or entered an order which confirms, orders, or otherwise states that JMAC is entitled to exercise its contractual right of first refusal in respect of the Company's 50% interest in AMI Silica LLC, a limited liability company organized under the laws of the State of North Dakota.

Unless otherwise agreed to by the Parties, if the conditions contained in this Section 4.1 have not been performed, satisfied or waived before the Outside Date, this Subscription Agreement and the obligations of the Company and the Purchaser under this Subscription Agreement (other than under Sections 2.4, 8.12 and 8.15) shall automatically terminate without any further action on the part of either the Company or the Purchaser.

4.2 Purchaser's Conditions

The obligations of the Purchaser to purchase the Purchased Shares and complete the Transactions are subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Purchaser and may be waived by the Purchaser:

- (a) the representations and warranties of the Company herein contained shall be true and correct in all material respects when made and shall remain true and correct as of the Closing Date or if made as of a date specified therein, as of such date;
- (b) the Company shall have executed and delivered or caused to be executed and delivered to the Purchaser at the Closing all documents contemplated by Section 3.4(a);
- (c) all covenants, obligations or agreements of the Company contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects;
- (d) the Company shall not have issued any new Common Shares or other securities of the Company, except as provided for in the Reverse Vesting Order and this Subscription Agreement; and
- (e) there shall not have been any Material Adverse Effect during the Interim Period.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Purchaser, at or before the Outside Date, the Purchaser may rescind this Subscription Agreement by written notice to the Company. If the Purchaser rescinds this Subscription Agreement, the Company and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 2.4, 8.12 and 8.15.

4.3 Company's Conditions

The obligations of the Company to sell the Purchased Shares and complete the Transactions are subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Company and may be waived by the Company:

- (a) the representations and warranties of the Purchaser herein contained shall be true and correct in all material respects when made and shall remain true and correct as of the Closing Date or if made as of a date specified therein, as of such date;
- (b) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Company at the Closing all the documents and payments contemplated in Section 3.4(b);
- (c) all covenants, obligations or agreements of the Purchaser contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (d) all amounts to be paid by the Purchaser to the Company at Closing, including the Purchase Price Balance, and the Escrow Amount, if applicable, shall have been paid to the Proposal Trustee, on behalf of the Company, in the form stipulated in this Subscription Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by the Company, at or before the Outside Date, the Company may rescind this Subscription Agreement by written notice to the Purchaser. If the Company rescinds this Subscription Agreement, the Company and the Purchaser shall be released and discharged from all obligations hereunder except as provided in Sections 2.4, 8.12 and 8.15.

4.4 Efforts to Fulfil Conditions Precedent

The Purchaser and the Company shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

4.5 Proposal Trustee's Certificate

When the conditions to Closing set out in Sections 4.1, 4.2 and 4.3 have been satisfied and/or waived by the Company or the Purchaser, as applicable, the Company, the Purchaser or their respective counsel will each deliver to the Proposal Trustee confirmation in writing that such conditions of Closing, as applicable, have been satisfied and/or waived and that the Parties are prepared for the Closing Sequence to commence (the “**Conditions Certificates**”). Upon receipt of the Conditions Certificates and the receipt of the Purchase Price Balance and the Escrow Amount, if applicable, the Proposal Trustee shall: (i) issue forthwith its Proposal Trustee's Certificate concurrently to the Company and counsel to the Purchaser, at which time the Closing will be deemed to commence and be completed in the order set out in the Closing Sequence, and Closing will be deemed to have occurred; and (ii) file as soon as practicable a copy of the Proposal Trustee's Certificate with the Court (and shall provide a true copy of such filed certificate to the Company and counsel to the Purchaser). In the case of: (i) and (ii) above, the Proposal Trustee will be relying exclusively on the Conditions Certificates without any obligation whatsoever to verify or inquire into the satisfaction or waiver of the applicable conditions, and the Proposal Trustee will have no liability to the Company or the Purchaser as a result of filing the Proposal Trustee's Certificate.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Company

The Company makes only the following representations to the Purchaser and agrees that the Purchaser is relying on such representations and warranties for the purposes of entering into this Subscription Agreement:

- (a) Authorization, Validity and Binding Effect. Subject to obtaining the Reverse Vesting Order, the Company has the right to enter into this Subscription Agreement and to complete the Transactions and this Subscription Agreement has been duly executed and the Company and constitutes a legal, valid and binding obligation of Company enforceable against it in accordance with its terms;
- (b) Tax Matters.

- (i) The Company has made available to Purchaser for review originals or true and complete copies of: (A) material portions of income tax audit reports, statements of deficiencies, closing or other agreements or correspondence concerning assessments, reassessments or audits pursuant to which a Governmental Authority has proposed amendments to previously filed Tax Returns received by or on behalf of the Companies relating to Taxes; (B) any material federal, provincial, state, local or foreign income or franchise Tax Returns for the Companies for the Tax years ending 2021 and 2022; and (C) all material written communications to or from any Governmental Authority relating to the Taxes of the Companies over such period have been made available to Purchaser; and
- (ii) The Company has or will furnish Purchaser with originals or copies of all elections, designations or similar filings relating to Taxes of the Companies and any agreement or other arrangement in respect of Taxes or Tax Returns of the Companies that have effect for any period ending after the Closing Date;
- (c) Permits. Company has provided to Purchaser copies of all Permits relating to the assets, Business or operations of Companies. The Company has not been advised of any event occurring or circumstance existing which (with notice or lapse of time or both) may constitute or result in a violation of any such Permit except where such violation would not have a Material Adverse Effect. To the knowledge of the Company, no proceedings are pending or threatened, which could result in the revocation or limitation of any such Permit, and all steps have been taken and filings made on a timely basis with respect to each such Permit and its renewal, except where the failure to take such steps and make such filings would not have a Material Adverse Effect;
- (d) Books and Records. The Company has provided to Purchaser copies in their entirety of the financial books, records and accounts of Company; and
- (e) Employee Payroll Obligations. All Employee payroll and other statutory remittance obligations, including any amounts owing under the *Income Tax Act* (Canada), the *Canada Pension Plan* (Canada), and the *Employment Insurance Act* (Canada), are current.

5.2 Representations and Warranties of the Purchaser

The Purchaser makes the following representations and warranties to the Company and agrees that the Company is relying on such representations and warranties for the purposes of entering into this Subscription Agreement:

- (a) Organization. The Purchaser is a corporation registered and existing under the Applicable Laws of its jurisdiction of registration, continuance or creation and has all necessary corporate or other power and capacity to carry on the Business as it is now being conducted;

- (b) Qualification. The Purchaser has good right, full power and absolute authority to purchase and acquire the Purchased Shares according to the true intent and meaning of this Subscription Agreement;
- (c) Authorization. The execution, delivery and performance of this Subscription Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which the Purchaser is bound;
- (d) No Conflict. The execution, delivery and performance of this Subscription Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which the Purchaser is party or by which the Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or licence applicable to the Purchaser;
- (e) Validity and Binding Effect. This Subscription Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms subject only to (i) obtaining the ASC Revocation Order and (ii) the granting of the Reverse Vesting Order;
- (f) Legal Effect. Other than (i) obtaining the ASC Revocation Order, and (ii) the granting of the Reverse Vesting Order, no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Retained Assets is required for the due execution, delivery and performance by the Purchaser of this Subscription Agreement;
- (g) Funds Available. The Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by the Purchaser under this Subscription Agreement; and (ii) all expenses which have been or will be incurred by the Purchaser in connection with this Subscription Agreement and the Transactions;
- (h) Securities Law Matters.
 - (i) The Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Subscription Agreement or the Transactions for which the Company shall have any obligation or liability;
 - (ii) The Purchaser is acquiring the Purchased Shares in its capacity as principal and is not purchasing the Purchased Shares for the purpose of resale or distribution to a Third Party, and is dealing at arm's length with the Company;

- (iii) The Purchaser is an informed and sophisticated buyer, it has engaged expert advisors and is experienced in the evaluation and purchase of property and assets and assumption of liabilities such as the Purchased Shares, the Retained Assets and the Retained Liabilities, and has undertaken such investigations and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Subscription Agreement;
- (iv) The Purchaser represents that it is an accredited investor, as defined by National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators, and/or that it meets one of the other exemptions under Canadian Securities Laws;
- (v) The Purchaser understands that the Purchased Shares are being issued to it upon an exemption from the prospectus requirements applicable under applicable Canadian Securities Laws and that there may be restrictions imposed on the Purchaser and the Purchased Shares which limit the Purchaser's ability to resell the Purchased Shares in Canada. Without limiting the foregoing, the Purchaser further acknowledges and agrees that any proposed transfer, resale or other disposition of the Purchased Shares shall be subject to Applicable Laws, including any restrictions and requirements under Canadian Securities Laws; and
- (vi) The Purchaser acknowledges that investment in the Purchased Shares involves risk, and represents that it is able, without materially impairing its financial condition, to hold the Purchased Shares for an indefinite period of time and to suffer a complete loss of its investment;
- (i) Compliance. The Purchaser is in compliance with all the requirements of all Governmental Authorities; and
- (j) Investment Canada Act. The Purchaser is a WTO Investor or a Trade Agreement Investor for the purposes of the Investment Canada Act RSC, 1985, c. 28 (1st Supp).

5.3 Limitation of Representations

Notwithstanding any other provision of this Subscription Agreement, the Purchaser acknowledges, agrees and confirms that:

- (a) except for the representations and warranties of the Company set forth in Section 5.1, it is entering into this Subscription Agreement, acquiring the Purchased Shares (and the underlying Retained Assets and Retained Liabilities), in each case on an "as is, where is" basis as they exist as of Closing;
- (b) except as expressly stated in Section 5.1, none of the Company or ResidualCo or their respective Representatives is making, and the Purchaser is not relying on,

any written or oral representations, warranties, statements, information, promises or guarantees, express or implied, statutory or otherwise, concerning the Transactions, the Company, the Business of the Company, the Purchased Shares, the Retained Assets, the Retained Liabilities, the Transferred Assets and the Transferred Liabilities, including the right, title or interest of the Company in and to any of the foregoing, and any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchaser confirms do not apply to this Subscription Agreement, are hereby waived in their entirety by the Purchaser;

- (c) except for the representations and warranties of the Company set forth in Section 5.1, none of the Company, ResidualCo or any of their respective Representatives has made any representation or warranty as to any regulatory approvals, Permits, licences, consents, registrations, filings or authorizations that may be needed to complete the Transactions or to obtain the benefit of the Retained Assets or any portion thereof, and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (d) the obligations of the Purchaser under this Subscription Agreement are not conditional upon any additional due diligence;
- (e) except for the representations and warranties of the Company set forth in Section 5.1, any information regarding or describing the Purchased Shares, the Retained Assets or the Retained Liabilities, or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by the Company or ResidualCo or any of their respective Representatives concerning the completeness or accuracy of such information or descriptions;
- (f) except as otherwise expressly provided in this Subscription Agreement, and except for fraud on the part of the Company, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims the Purchaser might have against the Company, ResidualCo, or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of the Company expressly set forth in Section 5.1. Except as set forth above in this Section 5.3(f), such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, completeness of warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights; and
- (g) the provisions of Section 5.3 shall survive and not merge on Closing.

ARTICLE 6 COVENANTS

6.1 Incorporation of ResidualCo

The Company shall coordinate the incorporation of ResidualCo before the Closing Date, which at incorporation shall have no issued and outstanding shares.

6.2 Target Closing Date

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Target Closing Date.

6.3 Application for Reverse Vesting Order

As soon as practicable after the execution of this Subscription Agreement, the Company shall file with the Court a motion for the issuance of the Reverse Vesting Order. The Company shall diligently use their commercially reasonable efforts to seek the issuance and entry of the Reverse Vesting Order and the Purchaser shall cooperate with the Company in its efforts to obtain the issuance and entry of the Reverse Vesting Order.

6.4 Court Materials

The Company shall provide the Purchaser and its Representatives with a reasonable opportunity to review and comment upon drafts of all material to be filed by the Company and its counsel with the Court in connection with the Transactions, prior to the service and filing of that material. The Company will ensure that all material filed with the Court in connection with the Transactions is consistent in all material respects with the terms of this Subscription Agreement. In addition, the Company will also provide legal counsel to the Purchaser on a timely basis with copies of any notice or other documents served on the Company or its legal counsel in respect of the application for the Reverse Vesting Order or any appeal therefrom.

6.5 Delisting from TSX

As soon as practicable after the execution of this Subscription Agreement, each of the Company and the Purchaser agree to cooperate with each other in taking, or causing to be taken, all actions necessary to delist the Common Shares from the TSX Venture Exchange.

6.6 ASC Revocation Order

As soon as practicable after the execution of this Subscription Agreement, the Company shall diligently use its commercially reasonable efforts to obtain the ASC Revocation Order.

6.7 Employee Matters

- (a) The Parties acknowledge that the Companies have provided the Purchaser with an up-to-date list of the names, positions and calculation of all severance or change-of-control entitlements of all of the Companies' employees, consultants and

contractors fulfilling an employee-like role (collectively, “**Employees**”) prior to the date hereof.

- (b) The Purchaser and Company agree to use commercially reasonable efforts to negotiate, in good faith: (a) the retention of the Employees by the Purchaser or, alternatively, (b) transition services agreements or new employment agreements with the Employees.
- (c) On or before Closing, the Purchaser shall designate in writing which Employees, if any, shall be retained by the Companies (the “**Retained Employees**”). If an Employee is designated as a Retained Employee, the Purchaser acknowledges and agrees that:
 - (i) the Companies shall retain the severance or termination obligations of the Retained Employees, if any, on or after Closing; and
 - (ii) the Companies shall retain the obligation to pay any accrued but unpaid payroll and remit any unremitted employment related statutory obligations, if any, owing to the Retained Employees for the current payroll period.
- (d) If an Employee is not designated by the Purchaser as a Retained Employee, the Companies shall terminate such Employees (collectively the “**Terminated Employees**”) immediately prior to or at Closing, and all liabilities owing to any such Terminated Employee in respect of such termination, including all claims of the Terminated Employee in the amount equal to the payment that such Terminated Employees would have received under the BIA, and all amounts owing on account of statutory notice, termination payments, common law notice or pay in lieu thereof, severance, vacation pay, benefits, bonuses or other compensation or entitlements of any kind (the “**Terminated Employee Claims**”), shall be and constitute Transferred Liabilities which, pursuant to the Reverse Vesting Order and the Closing Sequence, shall be discharged as against the Company and transferred to the ResidualCo.
- (e) Prior to Closing, the Proposal Trustee will provide an estimate of the Terminated Employee Claims (“**Estimated Employee Claims Amount**”), if any, to the Purchaser and will provide the Purchaser with any supporting documentation or calculations reasonably requested by the Purchaser which support such estimate, with copies of all materials provided to the Company.
- (f) On Closing, the Purchaser shall transfer the Estimated Employee Claims Amount, in an amount not to exceed the Bid Value Differential, to the Proposal Trustee, to be held by the Proposal Trustee pending the final valuation of any Terminated Employee Claims. For clarity, the Estimated Employee Claims Amount shall not be deemed or otherwise construed to be an admission of liability or acceptance of value of the Terminated Employee Claims, if any, arising from such termination.

- (g) If the final value of the Terminated Employee Claims, as determined by the Proposal Trustee in accordance with a claims administration process in ResidualCo:
 - (i) exceed the Estimated Employee Claims Amount,
 - (A) the Purchaser shall pay to the Proposal Trustee, in cash or by wire transfer, the difference between the Terminated Employee Claims and the Estimated Employee Claims Amount and such payment shall form part of the Purchase Price; provided the aggregate amount paid by the Purchaser for all Terminated Employee Claims shall not exceed the Bid Value Differential; and
 - (B) the Purchaser shall have no further obligation with respect to the Terminated Employee Claims.
 - (ii) be equal to the Estimated Employee Claims Amount,
 - (A) the Estimated Employee Claims Amount shall form part of the Purchase Price;
 - (B) the Proposal Trustee shall release the Estimated Employee Claims Amount to ResidualCo; and
 - (C) the Purchaser shall have no further obligation with respect to the Terminated Employee Claims,
 - (iii) be less than the Estimated Employee Claims Amount:
 - (A) an amount equivalent to the Terminated Employee Claims shall form part of the Purchase Price;
 - (B) the Proposal Trustee shall release an amount equal to the Terminated Employee Claims to ResidualCo;
 - (C) the Proposal Trustee shall return the balance of the Estimated Employee Claims Amount to the Purchaser; and
 - (D) the Purchaser shall have no further obligation with respect to the Terminated Employee Claims.
- (h) The Parties acknowledge and agree that all amounts owing to Employees, if any, arising from any change-of-control obligation, policy, or other entitlement, shall be a Transferred Liability, regardless of whether any such employee: (a) is terminated by the Companies, (b) is designated as a Retained Employee, or (c) enters into a new employment agreement or transition services agreement with the Purchaser or the Companies, as applicable.

- (i) Except as provided for in this Section 6.7, the Company shall not make any change in the salary, benefits or other forms of compensation payable to the Employees and shall not hire any additional Employees during the Interim Period; and
- (j) The Purchaser acknowledges and agrees that the information received pursuant to this Section 6.7 is “Confidential Information” as such term is defined in the Confidentiality Agreement and the Purchaser shall only be permitted to hold and use such information in compliance with the terms thereof.

6.8 Maintenance of Retained Assets and Continuation of the Business

During the Interim Period, the Companies shall use reasonable commercial efforts, subject to the SISP Order and the Reverse Vesting Order:

- (a) to continue and maintain the Business in substantially the same manner as conducted on the date of this Subscription Agreement;
- (b) to maintain the Retained Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities;
- (c) to keep in full force and effect all existing insurance policies and give to the Purchaser notice of or present any claim made under any such insurance policies; and
- (d) pay or cause to be paid all costs and expenses relating to the Retained Assets which become due during the Interim Period,

provided that nothing contained in the foregoing or elsewhere in this Subscription Agreement shall obligate the Company to post security, make any other financial contribution or file any undertaking with a Governmental Authority with respect to any liability management program or other program.

6.9 Consent of the Purchaser

Notwithstanding Section 6.8, the Companies shall not, during the Interim Period, without the written consent of the Purchaser acting reasonably:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Retained Assets or the Business, except in respect of amounts which the Company has committed to expend in connection with the Prosvita Sand Project and the Montney In-Basin Project, which amounts shall not exceed \$50,000 and \$75,000, respectively, without the Purchaser’s prior written consent;
- (b) surrender, abandon, or disclaim any of the Retained Assets;
- (c) materially amend or terminate any title document or enter into any new material agreement or commitment relating to the Retained Assets;

- (d) sell, encumber or otherwise dispose of any of the Retained Assets or any part or portion thereof; or
- (e) take or refuse to take any action which could affect or otherwise alter the Company's 50% interest in AMI Silica LLC, a limited liability company organized under the laws of the State of North Dakota.

6.10 Licence Transfers

If for any reason, after Closing, a Governmental Authority requires the Purchaser or the Company or its nominee to make a deposit or furnish any other form of security, or undertake any corrective action or remedial work including inspections, tests or engineering assessments, the Purchaser shall make such deposit or furnish such other form of security or undertake such corrective or remedial work as may be required, at the Purchaser's sole expense. All processing fees (including any fees required to be paid for expedited service) shall be for the Purchaser's account.

6.11 Payments in Respect of Transferred Assets

If at any time after Closing, the Company, the Purchaser or any of their respective Affiliates receives a payment or other consideration in respect of or relating to a Transferred Asset (including a Tax Refund), the recipient of such payment or other consideration shall promptly notify the Company and promptly pay and transfer (net of any out-of-pocket expenses payable by the Company, the Purchaser or any of their respective Affiliates in respect of such amounts, if any) such payment or other consideration to the Company, on behalf of ResidualCo. From and after Closing, the Company and the Purchaser shall provide reasonable cooperation to ResidualCo to enable ResidualCo to obtain the benefit of any Transferred Asset.

6.12 Payments in Respect of Cure Costs

The Cure Costs shall be paid by the Purchaser to the relevant counterparty to a Retained Contract on or before the date that is 30 days following the Effective Time or such later date as may be agreed to by the Purchaser and the relevant counterparty to a Retained Contract. All payments required to cure pre-filing monetary defaults in respect of any Retained Contract not specifically included in Schedule "C" hereto shall not be an obligation of or payable by the Purchaser, and such obligation shall be transferred to and paid by ResidualCo on or before the date that is 30 days following the Effective Time or such later date as may be agreed to by ResidualCo and the relevant counterparty.

6.13 Agreement Regarding Fees

The Purchaser and the Companies hereby acknowledge and agree that each of them will be responsible for any and all fees (including any Taxes imposed on such fees) incurred by them in connection with the formulation, negotiation, submission, and finalization of this Subscription Agreement.

6.14 Disclaimer of Excluded Contracts

The Company or Companies, as applicable, shall, in consultation with the Proposal Trustee, either: (a) disclaim all Excluded Contracts in accordance with Section 65.11 of the BIA, or (b) terminate those Excluded Contracts, as applicable, on or before the Closing Date.

In the event a contract, agreement, lease (including leases or subleases in respect of real property) or other commitment is designated as an Excluded Contract by the Purchaser in writing prior to Closing, the Parties acknowledge and agree that:

- (a) any monetary obligation flowing from such disclaimer or termination, as determined pursuant to a claims process to be facilitated by the Proposal Trustee in accordance with the BIA, shall be a Transferred Liability (the “**Disclaimer Liability**”);
- (b) the Purchase Price shall increase by an amount equal to the Disclaimer Liability; and
- (c) on Closing, the Purchaser shall transfer \$500,000, or such lesser amount as the Purchaser and the Proposal Trustee may agree, acting reasonably, to the Proposal Trustee (the “**Escrow Amount**”), to be held by the Proposal Trustee in a non-interest bearing trust account, pending the final valuation of any claim or claims filed by a counterparty to a disclaimed or terminated contract; provided, however, that the Escrow Amount shall not be deemed or otherwise construed to be an estimate of the Disclaimer Liability, if any, arising from such disclaimer or termination.

In the event the Disclaimer Liability is determined by the Proposal Trustee to:

- (b) exceed the Escrow Amount,
 - (i) the Purchaser shall pay to the Proposal Trustee, in cash or by wire transfer, the difference between the Disclaimer Liability and the Escrow Payment, and such payment shall form part of the Purchase Price; and
 - (ii) the Purchaser shall have no further obligation with respect to the Disclaimer Liability.
- (c) be equal to the Escrow Amount,
 - (i) the Escrow Amount shall form part of the Purchase Price;
 - (ii) the Proposal Trustee shall release the Escrow Amount to ResidualCo; and
 - (iii) the Purchaser shall have no further obligation with respect to the Disclaimer Liability,
- (d) be less than the Escrow Amount:

- (i) an amount equivalent to the Disclaimer Liability shall form part of the Purchase Price;
- (ii) the Proposal Trustee shall release an amount equal to the Disclaimer Liability to ResidualCo;
- (iii) the Proposal Trustee shall return the balance of the Escrow Amount to the Purchaser; and
- (iv) the Purchaser shall have no further obligation with respect to the Disclaimer Liability.

ARTICLE 7

PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS

7.1 Company to Provide Access

Prior to Closing, the Company shall, subject to all contractual and fiduciary obligations of the Company, at the Calgary offices of the Company during normal business hours, provide reasonable access for the Purchaser and its Representatives to the records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Retained Assets and are in possession or control of the Company, as well as physical access to the Retained Assets (insofar as the Company can reasonably provide such access, with such access to be at the Purchaser's sole risk, expense and liability) to facilitate the Purchaser's review of the Retained Assets and title thereto for the purpose of completing these Transactions. The Purchaser shall indemnify and save harmless the Company and ResidualCo from and against all liabilities, claims and causes of action for personal injury, death or property damage occurring on or to such property as a result of such entry onto the premises. The Purchaser shall comply fully with all rules, regulations and instructions issued by the Company regarding the Purchaser's actions while upon, entering or leaving such properties. The Purchaser's obligations set forth in this Section 7.1 shall survive the Closing Date indefinitely.

7.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, the Purchaser shall, on request from the ResidualCo or the Proposal Trustee, provide reasonable access to their Representative at the Purchaser's offices, during its normal business hours, to the agreements and documents to which the Retained Assets are subject and the contracts, agreements, records, books, documents, licences, reports and data which are then in the possession or control of the Purchaser and to make copies thereof, as they may reasonably require, including for purposes relating to:

- (a) ResidualCo's ownership of the Transferred Assets (including taxation matters, Claims, and Losses that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Subscription Agreement;

- (c) compliance with Applicable Law; or
- (d) any Claim commenced or threatened by any Third Party against ResidualCo, the Company or any of them.

7.3 Maintenance of Information

Subject to Applicable Law, all of the information, materials and other records delivered to the Purchaser pursuant to the terms hereof shall be maintained by the Purchaser in good order and good condition and kept in a reasonably accessible location by the Purchaser for a period of two years from the Closing Date.

ARTICLE 8 GENERAL

8.1 Further Assurances

Each Party will, at the cost and expense of the requesting party, from time to time and at all times after Closing, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Subscription Agreement.

8.2 Liability of the Company or ResidualCo

Other than as set out in Section 2.4, under no circumstances shall the Company or ResidualCo or any of their Representatives have any liability pursuant to this Subscription Agreement, or in relation to the Transactions whether such liability be in contract, tort or otherwise.

8.3 Entire Agreement

Except for the SISP Order and the Reverse Vesting Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Subscription Agreement and, in the event of conflict, except for the SISP Order or the Reverse Vesting Order, the provisions of this Subscription Agreement shall prevail. In the event that Closing occurs, except for the SISP Order and the Reverse Vesting Order, this Subscription Agreement supersedes all other agreements (other than the Confidentiality Agreement between the Company and the Purchaser), documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transactions herein.

8.4 Governing Law

This Subscription Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the proceedings bearing Alberta Court of King's Bench Court Action No. 25-3009380. The Parties irrevocably attorn and submit

to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Subscription Agreement.

8.5 Assignment and Enurement

Excepting an assignment in whole of this Subscription Agreement from the Purchaser to an Affiliate of the Purchaser, this Subscription Agreement nor any of the rights or obligations under this Subscription Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Party. This Subscription Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

8.6 Time of Essence

Time is of the essence in this Subscription Agreement.

8.7 Notices

The addresses of the Parties for delivery of notices hereunder shall be as follows:

Company: Athabasca Minerals Inc.
407 2 Street SW, Suite 1730
Calgary, AB T2P 2Y3

Attention: Dana Archibald, Chief Executive Officer
Email: dana.archibald@athabascaminerals.com

With a copy to its legal counsel at:

Fasken Martineau DuMoulin LLP
Suite 3400, 350 7 Avenue SW
Calgary, AB T2P 3N9

Attention: Robyn Gurofsky / Jessica Cameron
Email: rgurofsky@fasken.com / jcameron@fasken.com

Purchaser: Badger Mining Corporation
409 South Church Street, Berlin, WI 54923
(920) 361-2388

Attention: Victoria Berenz
Email: vberenz@badgerminingcorp.com

With a copy to its legal counsel at:

Blake, Cassels & Graydon LLP
855 2 St SW Suite 3500,

Calgary, AB T2P 4J8

Attention: Linc Rogers / Daniel McLeod / Christopher Keliher
Email: linc.rogers@blakes.com / daniel.mcleod@blakes.com
christopher.keliher@blakes.com

and

Godfrey Kahn S.C.
200 South Washington Street, Suite 100
Green Bay, WI 54301

Attention: Timothy McCoy / Nicholas Hahn
Email: Tmccoy@gklaw.com / NHahn@gklaw.com

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered; or
- (b) by email to a Party to the email address of such Party for notices, in which case, if the notice was emailed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was emailed and if it is emailed on a day which is not a Business Day or is emailed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day.

A Party may from time to time change its address for service, email address for service or designated representative by giving written notice of such change to the other Party.

8.8 Invalidity of Provisions

In case any of the provisions of this Subscription Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

8.9 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall

take effect or be binding upon that Party unless the waiver is expressed in writing, including by way of-email, under the authority of that Party and made in accordance with the Subscription Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

8.10 Amendment

This Subscription Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized Representative of each Party.

8.11 Survival

Other than those representations, warranties, covenants or other agreements which by their terms contemplate performance after Closing (including those set forth in Article 6) or unless otherwise expressly provided in this Subscription Agreement, the representations, warranties, covenants and other agreements contained in this Subscription Agreement shall not survive Closing.

8.12 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Purchased Shares, the Retained Assets and this Subscription Agreement, and shall not release any information concerning this Subscription Agreement and the Transactions without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided that the Purchaser shall advise the Company in advance of the content of any such public statement), or (ii) in connection with obtaining the Reverse Vesting Order.

8.13 Sealing Order

The Company may, at its discretion, apply to the Court for a sealing order with respect to confidential materials prepared by the Company or the Proposal Trustee containing the financial and other confidential details of these Transactions (the “**Confidential Materials**”), such order sealing the Confidential Materials and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by the Company, if granted, only the judge presiding over the Proposal Proceedings, the Purchaser and their respective Representatives shall have access to the Confidential Materials and the confidential information contained therein.

8.14 Termination

This Subscription Agreement may be terminated at any time prior to Closing:

- (a) by mutual written agreement of the Company and the Purchaser; or

- (b) by either the Company or the Purchaser pursuant to the provisions of Sections 4.1, 4.2 or 4.3, as applicable.

In the event that this Subscription Agreement is terminated, each Party shall be released from all obligations under or in connection with this Subscription Agreement, other than the provisions with respect to confidentiality (Section 8.12) and the use of personal information (Section 8.15), and the Deposit shall be addressed in accordance with Section 2.4.

8.15 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained or reviewed by the Purchaser in connection with these Transactions only for those purposes for which it was initially collected from or in respect of the individual to which such information relates, unless:

- (a) the Company or the Purchaser has first notified such individual of such additional purpose, and where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or
- (b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual; and
- (c) the Purchaser's obligations set forth in this Section 8.15 shall survive the Closing Date indefinitely.

8.16 Directors

- (a) At Closing, Camille LeRouge, Michael C. Hess, Robert L. Brooks, and Cody Wickersheim shall be the directors of the Company and all other prior directors shall be deemed to have resigned effective at Closing.

(Remainder of page intentionally left blank)

8.17 Counterpart Execution

This Subscription Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

ATHABASCA MINERALS INC.

DocuSigned by:
Per: Dana Archibald
108CB02A6DC144E...
Name: Dana Archibald
Title: Chief Executive Officer

BADGER MINING CORPORATION

Per: Adam Katz
Name: Adam Katz
Title: Chief Commercial Officer

**THE FOLLOWING COMPRISES SCHEDULE “A” ATTACHED TO AND FORMING
PART OF A SUBSCRIPTION AGREEMENT DATED FEBRUARY 9, 2024, BETWEEN
ATHABASCA MINERALS INC. AND BADGER MINING CORPORATION OR ITS
AFFILIATE**

Form of Reverse Vesting Order

COURT FILE NUMBER & **25-3009380**
BANKRUPTCY ESTATE
NUMBER
COURT

COURT OF KING'S BENCH OF ALBERTA, IN
BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

CALGARY

MATTER

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, C B-3 AS
AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
ATHABASCA MINERALS INC., AMI SILICA
INC., AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT ENGINEERING
LTD., 2132561 ALBERTA LTD., and 2140534
ALBERTA LTD.

APPLICANTS

ATHABASCA MINERALS INC., AMI SILICA
INC., AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT ENGINEERING
LTD., 2132561 ALBERTA LTD., and 2140534
ALBERTA LTD.

DOCUMENT

**TRANSACTION APPROVAL AND REVERSE
VESTING ORDER**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP

Attn: Robyn Gurofsky / Jessica Cameron
3400 First Canadian Centre
350-7 Avenue SW
Calgary, AB T2P 3N9
Telephone: (403) 261-9469/261-9468
Facsimile: (403) 261-5351
Email: rgurofsky@fasken.com / jcameron@fasken.com
File No. 318938.00024

DATE ON WHICH ORDER WAS PRONOUNCED:

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:

UPON THE APPLICATION of Athabasca Minerals Inc. (“**AMI**”), AMI Silica Inc.,
AMI Aggregates Inc., AMI RockChain Inc., TerraShift Engineering Ltd., 2132561 Alberta Ltd.,

and 2140534 Alberta Ltd. (collectively, the “**Companies**”), for an order, among other things, approving the reverse vesting share transaction (the “**Transaction**”) in respect of AMI contemplated by the Subscription Agreement between AMI and [REDACTED] (the “**Purchaser**”) dated [REDACTED] (the “**Subscription Agreement**”), and attached as Exhibit [REDACTED] to the affidavit of [REDACTED] sworn [REDACTED] (the “**Affidavit**”);

AND UPON HAVING READ the within Notice of Application, the [REDACTED] Affidavit and the [REDACTED] Report of KSV Restructuring Inc. in its capacity as proposal trustee of the Companies (in such capacity, the “**Proposal Trustee**”) dated [REDACTED] (the “**[REDACTED] Report**”), the Affidavit of Service of Kim Picard, sworn [REDACTED], the Order of this Court granted on December 12, 2023 (the “**First Order**”), and the other pleadings previously filed in the within proposal proceedings;

AND UPON HEARING the submissions of counsel for the Companies, the Proposal Trustee, the Purchaser, and such other counsel in attendance at the hearing of this application:

IT IS HEREBY ORDERED THAT:

SERVICE

1. Service of the notice of this application for this Order and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application, and the time for service of this application is abridged to that actually given and this application is properly returnable today.

CAPITALIZED TERMS

2. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Subscription Agreement and the First Order, as applicable.

APPROVAL OF THE TRANSACTIONS

3. The Subscription Agreement and the Transactions contemplated by it are hereby approved, and the execution of the Subscription Agreement by AMI is hereby authorized and approved, with such amendments as AMI and the Purchaser may agree to. AMI is hereby authorized and directed to perform its obligations under the Subscription

Agreement and any ancillary documents related thereto, and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions. In the event of any conflict between the terms of the Subscription Agreement and this Order, this Order shall prevail.

4. Subject to the terms of the Subscription Agreement, this Order shall constitute the only authorization required in respect of AMI proceeding with the Transactions, and no shareholder or other approval shall be required in connection therewith.

REORGANIZATION

5. Subject to the terms of the Subscription Agreement, upon delivery of a certificate from the Proposal Trustee confirming Closing of the Transactions has occurred, substantially in the form set out in Schedule "A" hereto (the "**Proposal Trustee's Certificate**"), the following, among other things, shall occur and be deemed to occur in accordance with the timing, sequence, terms and conditions set forth in the Subscription Agreement:
 - a) the Purchaser shall deliver the Purchase Price (for the subscription and purchase of the Purchased Shares by AMI), and the Escrow Amount, if applicable, to the Proposal Trustee, on behalf of and for the benefit of AMI, and the Purchase Price shall be dealt with in accordance with the Closing Sequence in the Subscription Agreement;
 - b) the Terminated Employees shall be terminated by AMI or the Companies, as applicable;
 - c) all directors of AMI immediately prior to the Closing Date shall be deemed to resign and the new director named on the Subscription Agreement shall be deemed to be appointed as sole director of AMI;
 - d) each issued and outstanding Common Share held by a Company Shareholder immediately prior to the Closing Date shall be exchanged without any further act or formality thereof for consideration in the form of one ResidualCo Share for

each Common Share formerly held by each Company Shareholder immediately prior to the Closing Date;

- e) each Equity Interest that is issued and outstanding immediately prior to the Closing Date, together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of AMI shall be deemed terminated and cancelled for no consideration in accordance with and pursuant to the Reverse Vesting Order; and
- f) AMI shall, in consideration for the Purchase Price, issue the Purchased Shares to the Purchaser in accordance with the Subscription Agreement, free and clear of and from any and all Claims, Losses and Encumbrances.

6. The Purchaser and AMI, in completing the Transactions, are authorized to:

- a) execute and deliver any documents and assurances governing or giving effect to the Transactions as the Purchaser and/or AMI, in their discretion, may deem to be reasonably necessary or advisable to conclude the Transactions, including the execution of all such ancillary documents as may be contemplated in the Subscription Agreement or necessary or desirable for the completion and implementation of the Transactions, and all such ancillary documents are hereby ratified, approved and confirmed; and
- b) take such steps as are, in the opinion of the Purchaser and/or AMI, necessary or incidental to the implementation of the Transactions.

7. The Proposal Trustee may rely on any documents, assurances, or written notices, from AMI, the Companies, and the Purchaser, as applicable, regarding the fulfillment of conditions to closing under the Subscription Agreement and shall have no liability with respect to delivery of the Proposal Trustee's Certificate following the receipt of such document, assurance, or written notice.

8. The Registrar appointed pursuant to Section 263 of the *Business Corporations Act*, RSA 2000, c B-9 (“**ABCA**”) shall accept and receive any documents or instruments as may be required to permit or enable and effect the Transactions contemplated in the Subscription Agreement, filed by AMI, and the effective date for any certificate or authorization issued by the Registrar shall be the date of Closing.
9. The Purchaser, the Companies, and ResidualCo are hereby permitted to execute and file articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be required to permit or enable and effect the Reorganization, including, without limitation, the issuance of the Purchased Shares, and such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under federal or provincial law to obtain director or shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Reorganization.
10. This Order shall constitute the only authorization required by the Purchaser, the Companies, or ResidualCo to proceed with the Transaction, including, without limitation, the Reorganization and, except as specifically provided in the Subscription Agreement, no director or shareholder approval shall be required and no authorization, approval or other action by or notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction in respect of the Companies is required for the due execution, delivery and performance by the Purchaser, the Companies and by ResidualCo of the Subscription Agreement and the completion of the Transaction.

VESTING OF ASSETS AND LIABILITIES

11. Subject to the terms of the Subscription Agreement, upon delivery of the Proposal Trustee’s Certificate, the following, among other things, shall occur and be deemed to occur in accordance with the timing, sequence, terms and conditions set forth in the Subscription Agreement:

- a) all legal and beneficial right, title and interest of the Companies in and to the Transferred Assets (which, for certainty, does not include the Purchase Price) shall be transferred to ResidualCo and shall vest absolutely and exclusively with ResidualCo, and all Encumbrances attached to the Transferred Assets prior to the transfer shall continue to attach to the Transferred Assets following the transfer with the same nature and priority as they had immediately prior to their transfer;
- b) all Transferred Liabilities shall be transferred to, assumed by and vest absolutely and exclusively with ResidualCo in consideration for the ResidualCo Notes and the Transferred Assets, and the Transferred Liabilities shall be novated and become obligations of ResidualCo and shall no longer, under any circumstances, be or represent obligations of the Companies;
- c) the Companies shall be forever released and discharged from all Transferred Liabilities and all Encumbrances securing the Transferred Liabilities, and any obligations thereunder, shall be forever released and discharged in respect of the Companies and the Retained Assets;
- d) the Retained Assets will be retained by AMI in each case free and clear of and from any and all Claims, Losses and Encumbrances including, as applicable, without limiting the generality of the foregoing: (i) any Encumbrances or charges created by the SISP Order or any other Order of the Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), or any other personal property registry system or pursuant to *The Lands Title Act* (Alberta) or any other land titles or similar registry system, all of which affect or relate to the Purchased Shares and/or the Retained Assets shall be expunged and discharged as against the Purchased Shares and Retained Assets, as applicable, in accordance with the Reverse Vesting Order;
- e) AMI shall satisfy the amounts owing under the ResidualCo Notes (including on behalf of the Subsidiaries, which in such case shall constitute a contribution of capital by AMI to the Subsidiaries) using the Purchase Price. If the aggregate

principal amount of the ResidualCo Notes exceeds the Purchase Price then any such remaining unpaid principal amount of the ResidualCo Notes shall be extinguished for nil consideration and AMI and its Subsidiaries shall have no further liability or obligation to ResidualCo. If the aggregate principal amount of the ResidualCo Notes is less than the Purchase Price then any remaining Purchase Price shall vest in ResidualCo to be administered by the Proposal Trustee (as trustee of ResidualCo) for the benefit of ResidualCo's creditors (which creditors arise from the assumption of the Transferred Liabilities);

- f) the Companies shall cease to be applicants in the Proposal Proceedings and the Companies shall be deemed to be released from the purview of the First Order and all other Orders of this Court granted in relation to the Proposal Proceedings;
- g) ResidualCo shall replace the Companies as applicants and debtor, as applicable, in the Proposal Proceedings and shall be subject to the terms of all Orders granted in the Proposal Proceedings;
- h) the Proposal Trustee's powers shall be enhanced in respect of ResidualCo, including the authority to authorize and direct ResidualCo to make an assignment in bankruptcy and the Proposal Trustee shall be authorized to be appointed as trustee in bankruptcy of the estate of ResidualCo; and
- i) AMI shall cease to be a reporting issuer by Order of the Alberta Securities Commission and the Ontario Securities Commission under the securities legislation of the jurisdictions in which AMI is a reporting issuer.

12. As of the Effective Time:

- a) AMI shall continue to hold all right, title and interest in and to the Retained Assets and Retained Contracts, free and clear of all Claims, Losses and Encumbrances other than the Retained Liabilities; and
- b) AMI shall be deemed to have disposed of the Transferred Assets and shall have no right, title or interest in or to the Transferred Assets.

13. For greater certainty, any person that, prior to the Effective Time, had a Claim, Loss, or Encumbrance other than a Retained Liability against the Companies or their assets, properties or undertakings shall, as of the Effective Time, no longer have any such Claim, Loss, or Encumbrance against or in respect of the Companies or the Retained Assets, but shall have an equivalent Claim, Loss, or Encumbrance, as applicable, against: (a) the Transferred Assets, and (b) all amounts received by ResidualCo in satisfaction of the ResidualCo Notes (together, the “**ResidualCo Assets**”), to be administered by the Proposal Trustee in ResidualCo from and after the Effective Time, with the same attributes, rights, security, nature and priority as such Claim, Loss, or Encumbrance had immediately prior to its transfer to ResidualCo, and nothing in this Order limits, lessens, modifies (other than by change in debtor) or extinguishes the Claim, Loss, or Encumbrance of any Person as against the ResidualCo Assets to be administered by the Proposal Trustee in ResidualCo.
14. For greater certainty, from and after the Effective Time, all contracts, leases, licenses, and agreements to which the Companies are a party upon delivery of the Proposal Trustee’s Certificate will be and shall remain in full force and effect upon and following delivery of the Proposal Trustee’s Certificate and no individual firm, corporation, governmental body, agency, or any other entity (collectively a “**Person**”) who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform, or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution, or other remedy) or make any demand under or in respect of any such arrangement, and no automatic termination will have any validity or effect, by reason of:
 - a) the insolvency of the Companies or the fact that the Companies sought or obtained relief under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”);
 - b) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transaction or the provisions of this Order, or any other Order of the Court in these proceedings;

- c) any transfer or assignment, or any change of control of Companies arising from the implementation of the Subscription Agreement, the Transaction, or the provisions of this Order; or
 - d) any event that occurred on or prior to the delivery of the Proposal Trustee's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Companies).
15. Notwithstanding paragraph 13, all cure costs shall be paid by the Purchaser or ResidualCo, as applicable and as set out in the Subscription Agreement, to the relevant counterparty to a Retained Contract, on or before the date that is 30 days following the Effective Time or such later date as may be agreed to by the Purchaser or ResidualCo, as applicable, and the relevant counterparty to a Retained Contract.
16. From and after the Effective Time, the Purchaser and/or AMI shall be authorized to take all steps as may be necessary to effect the discharge and release as against AMI and the Retained Assets of the Claims, Losses and Encumbrances that are transferred to and vested in ResidualCo pursuant to this Order.
17. Upon the delivery of the Proposal Trustee's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to AMI, the Retained Assets or the Transferred Assets (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Proposal Trustee's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to give effect to the terms of this Order and the completion of the Transactions, and to discharge and release all Claims, Losses and Encumbrances other than Retained Liabilities against or in respect of the Companies and the Retained Assets, and presentment of this Order and the Proposal Trustee's Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.

RESIDUALCO MATTERS

18. [●] (the “**First Director**”) is hereby authorized, *nunc pro tunc*, to act as director and officer of ResidualCo and, in such capacity, is hereby authorized to take such steps and perform such tasks as are necessary or desirable to facilitate the Transactions.
19. Notwithstanding Section 106 of the ABCA, the First Director shall be entitled to tender his resignation as a director and officer upon the appointment of the Proposal Trustee in respect of ResidualCo in these proposal proceedings and the granting and issuance of this Order.
20. The First Director shall not incur any liability as a result of becoming a director or officer of ResidualCo, save and except for any liability or obligation incurred as a result of fraud, gross negligence, or wilful misconduct on their part.
21. ResidualCo shall be deemed to be the former employer of any former employees of AMI or the Companies who were terminated between the filing date, November 13, 2023, and the Effective Time, if any, whose claims against the Companies are transferred to ResidualCo pursuant to this Order, provided that such deeming: (i) shall be effective immediately after the Effective Time; and (ii) will solely be for the purposes of termination pay and severance pay pursuant to the *Wage Earners Protection Program*. For greater certainty, the Terminated Employee Claims shall be and constitute Transferred Liabilities which, pursuant to this Order and the Closing Sequence, shall be discharged as against AMI and transferred to ResidualCo.
22. The administration of ResidualCo shall remain subject to the Proposal Trustee’s appointment and oversight, and this Court’s oversight and these proposal proceedings.
23. Following the satisfaction and discharge of all Transferred Liabilities, all outstanding ResidualCo Shares shall be cancelled for either: (i) no consideration; or (ii) in the event the Transferred Assets are sufficient to satisfy all Transferred Liabilities against ResidualCo, and notwithstanding any provision of the ABCA, such amounts as determined by the Proposal Trustee in its sole discretion. Following the foregoing, all such ResidualCo Shares together with any agreement, contract, plan, indenture, deed,

certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of ResidualCo shall be deemed terminated and cancelled in accordance with and pursuant to the this Order. The record date for such payment shall be set as the date of granting of this Order.

24. In addition to and without limiting the rights and protections afforded to the Proposal Trustee pursuant to the BIA, the First Order, and any subsequent Order granted by this Court in the within proceedings, the Proposal Trustee and its employees and representatives shall not incur any liability as a result of acting in accordance with this Order or administering ResidualCo, save and except for any gross negligence or wilful misconduct on the part of any such parties. All protections afforded to the Proposal Trustee pursuant to the First Order, any further Order granted in these proceedings or under the BIA shall continue to apply.

RELEASES AND OTHER PROTECTIONS

25. From and after the Effective Time, all Persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings, or relying on any rights, remedies, claims or benefits in respect of or against the Companies, the Purchaser, the Proposal Trustee, the First Director, or the Retained Assets, in any way relating to, arising from or in respect of:
- a) the Transferred Assets;
 - b) any and all Claims, Losses or Encumbrances other than the Retained Liabilities against or relating to the Companies, the Transferred Assets or the Retained Assets existing immediately prior to the Effective Time;
 - c) the insolvency of the Companies prior to the Effective Time;
 - d) the commencement or existence of the notice of intention proceedings; or

- e) the completion of the Transactions.
26. From and after the Effective Time, the Purchaser and the Companies shall be released from all Claims, Losses and Encumbrances with respect to any Taxes of, in respect of, or that relate to, the Companies, including, without limiting the generality of the foregoing, all Taxes that could be assessed against the Purchaser or the Companies (including their Affiliates and any predecessor corporations) pursuant to Sections 160 and 160.01 of the *Income Tax Act* (Canada) and Section 325 of the GST Legislation and including as a result of any future amendments or proposed amendments to such provisions or related provisions, or any provincial equivalent, in connection with the Companies; provided, as it relates to the Purchaser and the Companies, such release shall not apply to any Taxes in respect of the business and operations conducted by the Companies after the Effective Time. For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to Taxes or obligations in respect thereof that are transferred to ResidualCo.
27. From and after the Effective Time, (a) the Companies, and their respective current directors, officers, employees, legal counsel, representatives and advisors; (b) the Proposal Trustee, and its employees and legal counsel, (c) the Purchaser, and its current directors, officers, employees, legal counsel, representatives and advisors, and (d) the First Director (collectively, the “**Released Parties**” and each a “**Released Party**”) shall be and are hereby released and discharged from any and all claims that any Person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time in any way relating to, arising out of, or in respect of, these proposal proceedings, the administration of ResidualCo, or with respect to their respective conduct in these proposal proceedings (collectively, the “**Released Claims**”), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability that is

determined by a court of competent jurisdiction to have constituted actual fraud, gross negligence, or wilful misconduct on the part of the applicable Released Party.

28. Other than as provided for in the Subscription Agreement, no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to these proposal proceedings or ResidualCo, except with prior leave of this Court on not less than fifteen (15) days' prior written notice to the applicable Released Party and upon further order security, as security for costs, the full indemnity costs of the applicable Released Party in connection with any proposed action or proceeding as the Court hearing the motion for leave to proceed may deem just and appropriate.

MISCELLANEOUS MATTERS

29. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), AMI and the Companies are authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Companies' records pertaining to past and current employees of the Companies. The Purchaser shall maintain and protect the privacy of such information in accordance with Applicable Law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by AMI prior to the Effective Time.
30. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Certificate forthwith after delivery thereof to the Purchaser.
31. Notwithstanding:
 - a) the pendency of these proceedings;
 - b) any application for a bankruptcy Order now or hereafter issued pursuant to the BIA or otherwise and any bankruptcy or receivership Order issued pursuant to any such application; or
 - c) the provisions of any federal or provincial statute,

the execution of the Subscription Agreement and the implementation of the Transactions shall be binding on any trustee or other administrator in respect of ResidualCo and any trustee in bankruptcy or receiver that may be appointed in respect of the Companies and shall not be void or voidable by creditors of ResidualCo or the Companies, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation or at common law, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

32. Following the Effective Time, the style of cause of these proposal proceedings shall be hereby amended by being deleted and replaced in its entirety by the following:

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
ACT, RSC 1985, C B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF **RESIDUALCO**

33. The Companies, the Purchaser, the Proposal Trustee, and any other interested party shall be at liberty to apply for further advice, assistance and direction as may be necessary or desirable in order to give full force and effect to the terms of this Order and to assist and aid the parties in completing the Transactions.
34. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement and enforce the terms and provisions of this Order, the Subscription Agreement and all amendments thereto, in connection with any dispute involving the Companies or ResidualCo, and to adjudicate, if necessary, any disputes concerning the Companies or ResidualCo related in any way to the Transactions.
35. This Court hereby requests the aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, including the State of Wisconsin, United States, and the State of North Dakota, United States, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the

Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order.

36. Service of this Order may be effected by facsimile, electronic mail, personal delivery, registered mail or courier.

**Justice of the Court of King's Bench of
Alberta**

Schedule "A" - Form of Proposal Trustee's Certificate

COURT FILE NUMBER & **25-3009380**
BANKRUPTCY ESTATE
NUMBER

COURT COURT OF KING'S BENCH OF
ALBERTA, IN BANKRUPTCY &
INSOLVENCY

JUDICIAL CENTRE CALGARY

MATTER IN THE MATTER OF THE
BANKRUPTCY AND INSOLVENCY ACT,
RSC 1985, C B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICE
OF INTENTION TO MAKE A
PROPOSAL OF ATHABASCA
MINERALS INC., AMI SILICA INC.,
AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT

Clerk's Stamp

ENGINEERING LTD., 2132561
ALBERTA LTD., and 2140534 ALBERTA
LTD.

DOCUMENT

Proposal Trustee's Certificate

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP
Attn: Robyn Gurofsky / Jessica Cameron
3400 First Canadian Centre
350-7 Avenue SW
Calgary, AB T2P 3N9
Telephone: (403) 261-9469/261-9468
Facsimile: (403) 261-5351
Email: rgurofsky@fasken.com / jcameron@fasken.com
File No. 318938.00024

RECITALS

- A. On November 13, 2023, Athabasca Minerals Inc. ("**AMI**"), AMI Silica Inc., AMI Aggregates Inc., AMI RockChain Inc., TerraShift Engineering Ltd., 2132561 Alberta Ltd., and 2140534 Alberta Ltd. (collectively, the "**Companies**") each filed a notice of intention to make a proposal to their creditors (the "**Proposal Proceedings**") with the Office of the Superintendent of Bankruptcy. KSV Restructuring Inc. was appointed as the proposal trustee of the Companies' within Proposal Proceedings (and in such capacity the "**Proposal Trustee**").
- B. Pursuant to an Order of the Honourable _____ of the Alberta Court of King's Bench, Judicial District of Calgary (the "**Court**") dated _____, 2024 (the "**Transaction Approval Order**"), the Court approved the transactions contemplated by the Subscription Agreement dated _____, 2024 (the "**Subscription Agreement**") between AMI and ● (the "**Purchaser**").

- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Subscription Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Proposal Trustee has received the Purchase Price for the Purchased Shares payable on the Closing Date and the Escrow Amount, if applicable, pursuant to the Subscription Agreement and the Transaction Approval Order;
2. The conditions to Closing as set out in the Subscription Agreement have been satisfied or waived by AMI and/or the Purchaser, as the case may be; and
3. The Transactions contemplated by the Subscription Agreement and the Transaction Approval Order have been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at _____ on _____, 2024.

**KSV Restructuring Inc., in its capacity as
Proposal Trustee of and not in its personal
or corporate capacity**

Per: _____

Name: Andrew Basi

Title: Managing Director

THE FOLLOWING COMPRISES SCHEDULE “B” ATTACHED TO AND FORMING PART OF A SUBSCRIPTION AGREEMENT DATED FEBRUARY 9, 2024, BETWEEN ATHABASCA MINERALS INC. AND BADGER MINING CORPORATION OR ITS AFFILIATE

Transferred Assets

The Transferred Assets, being those assets proposed to be transferred to ResidualCo through operation of the Reverse Vesting Order, means:

- any asset designated as a Transferred Asset by the Purchaser in writing to the Company and the Proposal Trustee prior to the closing of the Transaction.

Transferred Liabilities

The Transferred Liabilities, being those liabilities proposed to be transferred to ResidualCo through operation of the Reverse Vesting Order, means, unless otherwise designated by the Purchaser as a Retained Liability, all obligations or liabilities of any nature and kind owed by the Company or Companies, as applicable, including but not limited to all unsecured debt or secured debt wheresoever and howsoever arising, including by operation of the BIA, court order, or other Applicable Law. For greater certainty, but not to limit the generality of the foregoing, the Transferred Liabilities shall include, but is not limited to:

- funded indebtedness;
- promissory notes (other than the ResidualCo Notes) issued by the Companies;
- operating liabilities and Taxes related to the Transferred Assets;
- liabilities of the Companies for Taxes arising prior to or on the Closing Date, howsoever arising, excepting any Taxes specifically designated as a Retained Liability and any Taxes arising as a result of this Transaction;
- trade claims, trade payables or other unsecured claims, including any cure cost not explicitly set out in Schedule “C” hereto, or other obligations owing in connection with the Retained Contracts;
- liabilities relating to any change of control provision that may arise in connection with any change of control contemplated by the Transactions, including with respect to any change of control obligations arising owed to the Employees, regardless of whether any such employee: (a) is terminated by the Companies, (b) is designated as a Retained Employee, or (c) enters into a new employment agreement or transition services agreement with the Purchaser or the Companies, as applicable;

- liabilities associated with shareholder or other loans to the Companies;
- the Terminated Employee Claims as well as any payroll or other employment related statutory obligations accrued prior to Closing in respect of the Terminated Employees;
- except as provided for in Section 6.14, Claims or Losses arising from the Excluded Contracts, wheresoever and howsoever arising, including with respect to any Claims or Losses arising from the disclaimer or termination of the Excluded Contracts;
- liabilities or obligations arising from the SISP Order and any subsequent order of the Court, including but not limited any liability or obligations secured by the following:
 - the Administration Charge as described and defined in the SISP Order and any subsequent orders of the Court;
 - the Interim Lender's Charge as described and defined in the SISP Order and any subsequent orders of the Court;
 - the Directors' Charge as described and defined in the SISP Order and any subsequent orders of the Court; and
 - the KERP Charge as described and defined in the SISP Order and any subsequent orders of the Court; and
- Claims or Losses of any kind or nature arising on or before the Effective Date.
- Accrued but unpaid payroll and unremitted employment related statutory obligations, if any, owing to the Retained Employees, other than amounts described in Section 6.7(c)(ii).

Excluded Contracts

The Excluded Contracts, being those contracts, leases or agreements to be disclaimed and/or otherwise terminated by the Company, or Companies, includes:

- any contract, agreement, lease, or commitment designated as an Excluded Contract by the Purchaser in writing to the Company or the Proposal Trustee prior to the closing of the Transactions.

Retained Assets

The Retained Assets, being those assets proposed to be retained by the Purchaser, means, unless otherwise designated by the Purchaser, all assets of every nature and kind whatsoever owned,

controlled, or beneficially held by the Company or the Companies, as applicable, including but not limited to:

- the Company's 50% interest in AMI Silica LLC, a limited liability company organized under the laws of North Dakota;
- all cash and cash equivalents held immediately prior to closing;
- all accounts receivable, notes receivable, and other debts due or accruing due to the Company or Companies;
- all inventory;
- all intellectual property, including patents, trademarks, copyrights, tradenames, internet domain names, industrial designs, trade secrets and other proprietary information;
- all goodwill and other intangible assets;
- all Real Property;
- all books and records of the Companies, including minute books, books of account, ledgers, general, financial and accounting records, Tax Returns and other records in the possession and control of the Companies or the Proposal Trustee, but in each case excludes all books and records in respect of the Transferred Assets and Transferred Liabilities, and excludes any email correspondence of the Companies (including any of its present and former, directors, officers, employees, contractors and other representatives) prior to Closing;
- the Companies' bank accounts and all agreements related thereto;
- all regulatory and license attributes of the Companies;
- including without limitation: business numbers; payroll numbers; GST numbers; and regulatory operator codes;
- letters of intent, nondisclosure agreements, confidentiality agreements and non-compete/non-solicitation agreements (other than any employment agreements);
- all shares of capital stock or other equity interests in any Affiliate of the Company;
- any intercompany indebtedness or claim owing to the Company by an Affiliate of the Company;
- all organizational documents, corporate books and records, income tax returns and the corporate seal of the Company;

- any records that are required by law to be retained by the Companies;
- all computers, computer servers, and websites;
- all office equipment;
- all tax attributes, if any, of the Companies inherent to them, including all rights related to former Tax Returns, Tax Refunds (other than in respect of the Transferred Assets), and non-capital loss balance carry forwards;
- all current and prior director and officer insurance policies of the Company and all rights of any nature with respect thereto running in favor of the Company;
- any and all rights of the Company or Companies, as applicable, under this Subscription Agreement and the Reverse Vesting Order;
- all rights, Claims, Losses, Encumbrances, or causes of action by, on behalf of, or held beneficially for the Company or Companies, as applicable, against any Person;
- all equity interests or other similar investments held by the Company or Companies, as applicable; and
- without limiting the foregoing, any other asset designated as a Retained Asset by the Purchaser in writing to the Company or the Proposal Trustee prior to the closing of the Transaction.

Retained Liabilities

The Retained Liabilities, being those liabilities proposed to be retained by the Company, from and after the Closing Time, means:

- obligations in connection with nondisclosure agreements, confidentiality agreements and non-compete/non-solicitation agreements to which the Companies are a party;
- any and all regulatory, environmental and government liabilities related to the Lands and Buildings and Fixtures;
- all operating liabilities which relate to the Retained Assets and which are not unsecured trade claims, trade payables, utility bills or which are not related to any retained operating asset or contract;
- income tax liabilities in respect of the Company's 2023 taxation year arising from (a) the disposition of certain assets in 2023 pursuant to the Offer to Purchase and Agreement for the Purchase and Sale of Assets between the Company and an

arm's length party closing dated June 23, 2023; and (b) the Settlement Agreement dated October 2023 between the Company and a supplier. For greater certainty, no other Taxes shall be retained by the Companies, all of which shall be transferred to ResidualCo as part of the Transferred Liabilities (excepting any Taxes arising as a result of this Transaction);

- Taxes arising as a result of this Transaction;
- obligations arising in connection with Retained Contracts and Permits;
- any intercompany indebtedness or claim owing to an Affiliate of the Company;
- any other liability or obligation designated as a Retained Liability by the Purchaser in writing to the Company or the Proposal Trustee prior to Closing; and
- Amounts owing for unpaid payroll and unremitted employment related statutory obligations, if any, owing to the Retained Employees, as described in Section 6.7(c)(ii).

Retained Contracts

The Retained Contracts, being those contracts to be retained by the Company through operation of the Reverse Vesting Order, means:

- each and every contract, agreement, and commitment held by the Company, or Companies, as applicable, in force immediately prior to the date of the Subscription Agreement, unless otherwise designated by the Purchaser.

THE FOLLOWING COMPRISES SCHEDULE “C” ATTACHED TO AND FORMING PART OF A SUBSCRIPTION AGREEMENT DATED FEBRUARY 9, 2024, BETWEEN ATHABASCA MINERALS INC. AND BADGER MINING CORPORATION OR ITS AFFILIATE

| Contract Counterparty/Project | Cure Cost (\$CAD) |
|--------------------------------------|--------------------------|
| 799462 Alberta Ltd. | \$40,000.00 |
| Sierra Geological Corp. | \$40,000.00 |
| 102004623 Saskatchewan Inc. | \$40,000.00 |
| Firebag Sand Resource | \$20,851.65 |

Appendix “B”

COURT FILE NUMBER &
BANKRUPTCY ESTATE
NUMBER
COURT

25-3009380 / B301 009380

COURT OF KING'S BENCH OF ALBERTA, IN
BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

CALGARY

MATTER

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, C B-3 AS
AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
ATHABASCA MINERALS INC., AMI SILICA
INC., AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT ENGINEERING
LTD., 2132561 ALBERTA LTD., and 2140534
ALBERTA LTD.

APPLICANTS

ATHABASCA MINERALS INC., AMI SILICA
INC., AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT ENGINEERING
LTD., 2132561 ALBERTA LTD., and 2140534
ALBERTA LTD.

DOCUMENT

TRANSACTION APPROVAL AND REVERSE
VESTING ORDER

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Fasken Martineau DuMoulin LLP

Attn: Robyn Gurofsky / Jessica Cameron
3400 First Canadian Centre
350-7 Avenue SW
Calgary, AB T2P 3N9
Telephone: (403) 261-9469/261-9468
Facsimile: (403) 261-5351
Email: rgurofsky@fasken.com / jcameron@fasken.com
File No. 318938.00024



DATE ON WHICH ORDER WAS PRONOUNCED: April 19, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice J.T. Neilson

UPON THE APPLICATION of Athabasca Minerals Inc. ("AMI"), AMI Silica Inc., AMI Aggregates Inc., AMI RockChain Inc., TerraShift Engineering Ltd., 2132561 Alberta Ltd., and 2140534 Alberta Ltd. (collectively, the "Companies"), for an order, among other things, approving the reverse vesting share transaction (the "Transaction") in respect of AMI

contemplated by the Subscription Agreement between AMI and Badger Mining Corporation (the “**Purchaser**” or “**Badger**”) dated February 9, 2024 (the “**Subscription Agreement**”), and attached as Exhibit “K” to the Third Affidavit of John David Churchill sworn February 26, 2024 (the “**Third Churchill Affidavit**”);

AND UPON HAVING READ the within Notice of Application, the Third Churchill Affidavit, the Fourth Affidavit of John David Churchill sworn March 4, 2024, the Fifth Churchill Affidavit sworn April 5, 2024, including the Settlement Agreement between the Companies and JMAC Energy Services LLC (“**JMAC**”) dated March 28, 2024, the Third Report of KSV Restructuring Inc. in its capacity as proposal trustee of the Companies (in such capacity, the “**Proposal Trustee**”) dated February 29, 2024 (the “**Third Report**”), the Supplement to the Third Report of the Proposal Trustee dated March 7, 2024 (the “**Supplemental Third Report**”), the Fourth Report of the Proposal Trustee dated April 15, 2024 (the “**Fourth Report**”), the Affidavits of Service of Kim Picard, sworn March 7, 2024 and April 17, 2024, respectively, the Order of this Court granted on December 12, 2023 (the “**First Order**”), and the other pleadings previously filed in the within proposal proceedings;

AND UPON HEARING the submissions of counsel for the Companies, the Proposal Trustee, the Purchaser, JMAC, and such other counsel in attendance at the hearing of this application:

IT IS HEREBY ORDERED THAT:

SERVICE

1. Service of the notice of this application for this Order and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application, and the time for service of this application is abridged to that actually given and this application is properly returnable today.

CAPITALIZED TERMS

2. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Subscription Agreement and the First Order, as applicable.

APPROVAL OF THE TRANSACTIONS

3. The Subscription Agreement and the Transactions contemplated by it are hereby approved, and the execution of the Subscription Agreement by AMI is hereby authorized and approved, with such amendments as AMI and the Purchaser may agree to. AMI is hereby authorized and directed to perform its obligations under the Subscription Agreement and any ancillary documents related thereto, and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions. In the event of any conflict between the terms of the Subscription Agreement and this Order, this Order shall prevail.
4. Subject to the terms of the Subscription Agreement, this Order shall constitute the only authorization required in respect of AMI proceeding with the Transactions, and no shareholder or other approval shall be required in connection therewith.

REORGANIZATION

5. Subject to the terms of the Subscription Agreement, upon delivery of a certificate from the Proposal Trustee confirming Closing of the Transactions has occurred, substantially in the form set out in Schedule "A" hereto (the "**Proposal Trustee's Certificate**"), the following, among other things, shall occur and be deemed to occur in accordance with the timing, sequence, terms and conditions set forth in the Subscription Agreement:
 - a) the Purchaser shall deliver the Purchase Price Balance (for the subscription and purchase of the Purchased Shares), less the amount which is credit bid by the Purchaser pursuant to section 21 of the Interim Financing Agreement between the Companies and Badger in its capacity as Interim Lender dated March 4, 2024 (the "**Credit Bid**"), and the Escrow Amount, if applicable, to the Proposal Trustee, on behalf of and for the benefit of AMI, and such amount shall be dealt with in accordance with the Closing Sequence in the Subscription Agreement;
 - b) the Terminated Employees shall be terminated by AMI or the Companies, as applicable;

- c) all directors of AMI immediately prior to the Closing Date shall be deemed to resign and the new directors named on the Subscription Agreement shall be deemed to be appointed as directors of AMI;
 - d) each issued and outstanding Common Share held by a Company Shareholder immediately prior to the Closing Date shall be exchanged without any further act or formality thereof for consideration in the form of one ResidualCo Share for each Common Share formerly held by each Company Shareholder immediately prior to the Closing Date;
 - e) each Equity Interest that is issued and outstanding immediately prior to the Closing Date, together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of AMI shall be deemed terminated and cancelled for no consideration in accordance with and pursuant to the Reverse Vesting Order; and
 - f) AMI shall, in consideration for the Purchase Price, issue the Purchased Shares to the Purchaser in accordance with the Subscription Agreement, free and clear of and from any and all Claims, Losses and Encumbrances.
6. The Purchaser and AMI, in completing the Transactions, are authorized to:
- a) execute and deliver any documents and assurances governing or giving effect to the Transactions as the Purchaser and/or AMI, in their discretion, may deem to be reasonably necessary or advisable to conclude the Transactions, including the execution of all such ancillary documents as may be contemplated in the Subscription Agreement or necessary or desirable for the completion and implementation of the Transactions, and all such ancillary documents are hereby ratified, approved and confirmed; and

- b) take such steps as are, in the opinion of the Purchaser and/or AMI, necessary or incidental to the implementation of the Transactions.
7. The Proposal Trustee may rely on any documents, assurances, or written notices, from AMI, the Companies, and the Purchaser, as applicable, regarding the fulfillment of conditions to closing under the Subscription Agreement and shall have no liability with respect to delivery of the Proposal Trustee's Certificate following the receipt of such document, assurance, or written notice.
 8. The Registrar appointed pursuant to Section 263 of the *Business Corporations Act*, RSA 2000, c B-9 ("ABCA") shall accept and receive any documents or instruments as may be required to permit or enable and effect the Transactions contemplated in the Subscription Agreement, filed by AMI, and the effective date for any certificate or authorization issued by the Registrar shall be the date of Closing.
 9. The Purchaser, the Companies, and ResidualCo are hereby permitted to execute and file articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be required to permit or enable and effect the Reorganization, including, without limitation, the issuance of the Purchased Shares, and such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under federal or provincial law to obtain director or shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Reorganization.
 10. This Order shall constitute the only authorization required by the Purchaser, the Companies, or ResidualCo to proceed with the Transaction, including, without limitation, the Reorganization and, except as specifically provided in the Subscription Agreement, no director or shareholder approval shall be required and no authorization, approval or other action by or notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction in respect of the Companies is required for the due execution, delivery and performance by the Purchaser, the Companies and by ResidualCo of the Subscription Agreement and the completion of the Transaction.

VESTING OF ASSETS AND LIABILITIES

11. Subject to the terms of the Subscription Agreement, upon delivery of the Proposal Trustee's Certificate, the following, among other things, shall occur and be deemed to occur in accordance with the timing, sequence, terms and conditions set forth in the Subscription Agreement:
- a) all legal and beneficial right, title and interest of the Companies in and to the Transferred Assets (which, for certainty, does not include the Purchase Price) shall be transferred to ResidualCo and shall vest absolutely and exclusively with ResidualCo, and all Encumbrances attached to the Transferred Assets prior to the transfer shall continue to attach to the Transferred Assets following the transfer with the same nature and priority as they had immediately prior to their transfer;
 - b) all Transferred Liabilities shall be transferred to, assumed by and vest absolutely and exclusively with ResidualCo in consideration for the ResidualCo Notes and the Transferred Assets, and the Transferred Liabilities shall be novated and become obligations of ResidualCo and shall no longer, under any circumstances, be or represent obligations of the Companies;
 - c) the Companies shall be forever released and discharged from all Transferred Liabilities and all Encumbrances securing the Transferred Liabilities, and any obligations thereunder, shall be forever released and discharged in respect of the Companies and the Retained Assets;
 - d) the Retained Assets will be retained by AMI in each case free and clear of and from any and all Claims, Losses and Encumbrances including, as applicable, without limiting the generality of the foregoing: (i) any Encumbrances or charges created by the First Order or any other Order of the Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), or any other personal property registry system or pursuant to *The Lands Title Act* (Alberta) or any other land titles or similar registry system, all of which affect or relate to the Purchased Shares and/or the Retained Assets

shall be expunged and discharged as against the Purchased Shares and Retained Assets, as applicable, including but not limited to those Claims and Encumbrances set forth in the attached **Schedule "B": Claims and Encumbrances**, but shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "C"** (collectively the **"Permitted Encumbrances"**);

- e) AMI shall satisfy the amounts owing under the ResidualCo Notes (including on behalf of the Subsidiaries, which in such case shall constitute a contribution of capital by AMI to the Subsidiaries) using the Purchase Price. If the aggregate principal amount of the ResidualCo Notes exceeds the Purchase Price then any such remaining unpaid principal amount of the ResidualCo Notes shall be extinguished for nil consideration and AMI and its Subsidiaries shall have no further liability or obligation to ResidualCo. If the aggregate principal amount of the ResidualCo Notes is less than the Purchase Price then any remaining Purchase Price shall vest in ResidualCo to be administered by the Proposal Trustee (as trustee of ResidualCo) for the benefit of ResidualCo's creditors (which creditors arise from the assumption of the Transferred Liabilities);
- f) the Companies shall cease to be applicants in the Proposal Proceedings and the Companies shall be deemed to be released from the purview of the First Order and all other Orders of this Court granted in relation to the Proposal Proceedings;
- g) ResidualCo shall replace the Companies as applicants and debtor, as applicable, in the Proposal Proceedings and shall be subject to the terms of all Orders granted in the Proposal Proceedings;
- h) the Proposal Trustee's powers shall be enhanced in respect of ResidualCo, including the authority to authorize and direct ResidualCo to make an assignment in bankruptcy and the Proposal Trustee shall be authorized to be appointed as trustee in bankruptcy of the estate of ResidualCo; and

- i) AMI shall cease to be a reporting issuer by Order of the Alberta Securities Commission and the Ontario Securities Commission under the securities legislation of the jurisdictions in which AMI is a reporting issuer.
- 12. As of the Effective Time:
 - a) AMI shall continue to hold all right, title and interest in and to the Retained Assets and Retained Contracts, free and clear of all Claims, Losses and Encumbrances other than the Retained Liabilities; and
 - b) AMI shall be deemed to have disposed of the Transferred Assets and shall have no right, title or interest in or to the Transferred Assets.
- 13. For greater certainty, any person that, prior to the Effective Time, had a Claim, Loss, or Encumbrance other than a Retained Liability against the Companies or their assets, properties or undertakings shall, as of the Effective Time, no longer have any such Claim, Loss, or Encumbrance against or in respect of the Companies or the Retained Assets, but shall have an equivalent Claim, Loss, or Encumbrance, as applicable, against: (a) the Transferred Assets, and (b) all amounts received by ResidualCo in satisfaction of the ResidualCo Notes (together, the “**ResidualCo Assets**”), to be administered by the Proposal Trustee in ResidualCo from and after the Effective Time, with the same attributes, rights, security, nature and priority as such Claim, Loss, or Encumbrance had immediately prior to its transfer to ResidualCo, and nothing in this Order limits, lessens, modifies (other than by change in debtor) or extinguishes the Claim, Loss, or Encumbrance of any Person as against the ResidualCo Assets to be administered by the Proposal Trustee in ResidualCo.
- 14. For greater certainty, from and after the Effective Time, all contracts, leases, licenses, and agreements to which the Companies are a party upon delivery of the Proposal Trustee’s Certificate will be and shall remain in full force and effect upon and following delivery of the Proposal Trustee’s Certificate and no individual firm, corporation, governmental body, agency, or any other entity (collectively a “**Person**”) who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform, or otherwise repudiate

its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution, or other remedy) or make any demand under or in respect of any such arrangement, and no automatic termination will have any validity or effect, by reason of:

- a) the insolvency of the Companies or the fact that the Companies sought or obtained relief under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "BIA");
 - b) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transaction or the provisions of this Order, or any other Order of the Court in these proceedings;
 - c) any transfer or assignment, or any change of control of Companies arising from the implementation of the Subscription Agreement, the Transaction, or the provisions of this Order; or
 - d) any event that occurred on or prior to the delivery of the Proposal Trustee's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Companies).
15. Notwithstanding paragraph 13, all cure costs shall be paid by the Purchaser or ResidualCo, as applicable and as set out in the Subscription Agreement, to the relevant counterparty to a Retained Contract, on or before the date that is 30 days following the Effective Time or such later date as may be agreed to by the Purchaser or ResidualCo, as applicable, and the relevant counterparty to a Retained Contract.
16. From and after the Effective Time, the Purchaser and/or AMI shall be authorized to take all steps as may be necessary to effect the discharge and release as against AMI and the Retained Assets of the Claims, Losses and Encumbrances that are transferred to and vested in ResidualCo pursuant to this Order.

17. Upon the delivery of the Proposal Trustee's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to AMI, the Retained Assets or the Transferred Assets (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Proposal Trustee's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to give effect to the terms of this Order and the completion of the Transactions, and to discharge and release all Claims, Losses and Encumbrances other than Retained Liabilities against or in respect of the Companies and the Retained Assets, and presentment of this Order and the Proposal Trustee's Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.

RESIDUALCO MATTERS

18. John David Churchill (the "**First Director**") is hereby authorized, *nunc pro tunc*, to act as director and officer of ResidualCo and, in such capacity, is hereby authorized to take such steps and perform such tasks as are necessary or desirable to facilitate the Transactions.
19. Notwithstanding Section 106 of the ABCA, the First Director shall be entitled to tender his resignation as a director and officer upon the appointment of the Proposal Trustee in respect of ResidualCo in these proposal proceedings and the granting and issuance of this Order.
20. The First Director shall not incur any liability as a result of becoming a director or officer of ResidualCo, save and except for any liability or obligation incurred as a result of fraud, gross negligence, or wilful misconduct on their part.
21. ResidualCo shall be deemed to be the former employer of any former employees of AMI or the Companies who were terminated between the filing date, November 13, 2023, and the Effective Time, if any, whose claims against the Companies are transferred to ResidualCo pursuant to this Order, provided that such deeming: (i) shall be effective

immediately after the Effective Time; and (ii) will solely be for the purposes of termination pay and severance pay pursuant to the *Wage Earners Protection Program*. For greater certainty, the Terminated Employee Claims shall be and constitute Transferred Liabilities which, pursuant to this Order and the Closing Sequence, shall be discharged as against AMI and transferred to ResidualCo.

22. The administration of ResidualCo shall remain subject to the Proposal Trustee's appointment and oversight, and this Court's oversight and these proposal proceedings.
23. Following the satisfaction and discharge of all Transferred Liabilities, all outstanding ResidualCo Shares shall be cancelled for either: (i) no consideration; or (ii) in the event the Transferred Assets are sufficient to satisfy all Transferred Liabilities against ResidualCo, and notwithstanding any provision of the ABCA, such amounts as determined by the Proposal Trustee, in its capacity as Proposal Trustee or in its capacity as bankruptcy trustee, in its sole discretion. Following the foregoing, all such ResidualCo Shares together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of ResidualCo shall be deemed terminated and cancelled in accordance with and pursuant to the this Order. The record date for such payment shall be set as the date of granting of this Order.
24. In addition to and without limiting the rights and protections afforded to the Proposal Trustee pursuant to the BIA, the First Order, and any subsequent Order granted by this Court in the within proceedings, the Proposal Trustee and its employees and representatives shall not incur any liability as a result of acting in accordance with this Order or administering ResidualCo, save and except for any gross negligence or wilful misconduct on the part of any such parties. All protections afforded to the Proposal Trustee pursuant to the First Order, any further Order granted in these proceedings or under the BIA shall continue to apply.

DISTRIBUTIONS & DISCHARGES OF PRIORITY CHARGES ON CLOSING

25. Upon exercise of the Credit Bid for the full amount of the indebtedness owing under the Interim Financing Agreement, all such indebtedness shall be deemed repaid in full by the Companies and the Interim Lender's Charge shall be released and discharged as against ResidualCo and the Transferred Assets.
26. As at the Effective Time, from the net proceeds received from the Purchase Price in satisfaction of the ResidualCo Notes, the Proposal Trustee is hereby authorized and empowered to make the following distributions in accordance with the below priority sequence:
- a) **Settlement Amount** – The Settlement Amount shall be paid to JMAC Energy Services LLC in accordance with the terms of the Settlement Agreement and the Settlement Approval Order granted by this Court on April 19, 2024;
 - b) **Administration Charge** – The outstanding reasonable fees and disbursements of the Proposal Trustee, the Proposal Trustee's counsel, and the Companies' counsel, in each case, incurred at their standard rates and charges, which priority payment shall collectively not exceed \$350,000, being the quantum of the approved Administration Charge. The Administration Charge shall otherwise not be released or discharged at this time, and will continue to attach to ResidualCo and the ResidualCo Assets to secure payment of the ongoing professional fees that might be incurred by the Proposal Trustee, the Proposal Trustee's counsel, or the Companies' counsel;
 - c) **Sale's Advisor Charge** – The outstanding obligations owing by the Companies to the Sales Advisor pursuant to the Engagement Letter between the parties dated December 5, 2023 and previously attached to the First Affidavit of David Churchill, sworn December 6, 2023 (the "**First Churchill Affidavit**") as Confidential Exhibit "1", which priority payment shall not exceed \$450,000, being the quantum of the Sale's Advisor Charge, and upon payment of such

amount the Sale's Advisor Charge shall be released and discharged as against ResidualCo and the ResidualCo Assets; and

- d) **KERP Charge** – The outstanding obligations owing by the Companies in accordance with the terms set forth in the Companies' key employee retention plan, as set forth in Confidential Exhibit "4" to the First Churchill Affidavit, which priority payment shall not exceed \$260,000, being the quantum of the KERP Charge, and upon payment of such amounts the KERP Charge shall be released and discharged as against ResidualCo and the ResidualCo Assets.

- 27. The Directors' Charge granted pursuant to the First Order is hereby released and discharged as against ResidualCo and the ResidualCo Assets.

RELEASES AND OTHER PROTECTIONS

- 28. From and after the Effective Time, all Persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings, or relying on any rights, remedies, claims or benefits in respect of or against the Companies, the Purchaser, the Proposal Trustee, the First Director, or the Retained Assets, in any way relating to, arising from or in respect of:

- a) the Transferred Assets;
- b) any and all Claims, Losses or Encumbrances other than the Retained Liabilities against or relating to the Companies, the Transferred Assets or the Retained Assets existing immediately prior to the Effective Time;
- c) the insolvency of the Companies prior to the Effective Time;
- d) the commencement or existence of the notice of intention proceedings; or
- e) the completion of the Transactions.

- 29. From and after the Effective Time, the Purchaser and the Companies shall be released from all Claims, Losses and Encumbrances with respect to any Taxes of, in respect of, or

that relate to, the Companies, including, without limiting the generality of the foregoing, all Taxes that could be assessed against the Purchaser or the Companies (including their Affiliates and any predecessor corporations) pursuant to Sections 160 and 160.01 of the *Income Tax Act* (Canada) and Section 325 of the GST Legislation and including as a result of any future amendments or proposed amendments to such provisions or related provisions, or any provincial equivalent, in connection with the Companies; provided, as it relates to the Purchaser and the Companies, such release shall not apply to any Taxes in respect of the business and operations conducted by the Companies after the Effective Time. For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to Taxes or obligations in respect thereof that are transferred to ResidualCo.

30. From and after the Effective Time, (a) the Companies, and their respective current directors, officers, employees, legal counsel, representatives and advisors; (b) the Proposal Trustee, and its employees, representatives and legal counsel, (c) the Purchaser, and its current directors, officers, employees, legal counsel, representatives and advisors, (d) Canaccord Genuity Corp., in its capacity as Sales Advisor, and its employees and representatives, and (e) the First Director (collectively, the **"Released Parties"** and each a **"Released Party"**) shall be and are hereby released and discharged from any and all claims that any Person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Effective Time in any way relating to, arising out of, or in respect of, these proposal proceedings including the implementation of the Transaction and Settlement Agreement, the administration of ResidualCo, or with respect to their respective conduct in these proposal proceedings (collectively, the **"Released Claims"**), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability that is determined by a court of competent jurisdiction to have constituted actual fraud, gross negligence, or wilful misconduct on the part of the applicable Released Party.

31. Other than as provided for in the Subscription Agreement, no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to these proposal proceedings or ResidualCo, except with prior leave of this Court on not less than fifteen (15) days' prior written notice to the applicable Released Party and upon further order security, as security for costs, the full indemnity costs of the applicable Released Party in connection with any proposed action or proceeding as the Court hearing the motion for leave to proceed may deem just and appropriate.

MISCELLANEOUS MATTERS

32. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), AMI and the Companies are authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Companies' records pertaining to past and current employees of the Companies. The Purchaser shall maintain and protect the privacy of such information in accordance with Applicable Law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by AMI prior to the Effective Time.
33. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Certificate forthwith after delivery thereof to the Purchaser.
34. Notwithstanding:
- a) the pendency of these proceedings;
 - b) any application for a bankruptcy Order now or hereafter issued pursuant to the BIA or otherwise and any bankruptcy or receivership Order issued pursuant to any such application; or
 - c) the provisions of any federal or provincial statute,

the execution of the Subscription Agreement and the implementation of the Transactions shall be binding on any trustee or other administrator in respect of ResidualCo and any trustee in bankruptcy or receiver that may be appointed in respect of the Companies and

shall not be void or voidable by creditors of ResidualCo or the Companies, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation or at common law, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

35. Following the Effective Time, the style of cause of these proposal proceedings shall be hereby amended by being deleted and replaced in its entirety by the following:

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
ACT, RSC 1985, C B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 2585929 ALBERTA LTD.

36. The Companies, the Purchaser, the Proposal Trustee, and any other interested party shall be at liberty to apply for further advice, assistance and direction as may be necessary or desirable in order to give full force and effect to the terms of this Order and to assist and aid the parties in completing the Transactions.
37. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement and enforce the terms and provisions of this Order, the Subscription Agreement and all amendments thereto, in connection with any dispute involving the Companies or ResidualCo, and to adjudicate, if necessary, any disputes concerning the Companies or ResidualCo related in any way to the Transactions.
38. This Court hereby requests the aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, including the State of Wisconsin, United States, and the State of North Dakota, United States, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make

such orders and to provide such assistance to the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order.

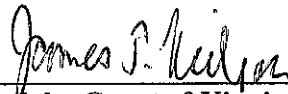
39. Service of this Order shall be deemed good and sufficient:

a) By serving same on the persons who were served with notice of this Application and any other parties attending or represented at the hearing of this Application; and

b) By posting a copy of this Order on the Proposal Trustee's website at: <https://www.ksvadvisory.com/experience/case/athabasca-minerals>.

40. Service of this Order on any other person is hereby dispensed with.

41. Service of this Order may be effected by facsimile, electronic mail, personal delivery, or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

Schedule "A" - Form of Proposal Trustee's Certificate

COURT FILE NUMBER & **25-3009380**
BANKRUPTCY ESTATE
NUMBER

Clerk's Stamp

COURT COURT OF KING'S BENCH OF
ALBERTA, IN BANKRUPTCY &
INSOLVENCY

JUDICIAL CENTRE CALGARY

MATTER IN THE MATTER OF THE
BANKRUPTCY AND INSOLVENCY ACT,
RSC 1985, C B-3 AS AMENDED

AND IN THE MATTER OF THE NOTICE
OF INTENTION TO MAKE A
PROPOSAL OF ATHABASCA
MINERALS INC., AMI SILICA INC.,
AMI AGGREGATES INC., AMI
ROCKCHAIN INC., TERRASHIFT
ENGINEERING LTD., 2132561
ALBERTA LTD., and 2140534 ALBERTA
LTD.

DOCUMENT **Proposal Trustee's Certificate**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Fasken Martineau DuMoulin LLP
Attn: Robyn Gurofsky / Jessica Cameron
3400 First Canadian Centre
350-7 Avenue SW
Calgary, AB T2P 3N9
Telephone: (403) 261-9469/261-9468
Facsimile: (403) 261-5351
Email: rgurofsky@fasken.com / jcameron@fasken.com
File No. 318938.00024

RECITALS

- A. On November 13, 2023, Athabasca Minerals Inc. ("**AMI**"), AMI Silica Inc., AMI Aggregates Inc., AMI RockChain Inc., TerraShift Engineering Ltd., 2132561 Alberta Ltd., and 2140534 Alberta Ltd. (collectively, the "**Companies**") each filed a notice of intention to make a proposal to their creditors (the "**Proposal Proceedings**") with the Office of the Superintendent of Bankruptcy. KSV Restructuring Inc. was appointed as the proposal trustee of the Companies' within Proposal Proceedings (and in such capacity the "**Proposal Trustee**").
- B. Pursuant to an Order of the Honourable Justice Neilson of the Alberta Court of King's Bench, Judicial District of Edmonton (the "**Court**") dated April 19, 2024 (the "**Transaction Approval Order**"), the Court approved the transactions contemplated by the Subscription Agreement dated February 9, 2024 (the "**Subscription Agreement**") between AMI and Badger Mining Corporation (the "**Purchaser**").
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Subscription Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

- 1. The Purchaser has paid and the Proposal Trustee has received the Purchase Price for the Purchased Shares payable on the Closing Date and the Escrow Amount, if applicable, pursuant to the Subscription Agreement and the Transaction Approval Order;
- 2. The conditions to Closing as set out in the Subscription Agreement have been satisfied or waived by AMI and/or the Purchaser, as the case may be; and
- 3. The Transactions contemplated by the Subscription Agreement and the Transaction Approval Order have been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at _____ on _____, 2024.

**KSV Restructuring Inc., in its capacity as
Proposal Trustee of and not in its personal
or corporate capacity**

Per: _____

Name: Andrew Basi

Title: Managing Director

SCHEDULE B – CLAIMS & ENCUMBRANCES

| 2132561 ALBERTA LTD. | | | | | |
|----------------------|-------------------|-------------|--------------------|---|--|
| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
| 23022736175 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | <p>JMAC ENERGY SERVICES LLC</p> <p>C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8</p> <p>Email: jon@jmacresources.com</p> | <p>GENERAL:</p> <ol style="list-style-type: none"> 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. |
| 23022736181 | 2023-Feb-27 | — | LAND CHARGE | <p>JMAC ENERGY SERVICES LLC</p> <p>C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8</p> <p>Email: jon@jmacresources.com</p> | — |

2140534 ALBERTA LTD.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|-------------------------|--------------------------|--------------------|--------------------------|--|--|
| 23022736217 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | GENERAL: 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. |
| 23022736239 | 2023-Feb-27 | — | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | — |

AMI AGGREGATES INC.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|-------------------------|--------------------------|--------------------|--------------------------|--|--|
| 23022736097 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | GENERAL: 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. |
| 23022736106 | 2023-Feb-27 | — | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | — |

AMI ROCKCHAIN INC.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|------------------|-------------------|-------------|--------------------|--|--|
| 23022736128 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | GENERAL: 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. |
| 23022736134 | 2023-Feb-27 | - | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | - |

AMI SILICA INC.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|-------------------------|--------------------------|--------------------|--------------------------|--|--|
| 23022736156 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | GENERAL: 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. |
| 23022736166 | 2023-Feb-27 | — | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | — |

ATHABASCA MINERALS INC.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|------------------|-------------------|-------------|--------------------|---|--|
| 18061514920 | 2018-Jun-15 | 2028-Jun-15 | SECURITY AGREEMENT | CANADIAN WESTERN BANK - CREDIT SUPPORT, NAB REGION 201, 12230 JASPER AVENUE EDMONTON, AB T5N 3K3 | GENERAL 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. BLOCK 21 - 1992 ATCO 36' X 60' 3 UNIT SIDE BY SIDE OFFICE COMPLEX c/w Misc. Office Furniture, 2-1 250 Gal Holding tank and Pump mounted in 20" storage container *Units Locked * S/N 260927511 , 260927512 , 260927513 , 891 |
| 23022735909 | 2023-Feb-27 | — | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVE SW CALGARY, AB T2P 0X8 | — |
| 23022736054 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVE SW CALGARY, AB T2P 0X8 | SERIAL NUMBER GOODS 1. 1FTFX1EVXAF08031 2010 FORD F150 XLT CAB TRUCK MOTOR VEHICLE. GENERAL 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 3. SERIAL NUMBER 244970871 YEAR 1997 MAKE/MODEL ATCO 11' X 44' WELLSITE |

| | | | | | |
|--|--|--|--|--|---|
| | | | | | <p>SERIAL NUMBER 260927513 YEAR 1992 MAKE/MODEL 2-1 250 GAL HOLDING TANK</p> <p>SERIAL NUMBER 0043ML01 YEAR 2001 MAKE/MODEL ALLMAND 8 KW S/A LIGHT</p> <p>SERIAL NUMBER 395730ULR819 YEAR 1900 MAKE/MODEL INGERSOLL- RAND L8 8KW S/A</p> <p>SERIAL NUMBER 4FVGMBBBS6U36487 YEAR 2006 MAKE/MODEL INGERSOLL RAND G60 46K</p> <p>SERIAL NUMBER 4FVLTBDAXDU447889 YEAR 2013 MAKE/MODEL DOOSAN L8 8KW S/A LIGHT</p> <p>4. SERIAL NUMBER 5SLBG14207L001495 YEAR 2007 MAKE/MODEL WHISPERWATT 56 KW S/A GEN</p> <p>SERIAL NUMBER NAL1676981116 YEAR 1998 MAKE/MODEL NOBLE 16' X 80' SKIDLESS</p> <p>SERIAL NUMBER NDM477341 YEAR 2013 MAKE/MODEL CASE SKID STEER</p> <p>5. SERIAL NUMBER PE4045T362215 YEAR 2013 MAKE/MODEL JOHN DEERE 75/50KW DOUBLE GEN</p> <p>SERIAL NUMBER SO38209-1 YEAR 2014 MAKE/MODEL JOHN DEERE GEN SET</p> <p>SERIAL NUMBER 0138505/15 YEAR 2014 MAKE/MODEL 175 KW GENSET</p> <p>SERIAL NUMBER NAL- 1660-01-1382 MAKE/MODEL NOBLE ACCEPTANCE SALE</p> |
|--|--|--|--|--|---|

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|--|--|--|--|--|---|
| | | | | | <p>TRAILER</p> <p>SERIAL NUMBER NAL-1240-03-1991 MAKE/MODEL NOBLE ACCEPTANCE SCALE TRAILER</p> <p>SERIAL NUMBER INDICATOR 137700093 BASE 05-257 MAKE/MODEL PRECISION GIANT INDICATOR 920I BASE ETS-109080-4PV</p> <p>SERIAL NUMBER INDICATOR 1437200091 BASE 07-323 MAKE/MODEL PRECISION GIANT INDICATOR 920I BASE ETS-109080-4PV</p> <p>SERIAL NUMBER INDICATOR 1447730041 BASE 07-341 MAKE/MODEL PRECISION GIANT INDICATOR 920I BASE ETS-109080-4PV</p> |
|--|--|--|--|--|---|

TERRASHIFT ENGINEERING LTD.

| Registration No. | Registration Date | Expiry Date | Registration Type | Secured Party /Parties | Collateral |
|------------------|-------------------|-------------|--------------------|--|---|
| 23022736078 | 2023-Feb-27 | 2048-Feb-27 | SECURITY AGREEMENT | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400-444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | SERIAL NUMBER GOODS: 1. 1GCSKSE39AZ258063, MOTOR VEHICLE, 2010 CHEVROLET 1500 SILVERADO GENERAL: 1. ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 2. PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. 3. SERIAL NUMBER 08QCEAL0227SY3 MAKE DJI MODEL MAVIC PRO MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.075 MM MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.08 MM MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.08 MM MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.08 MM MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.08 MM SERIAL NUMBER 11156573 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.125 MM |

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|--|--|--|--|--|---|
| | | | | | <p>SERIAL NUMBER 1167323 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.15 MM</p> <p>SERIAL NUMBER 10336815 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.18 MM</p> <p>SERIAL NUMBER 9256880 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.212 MM</p> <p>SERIAL NUMBER 10467149 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.25 MM</p> <p>SERIAL NUMBER 10467139 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.3 MM</p> <p>SERIAL NUMBER 10427069 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.425 MM</p> <p>SERIAL NUMBER 9517316 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.5 MM</p> <p>SERIAL NUMBER 10199236 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.6 MM</p> <p>SERIAL NUMBER 1068906 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 0.71 MM</p> <p>SERIAL NUMBER 1197657 MAKE U.S.A STANDARD TEST SIEVE MODEL ASTM E- 11 - 1 MM</p> <p>SERIAL NUMBER 10526915 MAKE U.S.A STANDARD TEST</p> |
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|--|--|--|--|--|---|
| | | | | | <p>SIEVE MODEL ASTM E-11 - 1.18 MM</p> <p>SERIAL NUMBER 7146841 MAKE CANADIAN STANDARD TESTING SIEVE MODEL CAN/CGSB-8.2-M - 0.09 MM</p> <p>SERIAL NUMBER 7476935 MAKE CANADIAN STANDARD TESTING SIEVE MODEL CAN/CGSB-8.2-M - 0.106 MM</p> |
| | | | | | <p>4. SERIAL NUMBER 7146823 MAKE CANADIAN STANDARD TESTING SIEVE MODEL CAN/CGSB-8.2-M - 0.355 MM</p> <p>SERIAL NUMBER 8469811 MAKE CANADIAN STANDARD TESTING SIEVE MODEL CAN/CGSB-8.2-M - 2 MM</p> <p>SERIAL NUMBER 4227707 MAKE CANADIAN METRIC SIEVE SERIES CAN/CGSB-8.2- M - 20 MM</p> <p>MAKE CANADIAN METRIC SIEVE SERIES MODEL CGSB STANDARD 8 GP2M - 20 MM</p> <p>SERIAL NUMBER 13030711 MAKE VJ TESTING EQUIPMENT MODEL ISO 3310 - 19 MM</p> <p>SERIAL NUMBER 13030748 MAKE VJ TESTING EQUIPMENT MODEL ISO 3310 - 37.5 MM</p> <p>SERIAL NUMBER 12120209 MAKE VJ TESTING EQUIPMENT</p> |

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|--|--|--|--|--|--|
| | | | | | <p>MODEL ISO 3310 – 50 MM</p> <p>MAKE 200 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.08 MM</p> <p>MAKE 201 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.08 MM</p> <p>MAKE 202 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.08 MM</p> <p>MAKE 203 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.08 MM</p> <p>MAKE 204 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.16 MM</p> <p>MAKE 205 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.16 MM</p> <p>MAKE 206 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.16 MM</p> <p>MAKE 207 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.315 MM MAKE 208 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.315 MM</p> <p>MAKE 209 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.315 MM</p> <p>MAKE 210 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.315 MM</p> <p>MAKE 211 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.63 MM</p> |
|--|--|--|--|--|--|

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|--|--|--|--|----|---|
| | | | | | <p>MAKE 212 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.63 MM</p> |
| | | | | 5. | <p>MAKE 213 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.63 MM</p> <p>MAKE 214 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 0.63 MM</p> <p>MAKE 215 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 1.25 MM</p> <p>MAKE 216 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 1.25 MM</p> <p>MAKE 217 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 1.25 MM</p> <p>MAKE 218 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 1.25 MM</p> <p>MAKE 219 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 2.5 MM</p> <p>MAKE 220 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 2.5 MM</p> <p>MAKE 221 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 5 MM</p> <p>MAKE 222 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 5 MM</p> <p>MAKE 223 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 5 MM</p> <p>MAKE 224 MM DIAMETER METRIC</p> |

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|--|--|--|--|--|--|
| | | | | | <p>SIEVE MODEL ISO 3310-1 - 5 MM</p> <p>MAKE 225 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 10 MM</p> <p>MAKE 226 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 10 MM</p> <p>MAKE 227 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 10 MM</p> <p>MAKE 228 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 10 MM</p> <p>MAKE 229 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 12.5 MM</p> <p>MAKE 230 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 12.5 MM</p> <p>MAKE 231 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 16 MM</p> <p>MAKE 232 MM DIAMETER METRIC SIEVE MODEL ISO 3310-1 - 16 MM</p> <p>6. SERIAL NUMBER 409803 MAKE LABRATORY TEST SIEVE ENDECOTTS LTD MODEL ISO 565 - 25 MM</p> <p>MAKE CANADIAN STANDARD TESTING SIEVE MODEL - 4.75 MM</p> <p>MAKE CANADIAN STANDARD TESTING SIEVE MODEL - 20 MM</p> <p>MAKE STANDARD TESTING SIEVE THE WESTERN GROUP</p> |
|--|--|--|--|--|--|

| | | | | | MODEL - 40 MM |
|-------------|-------------|---|----------------|--|---------------|
| 23022736089 | 2023-Feb-27 | - | LAND CHARGE | JMAC ENERGY SERVICES LLC C/O FIELD LLP, 400- 444 7 AVENUE SW CALGARY, AB T2P 0X8 Email: jon@jmacresources.com | - |

SCHEDULE C – PERMITTED ENCUMBRANCES

Nil.

Appendix “C”



Estate File No.: 25-3009380

**IN THE MATTER OF THE BANKRUPTCY OF
2585929 ALBERTA LTD.
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

**NOTICE OF BANKRUPTCY AND FIRST MEETING OF CREDITORS
(Subsection 102(1))**

Take notice that:

1. On April 19, 2024, the Court of King's Bench of Alberta granted an order in the Notice of Intention to file a Proposal proceedings (the "Proposal Proceedings") of Athabasca Minerals Inc., 2132561 Alberta Ltd., 2140534 Alberta Ltd., AMI Aggregates Inc., AMI RockChain Inc., AMI Silica Inc. and TerraShift Engineering Ltd. (collectively the "Companies") to replace the Companies with 2585929 Alberta Ltd. ("929") as the applicant and debtor in the Proposal Proceedings.
2. 929 was deemed to have filed an assignment in bankruptcy on May 14, 2024, and KSV Restructuring Inc. was appointed as Licensed Insolvency Trustee (the "Trustee") of 929 by the Office of the Superintendent of Bankruptcy, subject to affirmation by the creditors of the Trustee's appointment
3. The first meeting of creditors of the bankrupt will be held on the June 4, 2024 at 10:00 a.m. (MST) to be convened via Teams at:
<https://www.microsoft.com/en-ca/microsoft-teams/join-a-meeting>
Meeting ID: 296 482 613 983
Passcode: 6PLK5M
4. To be entitled to vote at the meeting, creditors must lodge with the Trustee, prior to the meeting, proofs of claim and, where necessary, proxies.
5. Enclosed with this notice is a form of proof of claim, a form of general proxy, and a list of creditors with claims of twenty-five dollars (\$25) or more, showing the amounts of their claims according to 929's books and records. Creditors can email their claims and proxy to info@ksvadvisory.com.
6. Creditors must prove their claims against the Companies or 929 to receive dividends, if any, in the bankruptcy proceedings.

DATED at Calgary, Alberta, this 21st day of May, 2024

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
LICENSED INSOLVENCY TRUSTEE OF
2585929 ALBERTA LTD.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Alberta
Division No.: 02 - Calgary
Court No.: 25-3009380
Estate No.: 25-3009380

In the Matter of the Bankruptcy of:

2585929 ALBERTA LTD.

Debtor

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Ordinary Administration

| | | | |
|-----------------------|--|--------------------|----------------------|
| Date of bankruptcy: | May 14, 2024 | Security: | \$0.00 |
| Meeting of creditors: | June 04, 2024, 10:00 Via Teams Meeting ID: 296 482 613 983 Passcode: 6PLK5M, Alberta Canada, | | |
| Chair: | Syndic | Designated person: | John David Churchill |

CERTIFICATE OF ASSIGNMENT - Paragraph 50.4(8)(b.1) of the Act

-- AMENDED --

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- a notice of intention in respect of the aforementioned debtor was filed under section 50.4 of the *Bankruptcy and Insolvency Act*;
- the debtor has failed to file a cash-flow statement or a proposal within the provided period following the filing of the notice of intention or within any Court-granted extension and is thereupon deemed to have made an assignment.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: May 16, 2024

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

District of: Alberta
Division No. 02 - Calgary
Court No. 25-3009380
Estate No. 25-3009380

☒ Original

☐ Amended

Form 78

Statement of Affairs (Business Bankruptcy) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Bankruptcy of
2585929 Alberta Ltd.
of the City of Calgary, in the Province of Alberta

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 14th day of May 2024. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

| | |
|---|---------------|
| 1. Unsecured creditors as per list "A" | 5,369,699.14 |
| Balance of secured claims as per list "B" | 0.00 |
| Total unsecured creditors | 5,369,699.14 |
| 2. Secured creditors as per list "B" | 0.00 |
| 3. Preferred creditors as per list "C" | 0.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 0.00 |
| Total liabilities | 5,369,699.14 |
| Surplus | 16,479,135.86 |


ASSETS
(as stated and estimated by the officer)

| | |
|---|---------------|
| 1. Inventory | 0.00 |
| 2. Trade fixtures, etc. | 0.00 |
| 3. Accounts receivable and other receivables, as per list "E" Good | 0.00 |
| Doubtful | 0.00 |
| Bad | 0.00 |
| Estimated to produce | 0.00 |
| 4. Bills of exchange, promissory note, etc., as per list "F" | 0.00 |
| 5. Deposits in financial institutions | 0.00 |
| 6. Cash | 21,848,835.00 |
| 7. Livestock | 0.00 |
| 8. Machinery, equipment and plant | 0.00 |
| 9. Real property or immovable as per list "G" | 0.00 |
| 10. Furniture | 0.00 |
| 11. RRSPs, RRIFs, life insurance, etc. | 0.00 |
| 12. Securities (shares, bonds, debentures, etc.) | 0.00 |
| 13. Interests under wills | 0.00 |
| 14. Vehicles | 0.00 |
| 15. Other property, as per list "H" | 0.00 |
| If bankrupt is a corporation, add: Amount of subscribed capital | 0.00 |
| Amount paid on capital | 0.00 |
| Balance subscribed and unpaid | 0.00 |
| Estimated to produce | 0.00 |
| Total assets | 21,848,835.00 |
| Deficiency | NIL |

I, John David Churchill, of the City of Calgary in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 16th day of May 2024 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the City of Calgary in the Province of Alberta, on this 16th day of May 2024.


Jason Knight, Commissioner of Oaths
For the Province of Alberta
Expires September 15, 2025


John David Churchill

**IN THE MATTER OF THE BANKRUPTCY OF
2585929 ALBERTA LTD
OF THE CITY OF CALGARY IN THE PROVINCE OF ALBERTA**

| Unsecured creditors | | | | | Amount Due |
|--|-----------------------------------|---------------|------------|--|---------------------|
| Alberta Roadbuilders and Heavy Construction Assoc. | 101 8905 51st Avenue NW | Edmonton | AB T6E 5J3 | | 3,134.25 |
| Alberta Treasury Bank | 10020 100 St NW #2100 | Edmonton | AB T5J 0N3 | | 20,000.00 |
| ALPAC | PO Box 8000 | Boyle | AB T0A 0M0 | | 1,447.10 |
| AOC Leismer Corner Partnership | 1200, 251- 9th Ave Sw | Calgary | AB T2P 1K3 | | 262.50 |
| Apitipi Anicinapek Trucking Ltd. | 174 Main Street | Kirkland Lake | ON P2N 3G1 | | 29,752.94 |
| Aurora Beekman | | | | | 1.00 |
| Ben Kim | 3230 Vercheres Street SW | Calgary | AB T2T 3R5 | | 50,000.00 |
| Broadridge Investor Communication Solutions | PO Box 57461, Station A | Toronto | ON M5W 5M5 | | 2,690.55 |
| Calgary Petroleum Club | 319 5th Ave Sw | Calgary | AB T2P 0L5 | | 372.49 |
| Canadian Western Bank | Suite 1300, 12230 Jasper Ave | Edmonton | AB T5N 3K3 | | 1.00 |
| Cherly Grue | | | | | 1.00 |
| Clean Harbors Lodging Services LP | 12210 23rd Street NE , | Edmonton | AB T6S 0A5 | | 6,216.00 |
| CNN Corporate Services Ltd. | #160, 717 & Ave Sw | Calgary | AB T2P0Z3 | | 25.90 |
| Culligan Water | 1110 58 Ave SE | Calgary | AB T2H 2C9 | | 24.84 |
| Dana Archibald | | | | | 1.00 |
| David Chruchill | | | | | 1.00 |
| Department of Finance Canada | 90 Elgin Street | Ottawa | ON K1A 0G5 | | 60,000.00 |
| Derek Delmar | | | | | 1.00 |
| Direct Energy Regulated Services | PO Box 1520, 639 5th Ave SW | Calgary | AB T2P 5R6 | | 55.41 |
| Don Paulencu | 158, 52327 Range Road 233 | Sherwood Park | AB T8B 1C6 | | 1,000,000.00 |
| Enviroshred Inc. | 4378 116 Avenue SE | Calgary | AB T2Z 3Z9 | | 2,526.43 |
| EPCOR | PO Box 500 | Edmonton | AB T5J 3Y3 | | 787.66 |
| Equitable Life | 1 Westmount Road N., PO Box 1603, | Waterloo | ON N2J 4C7 | | 4,088.81 |
| First Insurance Funding of Canada | 20 Toronto St. Suite 700 | Toronto | ON M5C 2B8 | | 19,886.62 |
| Government of Alberta- Royalty and Lease Payable | 9915 108 Street, 5th Floor | Edmonton | AB T5K 2G8 | | 174,813.36 |
| Grant Thornton LLP | 1001-1675 Grafton St | Halifax | NS B3J 0E9 | | 2,415.53 |
| Imperial Oil Resources Limited | 505 Quarry Park Blvd SE | Calgary | AB T2C 5N1 | | 14,175.00 |
| JMAC Energy Services LLC c/o Field LLP | 400-444 7 Avenue SW | Calgary | AB T2P 0X8 | | 2,000,000.00 |
| Joessoftware Inc | 5523 92nd Street NW | Edmonton | AB T6E 3A4 | | 210.00 |
| Linde Canada Inc. | Po Box 2531, Station M | Calgary | AB T2P 0S6 | | 286.76 |
| Lorraine Duncombe | | | | | 1.00 |
| Madill The Office Company | PO Box 44028, Garside | Edmonton | AB T5V 1M8 | | 78.74 |
| Malcom MacDougall | | | | | 1.00 |
| Maria Barreras | | | | | 1.00 |
| Master Plan Investments | 4100 Yonge Street, Suite 414 | Toronto | ON M2P 2B5 | | 300,000.00 |
| Newsfile | #380-1100 Melville St , | Vancouver | BC V6E 4A6 | | 766.50 |
| Pacesetter Equipment Ltd | 2610333 Wagonwheel Way | Rocky View | AB T4A 0E2 | | 21,596.95 |
| Paul Leveille | | | | | 1.00 |
| Philip Schuman | 11444 – 67 Street NW | Edmonton | AB T5B 1L4 | | 50,000.00 |
| Pioneer Offroad Rentals | 8835 - 53 Avenue | Edmonton | AB T6E 5E9 | | 1,230.39 |
| Proactive Investors Nrth America Inc. | Suite 965, 1055 West Georgia St | Vancouver | BC V6E 3P3 | | 420.00 |
| Pure Water Connection | 10739-180 Street | Edmonton | AB T5S 1G6 | | 38.75 |
| Red Door Cleaning Ltd | 137 Keyport Circle | Leduc | AB T9E 0M4 | | 1,050.00 |
| Regional Municipality of Wood Buffalo | 9909 Franklin Avenue | Fort McMurray | AB T9H 2k4 | | 85,883.03 |
| SMS Equipment Inc. | 11285-274 Street | Acheson | AB T7X 6P9 | | 5,580.42 |
| Taves Management | 3923 – 44 Avenue | Camrose | AB T4V 3T2 | | 1,000,000.00 |
| Teul Mobility | PO Box 8950 Station Terminal | Vancouver | BC V6V 3B3 | | 967.23 |
| Tridura Gaurantee Insurance Company | 333 Bay St. Suite 1610 Box 22 | Toronto | ON M5H 2R2 | | 500,000.00 |
| Triovest Realty | 40 University Ave., Suite 1200 | Toronto | ON M5J 1T1 | | 1.00 |
| TSX Trust Company | 301-100 Adelaide Street West | Toronto | ON M5H 4H1 | | 1,994.05 |
| Waste Connections of Canada Inc. | 3410-74 Avenue | Edmonton | AB T6B 2P7 | | 33.34 |
| WCB Alberta | 9912 107 Street | Edmonton | AB T5K 1G5 | | 3,693.90 |
| Xerox | 5616 80 Ave SE | Calgary | AB T2C 4N5 | | 3,127.00 |
| Xerox Canada Ltd., | PO Box 4539, Station A | Toronto | ON M5W 4P5 | | 55.69 |
| Total | | | | | 5,369,699.14 |

* an Amount of \$1 indicates that the amount due is undetermined or unknown. Amounts were derived from the Company's books and records and are subject to confirmation based on proof of claim to be filed by creditors in the bankruptcy.

Appendix “D”



2585929 Alberta Ltd.

Determination of the TCP Status as at April 19, 2024

KSV Restructuring Inc., in its capacity as The Trustee of the Estate of 2585929 Alberta Ltd., a bankrupt, and not in its personal or corporate capacity

August 29, 2025

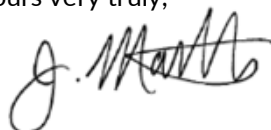
Pursuant to the engagement letter dated April 30, 2025, Sequeira Partners ("we" or "us") has been engaged by KSV Restructuring Inc., in its capacity as The Trustee of the Estate of 2585929 Alberta Ltd., a bankrupt, and not in its personal or corporate capacity ("KSV") to provide an Estimate Valuation Report (the "Report") regarding the determination of whether the shares of Athabasca Minerals Inc., together with its subsidiaries ("AMI" or the "Company") qualify as taxable Canadian property as defined primarily in section 248(1) of the Income Tax Act (Canada) as at April 19, 2024 ("Determination Date" or "Valuation Date").

We understand the Report is to be used for tax and shareholder planning purposes. The Report has been prepared solely for your use for the foregoing purpose and should not be used for any other purpose or be provided to any third parties, without our prior written consent.

The scope of our work and restrictions and qualifications are set out in Appendices A and B, respectively and are an integral part of the Report.

This Report has been prepared by Jordan Martel, CBV, ASA, MBA. Should you have any questions regarding the Report, or if we may be of further assistance, please contact us.

Yours very truly,



Jordan Martel, CBV, ASA, MBA
Partner

Enclosure (Schedules)

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Glossary

Units of Measurement

\$ Canadian dollars (unless otherwise indicated)

Definitions

| | |
|-------------------------|---|
| 213 | 2132561 Alberta Ltd. which also refers to the Montney In-Basin Silica Sand Project |
| 214 | 2140534 Alberta Ltd. which also refers to the Duvernay Silica Sand Project |
| 258/ResidualCo | 2585929 Alberta Ltd. |
| Aggregates | AMI Aggregates Inc. |
| AMI/Company | Collectively refers to Athabasca Minerals Inc., and its subsidiaries: 2132561 Alberta Ltd., 2140534 Alberta Ltd., AMI Aggregates Inc., AMI RockChain Inc., AMI Silica Inc., and TerraShift Engineering Ltd. |
| AMIS | AMI Silica LLC, which is held by the Company and JMAC on a 50/50 basis. |
| BIA | The Bankruptcy and Insolvency Act (Canada) |
| CAGR | Compound annual growth rate |
| Canadian Courts | Any official court within Canada's judicial system that has the authority to interpret and apply Canadian laws, resolve disputes, and administer justice. |
| CAPM | Capital asset pricing model |
| Capex | Capital expenditures |
| CBV Institute | The Canadian Institute of Chartered Business Valuators |
| CCF | Capitalized cash flow methodology |
| CPI | Consumer Price Index |
| CRA | Canada Revenue Agency |
| DCF | Discounted cash flow methodology |
| Determination | April 19, 2024 |
| Prosvita Sand Project | Duvernay Silica sand project held by 214 AB |
| Enterprise Value, or EV | The total value of a business including both its interest-bearing debt and equity component. |
| ERO | Environmental Reclamation Obligation |
| ERP | Equity Risk Premium |

Glossary

| | |
|-------------------|---|
| Estate of 2585929 | The Trustee of the Estate of 2585929 Alberta Ltd., a bankrupt |
| FMV | Fair Market Value, the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. |
| FY | Fiscal Year |
| GDP | Gross domestic production |
| ITA | Income Tax Act (Canada) |
| JMAC | JMAC Energy Services LLC |
| KSV | KSV Restructuring Inc., in its capacity as The Trustee of the Estate of 2585929 Alberta Ltd., a bankrupt, and not in its personal or corporate capacity |
| LTC | Lowest tier corporation |
| Montney Project | Montney In-Basin silica sand project held by 213 AB |
| NOI | Notices of Intention to Make a Proposal filed on November 13, 2023 by AMI |
| Operating Assets | Contract assets, contract costs, resource properties, investments in associates, intangible assets, and investments in joint ventures |
| RCP | Relevant Canadian property which describes property that is listed in subparagraph (e)(ii) of the definition of TCP in Income Tax Act (Canada) subsection 248(1) |
| Report | The Estimate Valuation Report, as defined by the CBV Institute Standard No. 110., dated August 29, 2025, regarding the determination of whether the shares of AMI qualify as TCP as at the Valuation Date. |
| Rockchain | AMI RockChain |
| Silica | AMI Silica Inc. |
| Step 1 Test | Assessment on a consolidated balance sheet basis to identify the period of highest exposure to relevant RCP |
| Step 2 Date | December 31, 2021 |
| Step 2 Test | Assessment on an unconsolidated, entity-level basis to test TCP status based on direct and indirect asset holdings as at the identified exposure date. |
| TCP | Taxable Canadian property |
| TerraShift | TerraShift Engineering Ltd. |
| Test Period | The 60 months preceding the Valuation Date which is between April 19, 2019 and April 19, 2024 |
| TSX-V | TSX Venture Exchange |

Glossary

| | |
|----------------|----------------------------------|
| Valuation Date | April 19, 2024 |
| WACC | Weighted average cost of capital |

Introduction

Terms of Reference

Sequeira has been engaged by KSV to provide the Report regarding the determination of whether the shares of AMI qualify as TCP as defined primarily in Section 248(1) of the ITA (Canada) at the Valuation Date. The Report is subject to the terms and conditions included in our engagement letter dated April 30, 2025.

TCP is determined by testing if at any time during the 60 months preceding the Determination Date, more than 50% of the FMV of the shares was derived directly or indirectly (otherwise than through a corporation, partnership or trust the shares or interest in which were not themselves TCP at the particular time from one or any combination of the following relevant Canadian property¹:

- 1) Real or immovable property situated in Canada;
- 2) Canadian resource property;
- 3) Timber resource property; and
- 4) Options in respect of, interest in, or for civil law rights in, property described in any of the subparagraph (1) to (4), whether or not the property exists.

The Report is provided solely for your use for tax and shareholder planning purposes and should not be used for any other purpose, or be provided to any third parties, without our prior written consent. We understand that the Report will be relied upon in reporting to the Court in connection with an insolvency proceeding. Notwithstanding the foregoing, the Client may provide the Report to the Canada Revenue Agency for the purposes of tax filings, when required.

We prepared an Estimate Valuation Report in conformity with the Practice Standards of the CBV Institute. An Estimate Valuation Report is not a Comprehensive Valuation Report, as defined by CBV Institute Standard No. 110. As such, the scope of review is inherently limited by the nature of the valuation report being provided, and the conclusions expressed may have been different had a Comprehensive Valuation Report had been issued.

All references to currency in the Report, including its Appendices and Schedules, are in Canadian ("\$"), unless otherwise stated.

The scope of our work and the restrictions and qualifications are set out in Appendices A and B, respectively. They are an integral part of the Report.

Definition of Fair Market Value

For the purposes of the Report, we have used the concept of FMV, which is defined as and generally accepted by Canadian Courts and the CRA:

"The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."

FMV, as defined above, is a value concept, which may or may not equal the purchase/sale price in an actual market transaction. The actual price achieved may be higher or lower than the FMV determined in a notional context as a result of a variety of factors, including the form of the consideration paid, different knowledge and negotiating abilities, as well as motivations, of the buyers and sellers. Within the marketplace there may exist "special purchasers" who may be willing to pay higher prices because of reduced or eliminated competition, ensured source of sales, cost savings arising on business combinations following acquisitions, or other synergies that could be enjoyed by the purchaser. We have not considered the impact of special purchasers in reaching our conclusions.

¹ Source: Definition of TCP, Income Tax Act Section 248 PART XVII - Interpretation

Major Assumptions

In preparing the Report, we have relied on the following major assumptions (in addition to those set out throughout the Report, including the attached schedules):

- a) The Report is based on the financial and operational information throughout the Test Period, and there have been no material changes in the financial statements or financial position of AMI since the dates of the latest available information;
- b) The financial information as referred to in the Scope of Review section of the Report (Appendix A), are fairly presented and would not require any significant adjustments if they were subject to an audit;
- c) The FMV of the Company's assets and liabilities throughout the Test Period was approximated by reported net book value, except as disclosed herein;
- d) The Company does not have any material contingent liabilities, known environmental issues, unusual contractual obligations, litigation pending or threatened, or substantial commitments, throughout the Test Period, except as disclosed herein;
- e) Based on ITA Section 248(1), AMI's resource properties including exploration costs, pit development costs, ERO assets and other related costs are considered RCP;
- f) Based on ITA Section 248(1), AMI's contract assets are not considered RCP;
- g) Based on ITA Section 248(1), certain fixed assets owned by AMI, including land, buildings, scales and scale houses, as well as right-of-use assets (including Calgary and Edmonton office lease assets) are considered RCP;
- h) Transactions between AMI and affiliated or related companies are conducted at arms-length, market-based terms, unless otherwise noted herein;
- i) Leases are at market rates and are expected to be renewed at market terms in the future;

- j) There are no restrictions on transfer of ownership that would impact the values otherwise determined herein; and
- k) Any other assumptions as specifically set out in this Estimate Valuation Report.

Should any of the above assumptions not be accurate or should any of the other information provided to us not be factual or correct, our Report conclusions could be significantly different.

Business Overview

AMI is a corporation amalgamated under the laws of the Province of Alberta and, through its subsidiaries, is focused on the production and delivery of frac sand to Canada and the United States. The Company operated aggregate operations in Western Canada and maintained the largest platform for buying, selling, and transporting aggregates through its 100% owned technology platform, AMI RockChain.

AMI was a reporting issuer in the Provinces of British Columbia, Alberta, and Ontario. The common shares of AMI were listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "AMI".

On November 13, 2023, the Company filed a NOI to its creditors under the BIA. Subsequently, AMI was assigned into bankruptcy and KSV has been appointed as the Trustee in the Company's insolvency proceedings and is assisting the Company in its restructuring effort. Pursuant to the NOI, KSV has been appointed as the trustee in the Company's proposal proceedings and is assisting the Company in its restructuring efforts.

Due to the filing of the NOI, the trading of AMI's common shares was suspended. The last trading date was November 10, 2023, with a closing price of \$0.135 per share. At the time of the suspension, AMI's market capitalization was approximately \$10.61 million².

The Company's organizational structure as of December 31, 2019 through 2022 are presented in Appendix D of the Report.

AMI is the parent company, either directly or indirectly, of the following subsidiaries:

- **Silica** – Incorporated on May 30, 2018, has resource holdings in Alberta. It owns a 100% interest in the Firebag silica sand project, a 49.2% interest in the Montney In-Basin silica sand project, and a 49.6% interest in the Duvernay silica sand project as at December 31, 2019 and 2020.

- **Aggregates** – produces and sells aggregates from its corporate pits and manages other contract work for customers. Until June 30, 2023, the entity managed the Coffey Lake Public Pit on behalf of the Government of Alberta for which aggregate management services revenue is earned.
- **RockChain** - formerly known as "Aggregates Marketing Inc." and changed its name as of February 2020. Incorporated on March 19, 2018, RockChain is a midstream, technology-enabled business using its proprietary digital platform, automated supply-chain and logistics solutions to deliver products across Canada. AMI sells third party aggregate using the RockChain™ digital platform to provide integrated supply and transportation solutions for industrial and construction markets.
- **TerraShift** – acquired by RockChain in June 2020, conducts resource exploration, regulatory, mining, environmental and reclamation engineering for customers. AMI phased out the operations of TerraShift in 2022;
- **213** – holds the Company's 100% interest in the Montney Project which is an exploration project in Northeastern British Columbia. 213 was acquired by AMI on February 5, 2021. This project was in the advanced stages of exploration at Step 2 Date; and
- **214** – holds the Company's 100% interest in the Prosvita Sand Project which is located in North Central Alberta. 214 was acquired by AMI on February 5, 2021. 214 was undergoing regulatory approvals and permitting processes with the Alberta Ministry of Environment and Protected Areas in relation to this project at Step 2 Date.

As noted above, Silica, Aggregates, RockChain, 213 and 214, are wholly owned subsidiaries of AMI. TerraShift is a wholly owned subsidiary of RockChain. AMI also holds a 50% interest in AMIS, an entity that is not a party to these proceedings.

AMIS is a limited liability company, incorporated pursuant to the laws of the State of North Dakota. AMIS's mining operation is located in Hixton, Wisconsin and produces silica sand that can meet a wide range of markets. The Hixton operation includes 440 hectares of land, a fully functional and

² Source: S&P Capital IQ

Overview

staffed mine and processing plant capable of 2.4 million tons of sand production annually, fixed storage, rail transloading capabilities of roughly 100 railcar shipments with 6-day a week service on Canadian National Railway, mobile equipment and active supply chain contracts. For the fiscal year ending December 31,2022, AMIS had revenue of approximately \$43.5 million and net assets of \$46.9 million.

Financial Performance Overview

| In CAD (\$000) | 12 months | | | | | 9 months |
|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 31-Dec-18 | 31-Dec-19 | 31-Dec-20 | 31-Dec-21 | 31-Dec-22 | 30-Sep-23 |
| Revenue | 5,132 | 2,601 | 1,945 | 7,155 | 12,442 | 2,033 |
| Gross Profit | 1,464 | (1,065) | (399) | 868 | 921 | 510 |
| Gross Margin | 28.5% | -40.9% | -20.5% | 12.1% | 7.4% | 25.1% |
| Operating Loss | (3,711) | (2,846) | (3,828) | (2,575) | (10,380) | (3,006) |
| Net Income (Loss) | (2,510) | (2,721) | (3,531) | (2,171) | 11,889 | (5,134) |

Source: AMI's public filings on SEDAR

AMI has experienced inconsistent revenue and low gross margins, leading to a continued inability to generate sufficient cash flow to support its operations. The Company incurred operating losses of approximately \$10.4 million in fiscal 2022 and \$2.6 million in fiscal 2021. In addition, the Company's 50% interest in AMIS has not contributed meaningful cash flow to AMI; instead, it has required ongoing capital support to fund its growth and working capital needs.

Valuation Approach

Overall Valuation Approaches

There are two fundamental approaches to determine the FMV of a business: the liquidation approach and the going concern approach.

A liquidation valuation approach would be used if the business is not viable as a going concern or if the return on the assets on a going concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would maximize value or minimize taxes thereon.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings that provides a sufficient return on invested capital. Where a business has commercial value as a going concern, three generally accepted categories to valuation are commonly utilized:

- Income approach
- Asset-based approach; and
- Market approach.

Within each category a variety of methodologies exist to assist in the determination of the FMV. The nature and characteristics of the asset or business indicates which approach and methodology is most appropriate for valuation. The valuation approaches are described in detail in Appendix C.

Selected Approach

Based on our review of the nature and history of the Company's operations and our discussions with KSV, we have considered a going-concern approach for the valuation. More specifically, we have considered the Adjusted Net Asset approach to be the most appropriate for the following reasons:

- AMI operates in the industrial minerals sector with significant investments in resource properties. The Company's value is therefore primarily derived from the FMV of its tangible and intangible assets rather than its earnings capacity alone;
- A substantial portion of the Company's total enterprise value is expected to be attributable to Canadian resource properties, real property, and related infrastructure. These assets are directly

relevant to the TCP analysis under the ITA, which focuses on the composition and location of the asset base;

- The TCP analysis requires an asset-level valuation to assess whether more than 50% of the FMV of the shares is derived from certain types of relevant Canadian property (e.g., real property situated in Canada, and Canadian resource property). The Net Asset Approach facilitates a direct assessment of this test by isolating and valuing individual asset categories;
- The Company was publicly traded during the Test Period, and as a result, the values observed from the public market are deemed to be indicative of the FMV of the Company at that point in time. Any increase or decrease observed between the book value and public market capitalization is applied through the Net Asset Approach;
- The TCP assessment, under the ITA, prescribes a five-year lookback period. Despite the Company undergoing insolvency proceedings, as of the Step 2 Date (further discussed below), the Company was publicly traded and considered a going concern; and,
- Due to the Company's current insolvency and financial uncertainty, reliable income projections are not available, rendering the income-based approach unsuitable. In addition, publicly available market comparables may not accurately reflect the risk profile or restructuring environment in which the Company currently operates.

The Adjusted Net Asset Approach is an asset-based valuation technique, and it is usually employed when an operating business that does not generate sufficient earnings to realize a reasonable return on the net tangible assets, but value as a going concern is still higher than liquidation value.

The Adjusted Net Asset Approach technique involves restating the business' tangible assets and liabilities to their current FMV at the Valuation Date with the resultant net equity representing the going concern value of the business.

Market-to-Book Reconciliation and Control Basis

When AMI's market capitalization (based on its public trading price) differs from the net book value of equity, it indicates that certain assets or liabilities are misstated relative to FMV. Accordingly, we adjust the balance sheet to reflect market-determined FMV.

In valuation theory, a controlling ownership interest is defined as an equity interest of greater than 50.0%, which enables a shareholder to make decisions on a company's strategy and operations. A control premium reflects that an ownership interest in a business maybe worth more than a minority, non-controlling interest. It is meant to reflect advantages associated with being able to exercise control over the business, including critical decisions such as electing company directors and key management, setting compensation, declaring and distributing dividends, debt or equity financing, as well as the future direction of the company, including acquisitions, divestitures, and sale.

The quantum of a control premium can vary and is influenced by other factors including the size of the shareholding relative to other shareholders, profitability and history of dividends, and industry characteristics. The relationships between shareholders can also influence the size of the control premiums. A common example is if the company is controlled by a group of minority shareholders that act in concert on voting matters.

Market capitalization of a public company reflects marketable minority interests. To arrive at a controlling interest, a control premium was selected based on review of the Control Premium Studies published by *Business Valuations Resources LLC*. The Control Premium Study compiles empirical data of premiums paid by acquiring companies over the minority market prices at transaction dates and is widely used as an indication of prevailing control premiums in the market. In Control Premium Studies for Q2 2019 to Q1 2024, the average of median control premiums for all companies was approximately 27.0% to 35.3%.

Summary of BVR Overall Median Control Premiums:

| Period | Median | |
|----------------|-------------------------|------------------------|
| | Incl. negative premiums | Excl. negative premium |
| Q22019 | 19.9% | 28.1% |
| Q32019 | 23.1% | 33.1% |
| Q42019 | 25.6% | 28.2% |
| Q12020 | 23.6% | 31.9% |
| Q22020 | 24.4% | 39.0% |
| Q32020 | 22.9% | 29.1% |
| Q42020 | 24.6% | 34.5% |
| Q12021 | 30.7% | 34.5% |
| Q22021 | 23.9% | 31.4% |
| Q32021 | 27.2% | 33.6% |
| Q42021 | 28.3% | 31.3% |
| Q12022 | 26.5% | 32.0% |
| Q22022 | 29.4% | 36.0% |
| Q32022 | 31.6% | 40.0% |
| Q42022 | 28.7% | 39.8% |
| Q12023 | 31.3% | 42.9% |
| Q22023 | 26.1% | 38.5% |
| Q32023 | 24.9% | 34.0% |
| Q42023 | 34.8% | 44.2% |
| Q12024 | 32.7% | 43.2% |
| Average | 27.0% | 35.3% |

Based on the above, we selected a control premium of 30.0% and applied to the market capitalization of AMI to provide a market-based indication of total equity value of AMI, on a controlling basis within the Test Period.

Allocation of FMV Adjustments

Based on the comparison of market capitalization to the book value of equity, an FMV adjustment to reconcile the book value to the market-determined FMV is performed as follows:

- **FMV > Book Value:** Record upward FMV adjustments to Operating Assets on a pro-rata basis relative to their net book values.
- **FMV < Book Value:** First record downward FMV adjustments to Operating Assets on a pro-rata basis relative to their book values. If the Operating Assets are adjusted downward to zero, allocate any remaining downward adjustments to other tangible asset classes (e.g., property and equipment, and inventory) on a pro-rata basis relative to their book values.
- **ERO:** We have reduced the FMV of Resource Properties based on the ERO recorded on the balance sheet. As EROs are recorded as liabilities, generally within a TCP test, this liability would be excluded from the Gross Asset Test; however, given the FMV of any Resource Property in a market-based arms-length transaction is negotiated and settled net of the ERO (i.e. the asset cannot be purchased without the associated ERO liability), we have adjusted the FMV of the Resource Property assets down and adjusted the ERO liability to zero.

TCP Test

To determine whether the shares of AMI constitute TCP under the ITA, we conducted a two-step analysis:

- **Step 1 Test:** assessment on a consolidated balance sheet basis to identify the period of highest exposure to relevant RCP; and followed by
- **Step 2 Test:** assessment on an unconsolidated, entity-level basis to test TCP status based on direct and indirect asset holdings as at the identified exposure date.

Valuation Analysis

Consolidated TCP Analysis ("Step 1 Test")

We analyzed the AMI consolidated balance sheets and determined the RCP percentage at each quarter-end over the 60-month period preceding the Determination Date. This analysis was based on the *Gross Asset Method*, which calculates TCP as the ratio of the FMV of RCP assets to the FMV of total gross assets (excluding liabilities). We have incorporated FMV adjustments described above, based on the difference between the book value of equity and market capitalization of AMI, including a control premium, at each quarter-end. This is set out in Schedule 27 to 44.

Based on this consolidated analysis, we have determined that December 31, 2021 is the quarter-end date with the highest proportion of RCP assets relative to total assets. See table below. This date is referred to herein as the Step 2 Date and serves as the focal point for our entity-level TCP assessment ("Step 2 Test") described below. Under the ITA, a company's shares are considered TCP if, at any time during the 60 months preceding the Determination Date, more than 50% of the FMV of the shares was derived directly or indirectly from RCP. Therefore, if AMI's RCP percentage exceeded 50% on a consolidated basis at any point within this period, a further unconsolidated analysis is required to confirm the TCP status.

| Step 1 Test Results | | |
|---------------------|----------------|-------------|
| Date | TCP Percentage | Reference |
| Q2 2019 | 45.83% | Schedule 27 |
| Q3 2019 | 47.13% | Schedule 28 |
| Q4 2019 | 26.78% | Schedule 29 |
| Q1 2020 | 11.08% | Schedule 30 |
| Q2 2020 | 18.05% | Schedule 31 |
| Q3 2020 | 17.63% | Schedule 32 |
| Q4 2020 | 18.90% | Schedule 33 |
| Q1 2021 | 56.18% | Schedule 34 |
| Q2 2021 | 55.36% | Schedule 35 |
| Q3 2021 | 50.66% | Schedule 36 |
| Q4 2021 | 68.60% | Schedule 37 |
| Q1 2022 | 20.31% | Schedule 38 |
| Q2 2022 | 2.24% | Schedule 39 |
| Q3 2022 | 0.00% | Schedule 40 |
| Q4 2022 | 14.02% | Schedule 41 |
| Q1 2023 | 0.00% | Schedule 42 |
| Q2 2023 | 0.00% | Schedule 43 |
| Q3 2023 | 16.39% | Schedule 44 |

It is important to note that, when performing the TCP test at the parent AMI level on an unconsolidated basis (i.e. methodologies used in the Step 2 Test), the FMV of the parent company's investment in a subsidiary is recorded as the investment in the net equity in that entity. As a result, the investment in net equity of the subsidiary can only result in an equal or lower RCP percentage (but not higher) at the parent level when compared to conducting the TCP on a consolidated basis (i.e. the methodology used in the Step 1 Test). Consequently, if at each date in the Test Period on a consolidated basis was below the 50% RCP threshold, there is not an ability for the shares to be above 50% when analyzing on an unconsolidated basis.

Entity-Level TCP Assessment ("Step 2 Test")

Based on the Step 1 Test, we performed a detailed entity-level assessment on an unconsolidated basis as of December 31, 2021, to determine whether AMI's shares derived more than 50% of their FMV from RCP, directly or indirectly through its subsidiaries. This assessment involved the following steps:

1. **Determine the proportion of asset that are comprised of RCP at each LTC:** For each subsidiary, we applied the *Gross Asset Method* to determine the RCP percentage. This required assessing the FMV of each subsidiary's assets, without deducting liabilities, and calculating the ratio of RCP to total gross assets:

$$RCP \% = (FMV \text{ of RCP held by the entity}) \div (FMV \text{ of all gross assets})$$

2. **Proportionate Value Roll-Up to the Parent (AMI):** Based on the subsidiary-level RCP percentages:
 - If a subsidiary had more than 50% of its FMV in RCP, the investment in that subsidiary was treated as TCP.
 - The *Proportionate Value Approach* was used to determine how much of AMI's investment in each subsidiary indirectly reflected RCP. This involved multiplying the FMV of AMI's investment in the subsidiary by the subsidiary's RCP percentage. The resulting value was considered RCP indirectly held by AMI.
 - If a subsidiary had 50% or less RCP, AMI's investment in that subsidiary was treated as non-RCP, and no indirect RCP was attributed to the parent.
3. **Parent-Level RCP Percentage Calculation:** We then applied the *Gross Asset Method* to AMI's unconsolidated balance sheet, adjusting for direct and indirect holdings:
 - Directly held RCP assets (e.g., land and Canadian resource properties) were included at FMV.

- Investments in subsidiaries were included based on the indirect RCP exposure determined via the *Proportionate Value Approach* above.

The final RCP percentage for AMI was calculated as the FMV of all RCP (direct and indirect) divided by the FMV of all gross assets held by AMI on an unconsolidated basis.

FMV Adjustment at Step 2 Date

At the Step 2 Date, AMI's market capitalization was \$27.6 million, compared to its book equity value of \$15.2 million, which results in a positive adjustment of \$14.5 million. To estimate the FMV of AMI on a controlling interest basis, we applied a 30% control premium, which increased the adjusted market capitalization to \$35.9 million. This results in a total difference of \$20.8 million relative to the book equity value. Based on this adjustment, we increased the net book value of certain AMI and the subsidiaries' assets on a pro-rata basis, using their values as of December 31, 2021. The assets adjusted are discussed in the methods described above. This is set out in Schedule 2.

Entity-level FMV and TCP Analysis

214 AB

The net book value of shareholder's equity as per balance sheet as at the Valuation Date is \$580,200. We adjusted the balance by the following:

- At December 31, 2021, 214 AB has a negative balance of \$(529,667) in accounts receivable. We have reclassified this balance to accounts payable for presentation purposes.
- Difference between the FMV and the book value of resources properties as result of the FMV adjustment as determined in Schedule 2.

The FMV of equity is determined to be \$2.2 million. This is set out in detail in Schedule 13.

TCP Analysis – 214 AB

Based on the analysis above, 214 AB has \$2.8 million in gross assets which consists of \$179 in cash and \$2.8 million in resource properties. Based on the definition of TCP assets, approximately 99.99% of 214 AB's assets are considered TCP. This is set out in detail in Schedule 12.

213 AB

The net book value of shareholder's equity per balance sheet as at the Valuation Date is \$1.1 million. We adjusted the net asset balance for the difference between the FMV and the book value of resources properties, as set out in Schedule 2.

The FMV of equity is determined to be \$2.3 million. This is set out in Schedule 10.

TCP Analysis – 213 AB

Based on the analysis above, 213 AB has \$2.4 million in gross assets. Based on the definition of TCP assets, only the resource properties are considered

TCP which is approximately \$2.1 million or 87.6% of the gross assets. This is set out in Schedule 10.

TerraShift

The net book value of shareholder's equity per balance sheet as at the Valuation Date is \$39,953. We adjusted the net assets balance for the difference between the FMV and the book value of the intangible asset, as set out in Schedule 2.

The FMV of equity is determined to be \$90,608. This is set out in detail in Schedule 9.

TCP Analysis – TerraShift

Based on the analysis above, TerraShift has gross assets of \$385,711. Based on the definition of TCP assets, none of the assets are considered TCP. As such, TerraShift has 0.0% RCP. This is set out in detail in Schedule 8.

RockChain

The net book value of shareholder's deficiency per balance sheet as at the Valuation Date is \$2.0 million. We adjusted the deficiency balance by the following:

- At December 31, 2021, RockChain has approximately \$(2.0 million) in accounts receivables, we have reclassified this balance to accounts payable for presentation purposes.
- The FMV of its investment in TerraShift as described above and as set out in Schedule 9.

The total adjusted net liability balance is determined to be approximately \$(2.0 million). This is set out in detail in Schedule 7. As the FMV of net assets is negative, the FMV of equity is deemed to be nil.

Valuation Analysis

TCP Analysis – RockChain

Based on the analysis above, RockChain has gross assets of \$184,830. Based on the definition of TCP assets, none of the assets are considered TCP. Accordingly, RockChain has 0.0% TCP. This is set out in detail in Schedule 6.

Silica

The net book value of shareholder's deficiency per balance sheet as at the Valuation Date is \$2.5 million. We adjusted the deficiency balance by the following:

- At December 31, 2021, Silica has approximately \$(4.0 million) in accounts receivables, we have reclassified this balance to accounts payable for presentation purposes.
- Difference between the FMV and the book value of resource properties, as set out in Schedule 2.
- Difference between the FMV and the book value of contract assets, as set out in Schedule 2.

The total adjusted net liability balance is determined to be \$556,658. This is set out in detail in Schedule 5. As the FMV of net assets is negative, the FMV of equity is deemed to be nil.

TCP Analysis – Silica

Based on the analysis above, Silica has gross assets of \$3.6 million. Under the definition of TCP assets, only the resource properties are considered TCP. The resource properties represent 25.6% of Silica's gross assets. As the RCP% is below than 50% threshold, Silica's deemed TCP is 0.0%.

AMI

The net book value of shareholders' equity per balance sheet as at the Valuation Date is \$49.3 million. We adjusted the net asset balance for the following:

- Intercompany adjustment to account for the transfer of Firebag dispositions from AMI to Silica.
- Restatement adjustments related to the joint arrangement which was incorrectly accounted for as a joint operation rather than a joint venture in the 2021 consolidated financial statements.
- Difference between the FMV and the book value of resource properties, as set out in Schedule 2. The FMV of the resource properties have been netted against the ERO liability, as the rehabilitation obligations are directly associated with and considered inseparable from the resource assets.
- Difference between the FMV and the book value of contract assets, as set out in Schedule 2.
- The FMV of its investment in RockChain as described above and as set out in Schedule 7.
- The FMV of its investment in Silica as described above and as set out in Schedule 5.
- The FMV of its investment in 213 AB and 214 AB as described above and as set out in Schedule 11 and Schedule 13, respectively.

The FMV of equity is determined to be \$35.9 million. This is set out in detail in Schedule 3.

TCP Analysis – AMI

Based on the adjustments above, AMI has gross assets of \$40.2 million. Based on the definition of TCP assets, we have noted the following:

Valuation Analysis

- AMI has property and equipment balance of \$589,050. Of this amount, only \$35,905 related to on-site building and scales and scale houses are considered RCP.
- The Company also has right-of-use assets totaling \$87,440. Approximately \$79,515 relates to the office lease, with qualifies as RCP.
- Resource properties are considered RCP.
- As AMIS' operations are based in the US, AMI's investment in this joint arrangement is not considered RCP.
- As determined above, the RockChain and Silica each have less than 50% RCP, and therefore AMI's share of RCP from its investment in these subsidiaries is 0.0%.
- Investment in associates relate to 213 AB and 214 AB. Based on the analysis outlined above and detailed in Schedules 10 and 12, both entities have deemed TCP in excess of 50%. Accordingly, AMI's share of RCP is 87.6% for 213 AB and 99.99% for 214 AB.

Based on the above, approximately 61.8% of AMI's assets are TCP. This is set out in Schedule 1.

Conclusion

Conclusion

Our conclusion is subject to the scope of our work, major assumptions and restrictions and qualifications as set out in the Report; the attached Schedules are an integral part of the Report.

Based on the Step 1 analysis, we have concluded that December 31, 2021 is the quarter-end date with the highest proportion of RCP assets relative to total assets, which serves as date for the Step 2 test.

Based on our Step 2 Test, we determined that 61.8% is RCP and as this is greater than the 50% threshold, the overall conclusion is AMI is TCP within the Test Period and at the Determination Date. This is set out in Schedule 1.

Conclusion Stress Test

As noted above, we have applied a control premium to the FMV of the Company as at the Step 2 Date. To stress test our conclusion that the shares of AMI are TCP during the Test Period, we conducted the TCP test without the application of a control premium, while maintaining the other methodology and assumptions. Refer to Schedules 14 to 26. The TCP percentage under this scenario is 56.1%, indicating the shares of AMI are TCP within the Test Period without the application of a control premium.

Appendix A – Scope of Review

In arriving at our value conclusion, we have reviewed, considered, and relied upon the following:

- a) Discussion and interviews with the following members of KSV and advisors:
 - Andrew Basi, Management Director of KSV Advisory Calgary office;
 - Michael Selnes, Partner, Bennett Jones;
 - Jay Winters, Tax Partner, Bennett Jones;
 - Andrew Keller, Tax Partner, Kenway Mack Slusarchuk Stewart LLP; and
 - Zachary Thacker, Associate, Bennett Jones.
- b) Audited annual consolidated financial statements for the years ended December 31, 2019, 2020, 2021 and 2022 including restated financial statement for the years ended December 31, 2021 and 2022 filed on SEDAR;
- c) Unaudited interim consolidated financial statements for the quarters ended March 31, 2019; June 30, 2019; September 30, 2019; March 31, 2020; June 30, 2020; September 30, 2020; and each subsequent quarter through to September 30, 2023, as filed on SEDAR;
- d) Internal unconsolidated financial statements by entity and the related consolidation workbooks for AMI for March 31, 2019; June 30, 2019; September 30, 2019; December 31, 2019; and each subsequent quarter through to September 30, 2023, as provided by KSV;
- e) Machinery and Equipment Appraisal prepared by Century Services for AMI dated May 24, 2019;
- f) Impairment analysis applicable for 2019, 2021, 2022 and 2023 provided by KSV;
- g) Documents related to the “Bankruptcy Proceedings of 2585929 Alberta Ltd.” and “NOI Proceedings” published on the KSV’s website: <https://www.ksvadvisory.com/experience/case/athabasca-minerals>

- h) Various other information provided by KSV and,
- i) General industry, economic information, public company information, and other publications available on the internet or provided by online subscription or purchase.

We have not audited or otherwise verified the information relied upon in forming our Report.

Appendix B – Restrictions and Qualifications

1. The Report has been prepared solely for use in connection with the stated purpose above. Neither our draft Report nor our final Report are intended for general circulation or publication. Possession of this Report, or a copy thereof, does not carry with it the right to reproduction or publications, in whole or in part. We will not assume any responsibility or liability for losses incurred by any parties as a result of the circulation, publication, reproduction, or use of this Report contrary to the provisions of this paragraph.
2. We reserve the right to review all calculations included or referred to in the Report and, if we consider it necessary, to revise our calculations of FMV in light of any information existing at the Valuation Date, which becomes known to us after the date of the Report.
3. We have relied upon the completeness, accuracy, and fair presentation of all the financial and other information, data, advice, opinions, or representations (collectively, the “Information”) obtained from KSV. The Report is conditional upon the completeness, accuracy, and fair presentation of such Information. Except as expressly described herein, we have not attempted to verify independently the completeness, accuracy, or fair presentation of the Information.
4. The Report is rendered on the basis of economic, financial, and general business conditions as at the Valuation Date and the condition and prospects, financial and otherwise, of the Company, as they were reflected in the Information. In the analyses and in preparing the Report we have made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond our control.
5. The Report must be considered as a whole. Selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could result in the misinterpretation of comments or conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description.
6. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.
6. In accordance with the terms of our engagement, the Report is at a specific point in time, the Valuation Date. It must be recognized that FMV changes from time to time, not only as a result of internal factors, but also because of external factors such as changes in the economy, competition and changes in interest rates.
7. The Report has been prepared in conformity with the Practice Standards of the CBV Institute. The Report is an Estimate Valuation Report, which is defined by the CBV Institute as follows:

An Estimate Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on limited review, analysis and corroboration of relevant information, and generally set out in a less detailed Valuation Report.
8. An Estimate Valuation Report is not a Comprehensive Valuation Report or a Calculation Valuation Report, as defined by the CBV Institute Standard No. 110. As such, the scope of review is inherently limited by the nature of the valuation report being provided, and the conclusions expressed may have been different had a Comprehensive Valuation Report been issued.
9. No part of our fee is contingent upon the conclusions reached in the Report or any action or event contemplated in, or resulting from the use of, the Report.
10. The principal valuator and other staff involved in the preparation of the Report acted independently and objectively, including from KSV, in completing this engagement.

Appendix C – Valuation Approaches

There are two fundamental approaches to determine the FMV of a business: the liquidation approach and the going concern approach.

A liquidation valuation approach would be used if the business is not viable as a going concern or if the return on the assets on a going concern basis is not adequate. This value is the net realizable value on an orderly disposition made in a manner that would maximize value or minimize taxes thereon.

The going concern approach assumes a continuing business enterprise with a potential for economic future earnings that provides a sufficient return on invested capital. Where a business has commercial value as a going concern, three generally accepted categories to valuation are commonly utilized:

- Income approach;
- Market approach; and
- Cost approach.

Within each category a variety of methodologies exist to assist in the determination of the FMV. The nature and characteristics of the asset or business indicates which approach and methodology is most appropriate for valuation.

Income Approach

The income approach is based on the premise that the value of a security or asset is the present worth of the future earnings available for distribution to the investors in the business or asset. Commonly used income approaches to value securities or individual assets is a DCF or a CCF analysis.

DCF Method

The DCF method estimates the present value of the projected future cash flows to be generated by a company and theoretically available (though not necessarily paid) to the capital providers of the subject company. The discount rate is intended to reflect all risks of ownership and the associated risks of realizing the stream of projected future cash flows. It can also be interpreted as the rate of return that would be required by providers of capital

to a company to compensate them for the time value of their money, as well as the risk inherent in the investment.

Further, the cash flow figure used in the DCF method accurately represents the true cash flow being generated by the operations of the business. In short, it incorporates cash expenditures on working capital and fixed assets. The cash flows are typically projected over a limited number of years, which depends on a company's planning horizon and other factors related to the industry and the general economy. As a result, it is necessary to compute a terminal value as of the end of the last period for which cash flows are projected. This terminal value is essentially an estimate of value at that future point in time, and it incorporates the assumptions of perpetual operations and implicit growth found in the market approach. Discounting each of the projected future cash flows and the terminal value back to the present and summing the results yields an indication of value.

CCF Method

When only a single period of projected financial results is available or there is sufficient operating history to estimate future business cycles, the CCF method may be more appropriate than the DCF method. A CCF analysis involves determining an appropriate distributable cash flow estimate before interest charges based on normal operating conditions. Distributable cash flows are determined through an examination of the business' historical and forecasted operating results. A capitalization factor is then applied to the cash flow estimate to determine the enterprise value of the business, which is the value attributable to the debt holders and shareholders of the subject company. The capitalization factor applied is based on the weighted average cost of capital for the business, which is a weighted average estimate of the return required by the company's debt holders and equity shareholders.

In either income approach, interest bearing debt is then deducted from the Enterprise Value to determine the value of the business attributable to equity shareholders, and typically the redemption value of preferred shares is deducted to determine the value of common equity.

Market Approach

The market approach is a useful method of determining the value of a company through a comparison to comparable publicly traded companies or transactions involving comparable companies.

The market approach entails determining financial results considered to be representative of the future performance of the subject company and capitalizing those amounts by appropriate risk-adjusted rates. This approach provides an indication of value that corresponds with the figure being capitalized. For example, capitalizing net earnings available to common stockholders yields an indication of value for the common stock. Likewise, capitalizing EBITDA provides an indication of the Enterprise Value of the company because this earnings stream is utilized for payments or returns to both debt and equity holders.

The capitalization rate is an expression of what investors believe to be a fair and reasonable rate of return for the security given the inherent risks of ownership. It incorporates expectations of growth and rests on the implicit assumption that some level of earnings will be generated by the enterprise into perpetuity. A common means of obtaining capitalization rates is through the market multiple method, whereby companies having their stock traded in the public market are selected for comparison purposes and used as a basis for choosing reasonable capitalization rates for the subject company. Capitalization rates obtained in this manner are generally expressed as ratios of the various financial results and are referred to as “market multiples.”

Another common method of obtaining such multiples, referred to as the comparable transaction method, involves examining companies that have recently been sold in the public marketplace. For this method, the total price paid for the acquired company is related to financial results, which yield implied transaction multiples. The acquired company is then compared with the subject company on the basis of risk and expected return, and its transaction multiples are used as a basis for selecting appropriate multiples for the subject company.

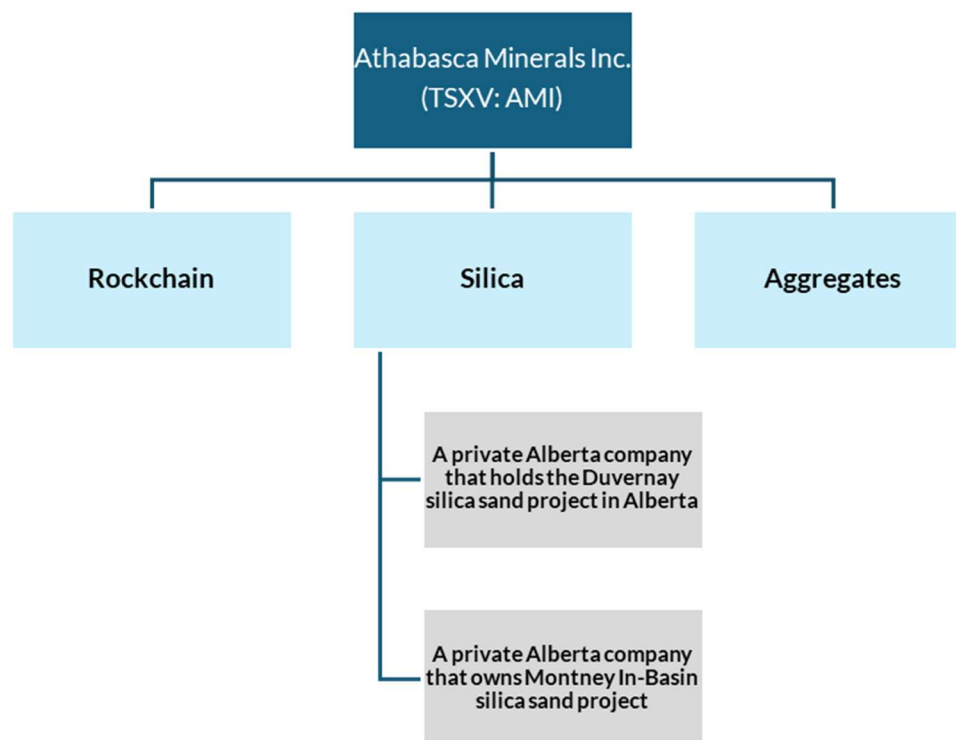
Asset-Based Approach

The asset-based approach calculates value based on the value of the net assets of the business, without consideration of future earnings capacity. This approach can be used in situations where liquidation is contemplated as the business is not considered a going concern. For going concern businesses, this approach is adopted if the nature of the business is such that corporate worth is closely related to the company’s underlying assets as opposed to its earnings capacity (e.g. investment or real estate holding company) or an operating business that does not earn sufficient earnings to realize a reasonable return on the underlying net assets.

Under the asset-based approach, each asset and liability is adjusted to fair market value as at the valuation date, giving consideration to replacement cost, market value, physical deterioration, functional obsolescence, and economic obsolescence.

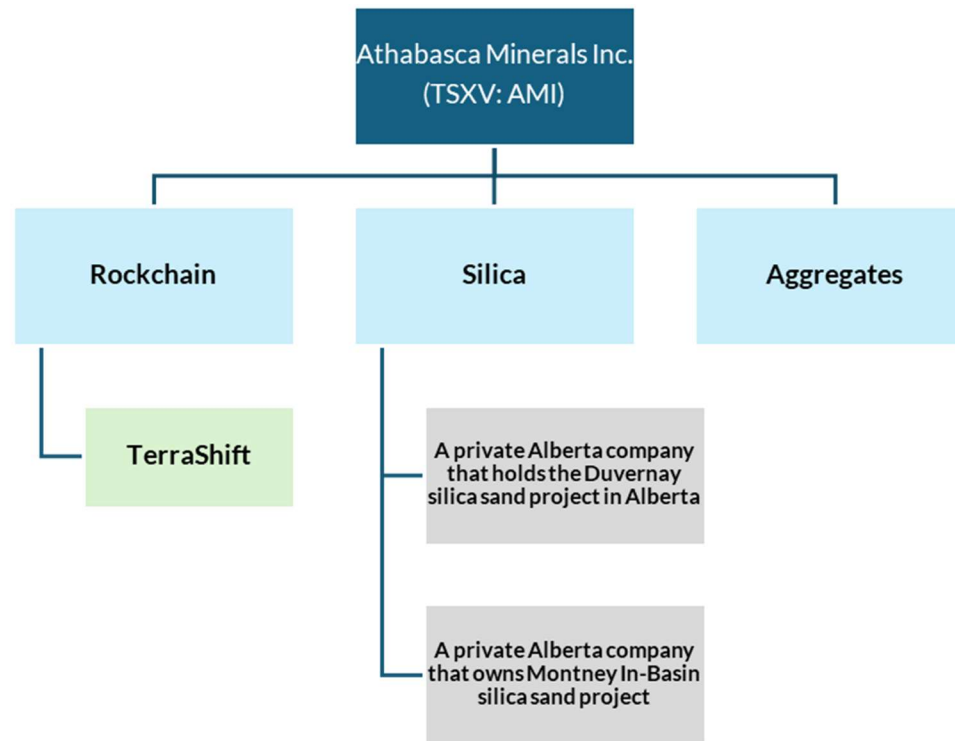
Appendix D – Corporate Structure

At December 31, 2019¹:



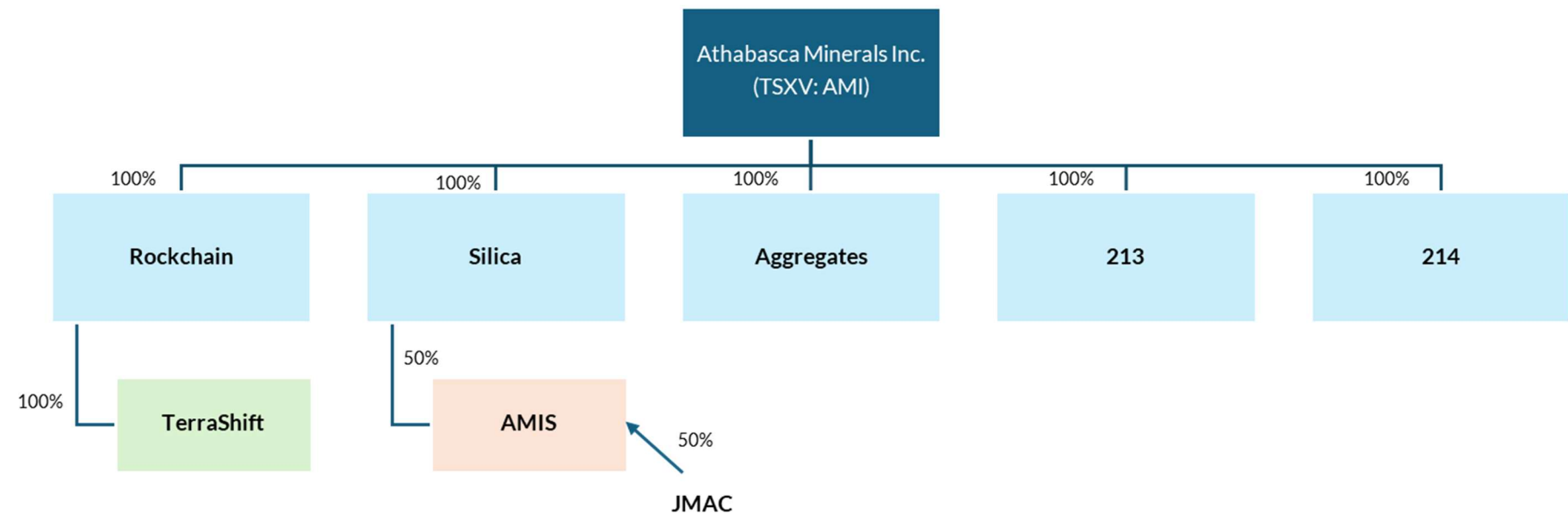
¹ Source: Audited consolidated financial statements for the year ended December 31, 2019

At December 31, 2020²:



² Source: Audited consolidated financial statements for the year ended December 31, 2020

After December 31, 2020³:



³ Source: Audited consolidated financial statements for the year ended December 31, 2021 and 2022, Affidavit No. 1. Of John David Churchill, Exhibit “C”, Sworn December 6, 2023

Appendix E – Economic Overview

Canada

Canada experienced a historic economic contraction of -5.0% in real GDP in 2020, largely due to the COVID-19 pandemic. The sharp decline was driven by widespread lockdowns, reduced consumer and business activity, a collapse in travel and hospitality, and disruptions to global trade.

In 2021, the economy rebounded with 5.3% real GDP growth as restrictions eased, consumer spending picked up, and government stimulus programs helped stabilize households and businesses. However, this momentum gradually slowed through 2022 and into 2023, as inflation surged, and the Bank of Canada began raising interest rates to cool the economy. By 2023, real GDP growth fell to about 1.2%, and forecasts for 2024 suggest it will remain at that subdued level, reflecting the lagging effects of tighter monetary policy and weaker global demand.

CPI inflation peaked at 6.8% in 2022, the highest in nearly four decades. The surge was fueled by pandemic-related supply chain disruptions, higher energy prices following Russia's invasion of Ukraine, and strong consumer demand—particularly in housing and durable goods. To counteract inflation, the Bank of Canada aggressively raised its policy interest rate from 0.25% in early 2022 to 5.0% by mid-2023. As a result, inflation moderated to around 3.9% in 2023 and is projected to fall closer to the Bank's 2% target in 2024, stabilizing in the 2–3% range. However, persistent pressures from shelter and food costs continue to weigh on households.

The Canadian labour market saw unemployment spike to 9.7% in 2020, as businesses temporarily closed or downsized due to pandemic restrictions. However, the job market recovered quickly through 2021 and 2022, driven by strong hiring in sectors like construction, retail, and professional services. By 2022, unemployment had dropped to 5.3%, approaching pre-pandemic levels. However, as economic growth slowed and interest rate hikes began to cool demand, the labour market showed signs of softening. As of mid-2024, the unemployment rate has edged up to around 6.2%, reflecting cautious

hiring and layoffs in rate-sensitive sectors such as construction, real estate, and manufacturing.

Figure 1: Canada Economic Indicators 2019-2024⁶

| Economic Indicator | Units | Scale | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F |
|------------------------|---------|----------|-------|-------|-------|-------|-------|-------|
| GDP | CAD | Billions | 2,241 | 2,128 | 2,241 | 2,327 | 2,356 | 2,387 |
| (constant prices) | % | | 1.9 | -5.0 | 5.3 | 3.8 | 1.2 | 1.3 |
| Inflation | Index | Units | 136 | 137 | 142 | 151 | 157 | 161 |
| (avg. consumer prices) | % | | 1.9 | 0.7 | 3.4 | 6.8 | 3.9 | 2.4 |
| Unemployment rate | % | | 5.7 | 9.7 | 7.5 | 5.3 | 5.4 | 6.2 |
| Population | Persons | Millions | 38 | 38 | 38 | 39 | 40 | 41 |

US

The U.S. economy faced a significant contraction in 2020, with real GDP shrinking by -2.2% due to the COVID-19 pandemic. The sharp decline stemmed from widespread business closures, job losses, reduced consumer activity, and disruptions in global supply chains. In response, the U.S. government rolled out massive fiscal stimulus packages (e.g., CARES Act, American Rescue Plan), and the Federal Reserve slashed interest rates to near zero. These actions helped fuel a strong rebound in 2021, when real GDP surged by 6.1%, the fastest growth in decades.

However, by 2022 and 2023, economic momentum began to moderate, as inflationary pressures led the Fed to tighten monetary policy aggressively. By 2023, growth slowed to 2.5%, and forecasts for 2024 suggest moderate expansion around 2.8%, reflecting both a resilient consumer sector and cooling investment due to higher borrowing costs.

Inflation became a dominant economic issue from 2021 onward. After remaining low for over a decade, CPI inflation peaked at 8.0% in mid-2022, driven by supply chain constraints, labor shortages, elevated energy prices, and strong post-pandemic consumer demand. In response, the Federal Reserve began one of its most aggressive tightening cycles in history, raising the federal funds rate from near-zero in early 2022 to about 5.25% by late 2023. These actions helped cool inflation, bringing it down to around 3.2%

⁶ Source: International Monetary Fund: World Economic Outlook database

by the end of 2023. In 2024, inflation is expected to ease further to around 3.0% approaching the Fed's long-term target of 2%. Still, shelter and wage-related costs are proving "sticky," meaning inflation may remain slightly elevated in the near term.

The pandemic caused a dramatic labor market shock in 2020, with unemployment spiking to 14.7% in April 2020—the highest rate since the Great Depression. However, government aid and a strong recovery allowed the labor market to bounce back quickly. By 2022, unemployment had returned to 3.6%, indicating a tight labor market, with some sectors even facing worker shortages. The resilience continued into 2023, and in 2024, the unemployment rate remains stable around 4.0%, suggesting that the U.S. has largely avoided a "hard landing" recession despite aggressive rate hikes. Wage growth has also remained positive, although it began to slow in 2023–2024 as job openings declined and employers grew more cautious.

Figure 2: U.S. Economic Indicators 2019-2024³

| Economic Indicator | Units | Scale | 2019 | 2020 | 2021 | 2022 | 2023 | 2024F |
|-------------------------------------|---------|----------|--------|--------|--------|--------|--------|--------|
| GDP (constant prices) | USD | Billions | 20,716 | 20,268 | 21,495 | 22,035 | 22,671 | 23,298 |
| | % | | 2.6 | -2.2 | 6.1 | 2.5 | 2.9 | 2.8 |
| Inflation (avg. consumer prices) | Index | Units | 256 | 259 | 271 | 293 | 305 | 314 |
| | % | | 1.8 | 1.2 | 4.7 | 8.0 | 4.1 | 3.0 |
| Unemployment rate | % | | 3.7 | 8.1 | 5.4 | 3.6 | 3.6 | 4.1 |
| Population | Persons | Millions | 329 | 331 | 332 | 334 | 335 | 337 |

Appendix F – Industry Overview⁷

Canada

Canadian sand and gravel mining companies have faced multiple challenges over the past several years, driven largely by economic uncertainty, fluctuating commodity prices, and shifting demand across key downstream sectors.

HeidelbergCement AG and CRH Canada Group Inc are the two largest companies in the industry and capture over a tenth of the total market. Ontario and Quebec account for the largest share of sand and gravel mining establishments. Combined, these two provinces account for more than half of all mines in Canada. British Columbia and Alberta are the third and fourth most popular provinces for sand and gravel miners. Alberta is a popular province for miners because the province is the largest domestic oil and gas producer. British Columbia is a major hub for construction aggregates, supported by ongoing residential, commercial, and infrastructure development that creates steady demand for sand, gravel, and related materials.

The Canadian sand and gravel mining industry declined modestly, with a -1.2% CAGR between 2018 and 2023, reaching an estimated C\$2.3 billion in revenue by 2024 including a 0.1% hike in 2024 alone.

One significant end-use market is the oil and gas sector, where industrial sand (often referred to as frac sand) is a critical input in the hydraulic fracturing (fracking) process used to extract oil and natural gas from shale formations. As oil and gas prices fluctuated between 2019 and 2023—particularly during and after the COVID-19 pandemic—demand for frac sand followed suit, resulting in volatile pricing and supply-demand imbalances.

Following the initial demand collapse in early 2020 due to the pandemic, industrial sand prices rebounded sharply, with some markets experiencing price increases of over 100–185% as fracking activity surged back in 2021 and 2022. This was further exacerbated by supply chain disruptions and

limited new investment in mining capacity, leading to local shortages and rising input costs for energy producers.

Despite the post-pandemic price surge, production volumes in Canada remained inconsistent, constrained by both high operational costs and regulatory hurdles (such as environmental permitting and land use restrictions). Moreover, uncertainty in downstream markets, including residential and infrastructure construction and energy production, introduced further instability in demand for construction-grade sand and gravel.

Since 2016, the federal government has undertaken significant infrastructure investments through its Investing in Canada Plan, dedicating over C\$180 billion over 12 years to support public transit, green infrastructure, trade corridors, rural/remote communities, and social priorities⁸. The government has invested more than \$136.0 billion in construction projects through its Investing in Canada Plan.

However, despite this substantial funding, infrastructure construction volumes saw a modest decline. Many contractors delayed or deferred projects as a result of COVID-19 lockdowns, global supply chain disruptions, and escalating input costs, which disrupted both timelines and budgets. These headwinds slowly eased toward the latter part of the funding period as economic activity rebounded. In February 2024, Environment Minister Steven Guilbeault announced that the federal government would halt funding for new “large” road expansion projects, signaling a strategic pivot toward maintaining existing road infrastructure instead of engaging in further expansion. This policy shift could significantly impact the sand and gravel sector, as large-scale road projects traditionally absorb substantial quantities of aggregate material, and many contractors may face loss of forward work pipelines.

US

⁷ Source: IBIS World, Industry Research, Sand & Gravel Mining in Canada and US

⁸ Housing, Infrastructure and Communities Canada website: Investing in Canada Plan – Building a Better Canada

Sand and gravel miners in the United States experienced modest growth over the past five years. While the COVID-19 pandemic initially disrupted industry performance, a surge in housing starts and residential construction helped sustain demand in 2020, given the critical role of sand and gravel as core construction aggregates.

Unlike Canada, most sand and gravel miners in US are small-scale. Almost two-thirds of all mining enterprises employ fewer than 10 people. Just three sand and gravel miners including CRH PLC, HeidelbergCement AG and Vulcan Materials have accumulated more than 5.0% of the market.

The US sand and gravel mining segment grew at a CAGR of 0.4% between 2019–2024. The industry revenue is projected to grow at a CAGR of 4.0%, reaching an estimated \$18.6 billion by 2025.

Energy prices continued to climb following Russia's invasion of Ukraine in 2022, resulting in domestic oil and gas producers ramping up production to take advantage of favorable pricing, promoting growth for sand and gravel miners. However, massive production levels in 2022 led to an oversupply of silica sand. Sales volumes dropped by 19.8% in 2023 and remained stagnant in 2024, with many companies reducing operations or idling mines. This oversupply also caused prices to drop by 4.4% in 2023 and 10.1% in 2024, weakening revenue for this segment.

In 2024, construction sand and gravel sales volume dipped 7.9% amid interest rate hikes and weather-related issues, which weakened residential construction across the country. Even so, prices pushed up 10.8% during the same year, allowing companies to maintain revenue flow.

Public sector investment has been another key growth driver. The Infrastructure Investment and Jobs Act has supported surface transportation projects and allocated additional funds for road repairs and transformative initiatives. The law will deliver up to \$1.2 trillion in funding through 2026, offering sand and gravel miners a steady stream of work. Of this amount, \$90 billion is specifically designated for highways. This impact was evident in 2024, as reported in the Mineral Commodity Summaries 2025, which noted an 8.0% gain in highway construction spending in the first nine months of 2024 compared to the same period in 2023.

Similar to domestic markets, industrial sand and gravel exports to China and Canada have increased to serve energy producers. Nonetheless, with President Trump's new tariffs, producers may see a slight dip in imports to these countries.

While drone technology and advanced mapping techniques have weakened barriers to entry and allowed more competition, these tools enable miners to minimize the amount of sand and gravel lost during mining, bolstering efficiencies. The increased use of drone technology has also reduced miners' reliance on workers for surveying, reducing wage costs and benefitting profit.

Schedules 1 to 13: Step 2 Test – Unconsolidated

Assessment of Taxable Canadian Property as at April 19, 2024

AMI -TCP Assessment as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--|------------------|-------------------|--------|-------------------|-------------------|
| | | Schedule 3 | | | |
| Cash | | 1,962,966 | 0.0% | - | 1,962,966 |
| Accounts receivable | | 6,877,807 | 0.0% | - | 6,877,807 |
| Inventory | | 846,599 | 0.0% | - | 846,599 |
| Prepaid expenses and deposits | | 27,791 | 0.0% | - | 27,791 |
| Long-term deposits | | 635,748 | 0.0% | - | 635,748 |
| Restricted cash | | 120,000 | 0.0% | - | 120,000 |
| Contract assets | Note 1 | 3,406,332 | 0.0% | - | 3,406,332 |
| Property and equipment | Note 2 | 589,050 | 6.1% | 35,905 | 553,145 |
| Right-of-use assets | Note 3 | 87,440 | 90.9% | 79,515 | 7,925 |
| Resource properties | Note 4 | 20,505,002 | 100.0% | 20,505,002 | - |
| Investments in Subsidiaries (100% Interest) | | | | | |
| Investment in Aggregates Marketing Inc. | Schedule 6 | - | 0.0% | - | - |
| Investment in AMI Silica Inc. | Schedule 4 | - | 0.0% | - | - |
| Investment in Joint Venture | Note 5 | 612,971 | 0.0% | - | 612,971 |
| Investments in associates | | | | | |
| 213 AB | Schedule 10 | 2,331,257 | 87.6% | 2,043,174 | 288,083 |
| 214 AB | Schedule 12 | 2,204,177 | 99.99% | 2,204,035 | 142 |
| Total Assets | | 40,207,141 | | 24,867,632 | 15,339,509 |
| % of Total Assets | | | | 61.8% | 38.2% |
| RCP % | 61.8% | | | | |
| Threshold | 50.0% | | | | |
| Deemed TCP % | 61.8% | | | | |
| Conclusion: | | | | | |
| Shares of Athabasca Minerals Inc. Taxable Canadian Property if TCP > 50% | Yes - TCP | | | | |

Notes

- 1 The Coffey Lake contract costs is not TCP due to:

The contract costs were incurred to enable the Company to prepare the site for operations. It does not, in itself, grant any ownership or interest in land or mineral rights, nor a right to explore for or exploit Canadian mineral resources. Accordingly, the contract assets are not deemed to be RCP.

- 2 The following components of property and equipment are considered as RCP:

| Description of P&E | Ref. | FMV |
|-------------------------|------------|----------------|
| On-site Buildings | Schedule 3 | 3,243 |
| Scales and scale houses | Schedule 3 | 32,662 |
| Total TCP | | 35,905 |
| Total PP&E | | 589,050 |
| TCP % | | 6.1% |

- 3 The following components of ROU assets are considered as TCP:

| | Ref. | FMV |
|-----------------------------|------|---------------|
| Calgary Office Lease Asset | | 74,068 |
| Edmonton Office Lease Asset | | 5,447 |
| Total TCP | | 79,515 |
| Total ROU Asset | | 87,440 |
| TCP % | | 90.9% |

- 4 Since the resource properties include pit development costs related to the Firebag operation located near Fort McMurray, Alberta, we think it is more likely than not that such value accrues to the underlying mineral and real property. they are considered Taxable Canadian Property (TCP) under ITA s.248(1) and related provisions.

- 5 As the joint venture, AMI Silica LLC, is a US-based entity with operations primarily in the US, the investment is not considered RCP.

Assessment of Taxable Canadian Property as at April 19, 2024

AMI - FMV Adjustment as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | 31-Dec-21 |
|---------------------------------------|--------|-------------------|
| AMI's market cap, minority basis | Note 1 | 27,641,660 |
| Control Premium | Note 2 | 30.0% |
| FMV of equity, controlling basis | | 35,934,158 |
| AMI's book equity value, consolidated | Note 3 | 15,170,319 |
| Difference | Note 4 | 20,763,839 |

| | NBV as at December 31, 2021 ⁽⁵⁾ | | | | | | | Proportion | Write-Up |
|-----------------------------|--|-------------|---------------------|------------------|-------------------|---------------------|----------------------|---------------|----------------------|
| | AMI | RockChain | Silica | TerraShift | 2132561 AB | 2140534 AB | Consolidated | | |
| | Schedule 3 | Schedule 7 | Schedule 5 | Schedule 9 | Schedule 11 | Schedule 13 | | | Note 6 |
| Intangible Assets | \$ - | \$ - | \$ - | \$ 36,201 | \$ - | \$ - | 36,201 | 0.2% | \$ 50,655 |
| Contract Assets | 1,419,735 | - | 1,000,735 | - | - | - | 2,420,470 | 16.3% | \$ 3,386,899 |
| Resource Properties | 9,711,571 | - | 384,855 | - | 869,850 | 1,160,586 | 12,126,862 | 81.7% | \$ 16,968,795 |
| Investment in Joint Venture | 255,482 | - | - | - | - | - | 255,482 | 1.7% | \$ 357,489 |
| Total | \$ 11,386,788 | \$ - | \$ 1,385,590 | \$ 36,201 | \$ 869,850 | \$ 1,160,586 | \$ 14,839,015 | 100.0% | \$ 20,763,839 |

| AMI | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Contract Assets | 1,419,735 | 58.7% | 1,986,597 |
| Resource Properties | 9,711,571 | 80.1% | 13,589,143 |

| Silica | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Contract Assets | 1,000,735 | 41.3% | 1,400,302 |
| Resource Properties | 384,855 | 3.2% | 538,517 |

| 2132561 | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|---------|-------------------|--------------------|
| | Above | | |
| Resource Properties | 869,850 | 7.2% | 1,217,158 |

| 2140534 | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Resource Properties | 1,160,586 | 9.6% | 1,623,977 |

Notes

1 Source: S&P Capital IQ

2 Based on BVR Control Premium Study as at Q4 2021

3 Based on the company's unaudited consolidated financial statements for the period ended December 31, 2021, filed on Sedar.com

4 As at December 31, 2021, AMI's market capitalization was higher than its consolidated net book value of equity, it implies that the fair market value of certain assets is likely understated on the balance sheet. The difference represents the extent to which the carrying value of certain company assets must be increased. Refer to the Report for detailed discussion.

5 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

6 We have written up the net book value of AMI's certain assets on a pro-rata basis based on relatively proportion of net book value at December 31, 2021. Refer to the Report for detailed discussion.

Assessment of Taxable Canadian Property as at April 19, 2024

AMI - Net Asset Value as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments Note 2 | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 2 | Adj FMV ⁽³⁾ 31-Dec-21 |
|---|----------------------|---------------------------------|-----------------------|----------------------|---------------------------------|-------------------------------------|
| Cash | | 1,962,966 | - | 1,962,966 | - | 1,962,966 |
| Accounts receivable | | 7,639,882 | (762,075) | 6,877,807 | - | 6,877,807 |
| Inventory | Note 4 | 846,599 | - | 846,599 | - | 846,599 |
| Prepaid expenses and deposits | | 27,791 | - | 27,791 | - | 27,791 |
| Long-term deposits | Note 5 | 635,748 | - | 635,748 | - | 635,748 |
| Restricted cash | Note 6 | 120,000 | - | 120,000 | - | 120,000 |
| Contract assets | Note 7 | 1,419,735 | - | 1,419,735 | 1,986,597 | 3,406,332 |
| Property and equipment | Note 8 | 589,050 | - | 589,050 | - | 589,050 |
| Right-of-use assets | | 87,440 | - | 87,440 | - | 87,440 |
| Resource properties | Note 9 & Note 10 | 5,070,193 | 4,641,378 | 9,711,571 | 10,793,431 | 20,505,002 |
| Investment in Aggregates Marketing Inc. | Note 11 & Schedule 7 | 100 | (2,039,609) | (2,039,509) | 2,039,509 | - |
| Investment in AMI Silica Inc. | Schedule 5 | 30,375,100 | (32,870,577) | (2,495,477) | 2,495,477 | - |
| Investment in joint venture | Note 12 | - | 255,482 | 255,482 | 357,489 | 612,971 |
| Investments in associates | Note 13 | 5,524,292 | (3,829,993) | 1,694,299 | 2,841,135 | 4,535,434 |
| Total Assets | | 54,298,896 | (34,605,394) | 19,693,502 | 20,513,639 | 40,207,141 |
| Accounts payable and accrued liabilities | | 1,328,254 | (525,629) | 802,625 | - | 802,625 |
| Current portion of environmental rehabilitation obligations | | 133,295 | - | 133,295 | (133,295) | - |
| Capital term loan | | 755,051 | - | 755,051 | - | 755,051 |
| Current portion of lease obligations | | 73,618 | - | 73,618 | - | 73,618 |
| Income tax payable | | 64,408 | - | 64,408 | - | 64,408 |
| Long-term debt | | - | - | - | - | - |
| Lease obligations | | 4,899 | - | 4,899 | - | 4,899 |
| Deposit Liabilities | | 26,770 | - | 26,770 | - | 26,770 |
| Environmental rehabilitation obligations | | 2,662,417 | - | 2,662,417 | (2,662,417) | - |
| Net liabilities in RockChain | Schedule 7 & Note 14 | - | - | - | 1,988,854 | 1,988,854 |
| Net liabilities in Silica | Schedule 5 & Note 14 | - | - | - | 556,658 | 556,658 |
| Total Liabilities | | 5,048,712 | (525,629) | 4,523,083 | (250,200) | 4,272,883 |
| Net Assets | | 49,250,184 | (34,079,765) | 15,170,419 | 20,763,839 | 35,934,258 |
| En bloc FMV of Equity | | | | \$ 15,170,419 | \$ 20,763,839 | \$ 35,934,258 |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes.

3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

4 As at December 31, 2021, inventory consists of \$264,180 of unprocessed gravel and \$582,419 of crushed gravel.

5 The long-term deposits are made with various entities to secure certain lease commitments

6 The restricted cash is cash set aside for the specific use of reclamation obligations.

7 The Coffey Lake contract was awarded to the Corporation on February 21, 2019 and the site began operations on March 21, 2020. It is a 15-year contract with the Government of Alberta to construct, operate and manage the Coffey Lake public pit north of Fort McMurray, Alberta. The Coffey Lake contract costs were spent to enable the Company to prepare the site for operations. These costs are expected to be recovered through the receipt of fixed volume-based pit management fees from customers, net of Government of Alberta royalties.

The Corporation spent \$1,487,526 on the Coffey Lake contract costs. The Coffey Lake contract asset will be amortized based on actual volume sales as a proportion of the estimated economically recoverable resource (units of production method).

Assessment of Taxable Canadian Property as at April 19, 2024

AMI - Net Asset Value as at December 31, 2021

In CAD, unless otherwise specified.

8 Property and equipment on a consolidated basis consists of the following:

| Description of P&E | Cost | Acc. Amortization | NBV |
|-------------------------|------------------|--------------------|----------------|
| Stockpiled Pad | 262,104 | (262,104) | - |
| Equipment | 4,520,789 | (3,962,783) | 558,006 |
| On-site Buildings | 195,101 | (191,858) | 3,243 |
| Scales and scale houses | 523,888 | (491,226) | 32,662 |
| Total | 5,501,882 | (4,907,971) | 593,911 |

| Summary P&E by entity: | NBV |
|------------------------|----------------|
| AMI | 589,050 |
| RockChain | 846 |
| TerraShift | 4,015 |
| Total | 593,911 |

9 Resource properties includes exploration and pit development costs (Note 9.1), environmental obligation assets (Note 9.2), and other costs.

9.1 The exploration and pit development costs were incurred across the Corporation's various operations and development projects which are primarily located in the Fort McMurray area of Northern Alberta.

9.2 The environmental rehabilitation obligations assets pertain to resource properties where the Corporation has the legal and constructive obligation to complete decommissioning, reclamation and restoration costs on the property

10 The FMV adjustment to resources properties includes the FMV write-up as detailed in Schedule 2, as well as the environmental rehabilitation obligations. As the rehabilitation obligations are directly associated with and considered inseparable from the resource assets, the liability is netted against the gross assets.

11 Aggregates Marketing Inc. is now known as AMI RockChain Inc. The name changed as of February 2020.

12 Investment in joint venture relates to the interest in the jointly controlled entity, AMI Silica LLC, which is held by the Company and JMAC Energy Services LLC on a 50/50 basis. AMI Silica LLC was incorporated pursuant to the laws of the State of North Dakota on June 2, 2021.

13 Investments in associates include the following:

| Projects | Entity Name | Ref. | Ownership | Cost | NBV | Adj NBV | Adjusted FMV |
|--|--------------------|--------------------|-----------|------------------|------------------|------------------|------------------|
| Duvernay Silica Sand Project ("Duvernay Project") | 2140534 AB ("214") | Note 13.1 & Sch.13 | 100.00% | 2,151,800 | 3,955,534 | 580,200 | 2,204,177 |
| Montney In-Basin Silica Sand Project ("MIB Project") | 2132561 AB ("213") | Note 13.2 & Sch.11 | 100.00% | 1,771,000 | 1,568,758 | 1,114,099 | 2,331,257 |
| Total Investments in Associates | | | | 3,922,800 | 5,524,292 | 1,694,299 | 4,535,434 |

13.1 On January 25, 2019, the Corporation purchased a 16.2% ownership interest in a private Alberta corporation that owns the Duvernay silica sand project in Alberta in exchange for \$280,000 cash consideration and 420,000 common shares of the Corporation at a value of \$0.25 per common share for a total purchase price of \$385,000. On April 30, 2019, the Corporation exercised its option ("Option #1") to purchase an additional 33.4% of the shares in a private Alberta corporation that holds the Duvernay silica sand project for \$742,000 of cash consideration and the issuance of 1,680,000 common shares of the Corporation at a value of \$0.61 per common share for a total purchase price of \$1,766,800. This increased the Corporation's ownership interest to 49.6%.

13.2 On December 14, 2018, the Corporation purchased a 49.2% ownership interest in a private Alberta corporation that owns the Montney In-Basin silica sand project located in the vicinity of Dawson Creek and Fort St. John in exchange for \$1,498,000 cash consideration and 1,186,956 common shares of the Corporation at a value of \$0.23 per common share for a total purchase price of \$1,771,000. Subsequently, on February 5, 2021, the Company acquired control corporation by securing 100% ownership.

14 As at December 31, 2021, RockChain and AMI Silica has net liabilities on their balance, we have assumed that the parent entity, AMI, would be responsible for settling the net liabilities of the subsidiaries.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|--------|---------------------|--------|-------------------|---------------------|
| Schedule 5 | | | | | |
| Cash | | \$ 143,679 | 0.0% | \$ - | \$ 143,679 |
| Long-term deposits | | 133,330 | 0.0% | - | 133,330 |
| Resource properties | Note 1 | 923,372 | 100.0% | 923,372 | - |
| Contract assets | Note 2 | 2,401,037 | 0.0% | - | 2,401,037 |
| Total Assets | | \$ 3,601,418 | | \$ 923,372 | \$ 2,678,046 |
| % of Total Assets | | | | 25.6% | 74.4% |

| | |
|---------------------|-------------|
| RCP % of Silica | 25.6% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

Notes

- Resource properties has been netted against "Investment in AMI Silica" as a result of an intercompany transaction eliminate intercompany gain on of transfer the Firebag resource between AMI and Silica.

Since the resource properties include pit development costs related to the Firebag operation located near Fort McMurray, Alberta, we think it is more likely than not that such value accrues to the underlying mineral and real property. they are considered Taxable Canadian Property (TCP) under ITA s.248(1) and related provisions.

- The contract assets/costs Silica incurred to secure the Duvernay off-take agreement is not RCP due to:

An off-take agreement is a commercial contract that is typically for the future sale and purchase of a commodity. It does not, in itself, grant any ownership or interest in land or mineral rights, nor a right to explore for or exploit Canadian mineral resources. Accordingly, the contract assets are not deemed to be TCP.

Assessment of Taxable Canadian Property as at April 19, 2024

Silica - Net Asset Value as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 2 | FMV ⁽³⁾ 31-Dec-21 |
|--|---------------------|---------------------------------|------------------|----------------------|---------------------------------|---------------------------------|
| Cash | | 143,679 | - | 143,679 | - | 143,679 |
| Accounts receivable | Note 2.1 | (4,022,846) | 4,022,846 | - | - | - |
| Long-term deposits | | 133,330 | - | 133,330 | - | 133,330 |
| Contract assets | Note 4 & Schedule 2 | 1,000,735 | - | 1,000,735 | 1,400,302 | 2,401,037 |
| Resource properties | Note 5 & Schedule 2 | 30,759,855 | - | 30,759,855 | 538,517 | 31,298,372 |
| Investment in AMI Silica Inc. | | (30,375,000) | - | (30,375,000) | - | (30,375,000) |
| Total Assets | | (2,360,247) | 4,022,846 | 1,662,599 | 1,938,819 | 3,601,418 |
| Accounts payable and accrued liabilities | Note 2.1 | 75,230 | 4,022,846 | 4,098,076 | - | 4,098,076 |
| Long-term debt | | 60,000 | - | 60,000 | - | 60,000 |
| Total Liabilities | | 135,230 | 4,022,846 | 4,158,076 | - | 4,158,076 |
| Net Assets | | (2,495,477) | - | (2,495,477) | 1,938,819 | (556,658) |
| En bloc FMV of Equity | Note 6 | | | | \$ | - |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes

2.1 We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.

3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

4 AMI Silica signed an off-take agreement with Shell Canada Energy for silica sand from the Duvernay site in the first quarter of 2020. The off-take agreement, which includes certain take-or-pay provisions, carries a five-year term with two mutually acceptable and separate one-year extensions beginning on the later of mid-2021 or 30 days after the Duvernay facility has been commissioned. The off-take agreement allows Shell to procure a minimum volume over five years or up to an annual maximum of silica sand that represents the majority of the Duvernay site's stated capacity. AMI Silica incurred costs of \$1,000,735 to secure the Duvernay off-take agreement. These costs include \$500,000 in AMI's common shares issued to the Company's advisors as well as cash payments of \$500,735.

5 Resource properties contains the pit development costs for the Firebag operation.

6 Since the FMV of the net assets is negative, the en bloc FMV of equity is deemed to be zero.

| | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|-------------------|-------|-------------|-------------------|
| Schedule 7 | | | | |
| Cash | \$ 75,912 | 0.0% | \$ - | \$ 75,912 |
| Income tax recoverable | 17,464 | 0.0% | - | 17,464 |
| Property and equipment | 846 | 0.0% | - | 846 |
| Investment in associates | 90,608 | 0.0% | - | 90,608 |
| Total Assets | \$ 184,830 | | \$ - | \$ 184,830 |
| % of Total Assets | | | 0.0% | 100.0% |

| | |
|---------------------|-------------|
| RCP % of RockChain | 0.0% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments ⁽²⁾ | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 2 | FMV ⁽³⁾ 31-Dec-21 |
|--|---------------------|---------------------------------|----------------------------|----------------------|---------------------------------|---------------------------------|
| Cash | | 75,912 | - | 75,912 | - | 75,912 |
| Accounts receivable | Note 2.1 | (1,968,058) | 1,968,058 | - | - | - |
| Income tax recoverable | | 17,464 | - | 17,464 | - | 17,464 |
| Property and equipment | | 846 | - | 846 | - | 846 |
| Investments in associates | Schedule 9 & Note 4 | 100,013 | (60,060) | 39,953 | 50,655 | 90,608 |
| Total Assets | | (1,773,823) | 1,907,998 | 134,175 | 50,655 | 184,830 |
| Accounts payable and accrued liabilities | Note 2.1 | 145,626 | 1,968,058 | 2,113,684 | - | 2,113,684 |
| Long-term debt | | 60,000 | - | 60,000 | - | 60,000 |
| Total Liabilities | | 205,626 | 1,968,058 | 2,173,684 | - | 2,173,684 |
| Net Assets | | (1,979,449) | (60,060) | (2,039,509) | 50,655 | (1,988,854) |
| En bloc FMV of Equity | Note 5 | | | | | \$ - |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes

2.1 We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.

3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

4 Investment in associated relates to 100% interest in TerraShift.

5 Since the FMV of the net assets is negative, the en bloc FMV of equity is deemed to be zero.

| | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|------------------|-------|-------------|----------------|
| | Schedule 9 | | | |
| Cash | \$ 165,828 | 0.0% | \$ - | \$ 165,828 |
| Accounts receivable | 72,139 | 0.0% | - | 72,139 |
| Property and equipment | 4,015 | 0.0% | - | 4,015 |
| Income tax recoverable | 56,873 | 0.0% | - | 56,873 |
| Intangible Assets | 86,856 | 0.0% | - | 86,856 |
| Total Assets | 385,711 | | - | 385,711 |
| % of Total Assets | | | 0.0% | 100.0% |

| | |
|---------------------|-------------|
| RCP % of TerraShift | 0.0% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | FMV Adjustment Schedule 2 | FMV ⁽²⁾ 31-Dec-21 |
|--|--------|---------------------------------|------------------------------|---------------------------------|
| Cash | | 165,828 | \$ - | \$ 165,828 |
| Accounts receivable | | 72,139 | - | 72,139 |
| Income tax recoverable | | 56,873 | - | 56,873 |
| Property and equipment | | 4,015 | - | 4,015 |
| Intangible Assets | Note 3 | 36,201 | 50,655 | 86,856 |
| Total Assets | | 335,056 | 50,655 | 385,711 |
| Accounts payable and accrued liabilities | | 235,103 | - | 235,103 |
| Long-term debt | | 60,000 | - | 60,000 |
| Total Liabilities | | 295,103 | - | 295,103 |
| Net Assets | | 39,953 | 50,655 | 90,608 |
| En bloc FMV of Equity | | | | \$ 90,608 |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

| | | |
|--|----------|------------------|
| 3 Intangible assets as at June 30, 2020 | Note 3.1 | \$ 143,447 |
| Accumulated amortization as at December 31, 2021 | Note 3.2 | (107,246) |
| Intangible assets as at September 30, 2022 | | <u>\$ 36,201</u> |

3.1 On June 30, 2020, RockChain acquired 100% of TerraShift, the purchase price allocation for this acquisition is presented below. As a result of the acquisition and purchase price allocation, the company recognized \$143,447 in intangible assets, consisting of customer relationships and software.

| | |
|--|----------------|
| Total purchase price | 100,013 |
| Purchase Price Allocation | |
| Cash | 151,832 |
| Trade and other receivables | 30,178 |
| Property and equipment | 7,741 |
| Intangible assets - customer relationship and software | 143,447 |
| Accounts payable and accrued liabilities | (35,693) |
| Income taxes payable | (14,436) |
| Bank loan | (40,000) |
| Total net assets acquired | 243,069 |
| Gain on acquisition of TerraShift | 143,056 |

3.2 Amortization balance provided by KSV.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|-------------------------------|------|------------------|--------|------------------|----------------|
| | | Schedule 11 | | | |
| Cash | \$ | (2) | 0.0% | \$ - | (2) |
| Accounts receivable | | 269,065 | 0.0% | - | 269,065 |
| Prepaid expenses and deposits | | 25,200 | 0.0% | - | 25,200 |
| Resource Properties | | 2,087,008 | 100.0% | 2,087,008 | - |
| Total Assets | | 2,381,271 | | 2,087,008 | 294,263 |
| % of Total Assets | | | | 87.6% | 12.4% |

| | |
|---------------------|--------------|
| RCP % of 213 | 87.6% |
| Threshold | 50.0% |
| Deemed TCP % | 87.6% |

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | FMV Adjustment Schedule 2 | FMV ⁽³⁾ 31-Dec-21 |
|--|------|---------------------------------|---------------------------------|---------------------------------|
| Cash | | (2) | \$ - | \$ (2) |
| Accounts receivable | | 269,065 | - | 269,065 |
| Prepaid expenses and deposits | | 25,200 | - | 25,200 |
| Resource properties | | 869,850 | 1,217,158 | 2,087,008 |
| Total Assets | | 1,164,113 | 1,217,158 | 2,381,271 |
| Accounts payable and accrued liabilities | | (9,986) | - | (9,986) |
| Long-term debt | | 60,000 | - | 60,000 |
| Total Liabilities | | 50,014 | - | 50,014 |
| Net Assets | | 1,114,099 | 1,217,158 | 2,331,257 |
| En bloc FMV of Equity | | | \$ | 2,331,257 |

Notes

- 1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.
- 2 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

| | Ref. | FMV 31-Dec-21 Schedule 13 | RCP % | RCP | Non-RCP |
|--------------------------|------|---------------------------------|--------|------------------|--------------|
| Cash | \$ | 179 | 0.0% | \$ - | 179 |
| Resource Properties | | 2,784,563 | 100.0% | 2,784,563 | - |
| Total Assets | | 2,784,742 | | 2,784,563 | 179 |
| % of Total Assets | | | | 99.99% | 0.01% |

| | |
|---------------------|---------------|
| RCP % of 214 | 99.99% |
| Threshold | 50.00% |
| Deemed TCP % | 99.99% |

In CAD, unless otherwise specified.

| | NBV ⁽¹⁾ 31-Dec-21 | Adjustments ⁽²⁾ | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 2 | FMV ⁽³⁾ 31-Dec-21 |
|--|---------------------------------|----------------------------|----------------------|---------------------------------|---------------------------------|
| Cash | 179 | \$ - | \$ 179 | \$ - | 179 |
| Accounts receivable | (529,667) | 529,667 | - | - | - |
| Resource properties | 1,160,586 | - | 1,160,586 | 1,623,977 | 2,784,563 |
| Total Assets | 631,098 | 529,667 | 1,160,765 | 1,623,977 | 2,784,742 |
| Accounts payable and accrued liabilities | (9,102) | 529,667 | 520,565 | - | 520,565 |
| Income tax payable | - | - | - | - | - |
| Total Liabilities | 50,898 | 529,667 | 580,565 | - | 580,565 |
| Net Assets | 580,200 | - | 580,200 | 1,623,977 | 2,204,177 |
| En bloc FMV of Equity | | | | \$ | 2,204,177 |

Notes

- 1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.
- 2 We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.
- 3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

Schedules 14 to 26: Step 2 Test – Unconsolidated (Stress Test – No Control Premium)

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--|--------------|-------------------|--------|-------------------|-------------------|
| Schedule 16 | | | | | |
| Cash | | 1,962,966 | 0.0% | - | 1,962,966 |
| Accounts receivable | | 6,877,807 | 0.0% | - | 6,877,807 |
| Inventory | | 846,599 | 0.0% | - | 846,599 |
| Prepaid expenses and deposits | | 27,791 | 0.0% | - | 27,791 |
| Long-term deposits | | 635,748 | 0.0% | - | 635,748 |
| Restricted cash | | 120,000 | 0.0% | - | 120,000 |
| Contract assets | Note 1 | 2,612,941 | 0.0% | - | 2,612,941 |
| Property and equipment | Note 2 | 589,050 | 6.1% | 35,905 | 553,145 |
| Right-of-use assets | Note 3 | 87,440 | 90.9% | 79,515 | 7,925 |
| Resource properties | Note 4 | 15,077,877 | 100.0% | 15,077,877 | - |
| Investments in Subsidiaries (100% Interest) | | | | | |
| Investment in Aggregates Marketing Inc. | Schedule 19 | - | 0.0% | - | - |
| Investment in AMI Silica Inc. | Schedule 17 | - | 0.0% | - | - |
| Investment in Joint Venture | Note 5 | 470,200 | 0.0% | - | 470,200 |
| Investments in associates | | | | | |
| 213 AB | Schedule 23 | 1,555,606 | 84.5% | 1,314,067 | 241,539 |
| 214 AB | Schedule 25 | 1,845,158 | 99.99% | 1,845,003 | 155 |
| Total Assets | | 32,709,183 | | 18,352,368 | 14,356,815 |
| % of Total Assets | | | | 56.1% | 43.9% |
| RCP % | 56.1% | | | | |
| Threshold | 50.0% | | | | |
| Deemed TCP % | 56.1% | | | | |
| Conclusion: | | | | | |
| Shares of Athabasca Minerals Inc. Taxable Canadian Property if TCP > 50% | Yes - TCP | | | | |

Notes

- The Coffey Lake contract costs is not TCP due to:
The contract costs were incurred to enable the Company to prepare the site for operations. It does not, in itself, grant any ownership or interest in land or mineral rights, nor a right to explore for or exploit Canadian mineral resources. Accordingly, the contract assets are not deemed to be RCP.
- The following components of property and equipment are considered as RCP:

| Description of P&E | Ref. | FMV |
|-------------------------|-------------|----------------|
| On-site Buildings | Schedule 16 | 3,243 |
| Scales and scale houses | Schedule 16 | 32,662 |
| Total TCP | | 35,905 |
| Total PP&E | | 589,050 |
| TCP % | | 6.1% |
- The following components of ROU assets are considered as TCP:

| | Ref. | FMV |
|-----------------------------|------|---------------|
| Calgary Office Lease Asset | | 74,068 |
| Edmonton Office Lease Asset | | 5,447 |
| Total TCP | | 79,515 |
| Total ROU Asset | | 87,440 |
| TCP % | | 90.9% |
- Since the resource properties include pit development costs related to the Firebag operation located near Fort McMurray, Alberta, we think it is more likely than not that such value accrues to the underlying mineral and real property. they are considered Taxable Canadian Property (TCP) under ITA s.248(1) and related provisions.
- As the joint venture, AMI Silica LLC, is a US-based entity with operations primarily in the US, the investment is not considered RCP.

Assessment of Taxable Canadian Property as at April 19, 2024

AMI - FMV Adjustment as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | 31-Dec-21 |
|---------------------------------------|--------|-------------------|
| AMI's market cap, minority basis | Note 1 | 27,641,660 |
| AMI's book equity value, consolidated | Note 2 | 15,170,319 |
| Difference | Note 3 | 12,471,341 |

| | NBV as at December 31, 2021 ⁽⁵⁾ | | | | | | | Proportion | Write-Up |
|-----------------------------|--|-------------|---------------------|------------------|-------------------|---------------------|----------------------|---------------|----------------------|
| | AMI | RockChain | Silica | TerraShift | 2132561 AB | 2140534 AB | Consolidated | | |
| | Schedule 16 | Schedule 20 | Schedule 18 | Schedule 22 | Schedule 24 | Schedule 26 | | | Note 5 |
| Intangible Assets | \$ - | \$ - | \$ - | \$ 36,201 | \$ - | \$ - | 36,201 | 0.2% | \$ 30,425 |
| Contract Assets | 1,419,735 | - | 1,000,735 | - | - | - | 2,420,470 | 16.3% | \$ 2,034,266 |
| Resource Properties | 9,711,571 | - | 384,855 | - | 869,850 | 1,160,586 | 12,126,862 | 81.7% | \$ 10,191,932 |
| Investment in Joint Venture | 255,482 | - | - | - | - | - | 255,482 | 1.7% | \$ 214,718 |
| Total | \$ 11,386,788 | \$ - | \$ 1,385,590 | \$ 36,201 | \$ 869,850 | \$ 1,160,586 | \$ 14,839,015 | 100.0% | \$ 12,471,341 |

| AMI | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Contract Assets | 1,419,735 | 58.7% | 1,193,206 |
| Resource Properties | 9,711,571 | 80.1% | 8,162,018 |

| Silica | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Contract Assets | 1,000,735 | 41.3% | 841,060 |
| Resource Properties | 384,855 | 3.2% | 323,449 |

| 2132561 | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|---------|-------------------|--------------------|
| | Above | | |
| Resource Properties | 869,850 | 7.2% | 731,059 |

| 2140534 | NBV | % of Consolidated | Allocated Write-Up |
|---------------------|-----------|-------------------|--------------------|
| | Above | | |
| Resource Properties | 1,160,586 | 9.6% | 975,406 |

Notes

1 Source: S&P Capital IQ

2 Based on the company's unaudited consolidated financial statements for the period ended December 31, 2021, filed on Sedar.com

3 As at December 31, 2021, AMI's market capitalization was higher than its consolidated net book value of equity, it implies that the fair market value of certain assets is likely understated on the balance sheet. The difference represents the extent to which the carrying value of certain company assets must be increased. Refer to the Report for detailed discussion.

4 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

5 We have written up the net book value of AMI's certain assets on a pro-rata basis based on relatively proportion of net book value at December 31, 2021. Refer to the Report for detailed discussion.

Assessment of Taxable Canadian Property as at April 19, 2024

AMI - Net Asset Value as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments Note 2 | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 15 | Adj FMV ⁽³⁾ 31-Dec-21 |
|---|-----------------------|---------------------------------|-----------------------|----------------------|----------------------------------|-------------------------------------|
| Cash | | 1,962,966 | - | 1,962,966 | - | 1,962,966 |
| Accounts receivable | | 7,639,882 | (762,075) | 6,877,807 | - | 6,877,807 |
| Inventory | Note 4 | 846,599 | - | 846,599 | - | 846,599 |
| Prepaid expenses and deposits | | 27,791 | - | 27,791 | - | 27,791 |
| Long-term deposits | Note 5 | 635,748 | - | 635,748 | - | 635,748 |
| Restricted cash | Note 6 | 120,000 | - | 120,000 | - | 120,000 |
| Contract assets | Note 7 | 1,419,735 | - | 1,419,735 | 1,193,206 | 2,612,941 |
| Property and equipment | Note 8 | 589,050 | - | 589,050 | - | 589,050 |
| Right-of-use assets | | 87,440 | - | 87,440 | - | 87,440 |
| Resource properties | Note 9 & Note 10 | 5,070,193 | 4,641,378 | 9,711,571 | 5,366,306 | 15,077,877 |
| Investment in Aggregates Marketing Inc. | Note 11 & Schedule 20 | 100 | (2,039,609) | (2,039,509) | 2,039,509 | - |
| Investment in AMI Silica Inc. | Schedule 18 | 30,375,100 | (32,870,577) | (2,495,477) | 2,495,477 | - |
| Investment in joint venture | Note 12 | - | 255,482 | 255,482 | 214,718 | 470,200 |
| Investments in associates | Note 13 | 5,524,292 | (3,829,993) | 1,694,299 | 1,706,465 | 3,400,764 |
| Total Assets | | 54,298,896 | (34,605,394) | 19,693,502 | 13,015,681 | 32,709,183 |
| Accounts payable and accrued liabilities | | 1,328,254 | (525,629) | 802,625 | - | 802,625 |
| Current portion of environmental rehabilitation obligations | | 133,295 | - | 133,295 | (133,295) | - |
| Capital term loan | | 755,051 | - | 755,051 | - | 755,051 |
| Current portion of lease obligations | | 73,618 | - | 73,618 | - | 73,618 |
| Income tax payable | | 64,408 | - | 64,408 | - | 64,408 |
| Long-term debt | | - | - | - | - | - |
| Lease obligations | | 4,899 | - | 4,899 | - | 4,899 |
| Deposit Liabilities | | 26,770 | - | 26,770 | - | 26,770 |
| Environmental rehabilitation obligations | | 2,662,417 | - | 2,662,417 | (2,662,417) | - |
| Net liabilities in RockChain | Schedule 20 & Note 14 | - | - | - | 2,009,084 | 2,009,084 |
| Net liabilities in Silica | Schedule 18 & Note 14 | - | - | - | 1,330,968 | 1,330,968 |
| Total Liabilities | | 5,048,712 | (525,629) | 4,523,083 | 544,340 | 5,067,423 |
| Net Assets | | 49,250,184 | (34,079,765) | 15,170,419 | 12,471,341 | 27,641,760 |
| En bloc FMV of Equity | | | | \$ 15,170,419 | \$ 12,471,341 | \$ 27,641,760 |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes.

3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

4 As at December 31, 2021, inventory consists of \$264,180 of unprocessed gravel and \$582,419 of crushed gravel.

5 The long-term deposits are made with various entities to secure certain lease commitments

6 The restricted cash is cash set aside for the specific use of reclamation obligations.

7 The Coffey Lake contract was awarded to the Corporation on February 21, 2019 and the site began operations on March 21, 2020. It is a 15-year contract with the Government of Alberta to construct, operate and manage the Coffey Lake public pit north of Fort McMurray, Alberta. The Coffey Lake contract costs were spent to enable the Company to prepare the site for operations. These costs are expected to be recovered through the receipt of fixed volume-based pit management fees from customers, net of Government of Alberta royalties.

The Corporation spent \$1,487,526 on the Coffey Lake contract costs. The Coffey Lake contract asset will be amortized based on actual volume sales as a proportion of the estimated economically recoverable resource (units of production method).

8 Property and equipment on a consolidated basis consists of the following:

| Description of P&E | Cost | Acc. Amortization | NBV |
|-------------------------|------------------|--------------------|----------------|
| Stockpiled Pad | 262,104 | (262,104) | - |
| Equipment | 4,520,789 | (3,962,783) | 558,006 |
| On-site Buildings | 195,101 | (191,858) | 3,243 |
| Scales and scale houses | 523,888 | (491,226) | 32,662 |
| Total | 5,501,882 | (4,907,971) | 593,911 |

| Summary P&E by entity: | NBV |
|------------------------|----------------|
| AMI | 589,050 |
| RockChain | 846 |
| TerraShift | 4,015 |
| Total | 593,911 |

9 Resource properties includes exploration and pit development costs (Note 9.1), environmental obligation assets (Note 9.2), and other costs.

9.1 The exploration and pit development costs were incurred across the Corporation's various operations and development projects which are primarily located in the Fort McMurray area of Northern Alberta.

9.2 The environmental rehabilitation obligations assets pertain to resource properties where the Corporation has the legal and constructive obligation to complete decommissioning, reclamation and restoration costs on the property

10 The FMV adjustment to resources properties includes the FMV write-up as detailed in Schedule 2, as well as the environmental rehabilitation obligations. As the rehabilitation obligations are directly associated with and considered inseparable from the resource assets, the liability is netted against the gross assets.

11 Aggregates Marketing Inc. is now known as AMI RockChain Inc. The name changed as of February 2020.

12 Investment in joint venture relates to the interest in the jointly controlled entity, AMI Silica LLC, which is held by the Company and JMAC Energy Services LLC on a 50/50 basis. AMI Silica LLC was incorporated pursuant to the laws of the State of North Dakota on June 2, 2021.

13 Investments in associates include the following:

| Projects | Entity Name | Ref. | Ownership | Cost | NBV | Adj NBV | Adjusted FMV |
|--|--------------------|--------------------|-----------|------------------|------------------|------------------|------------------|
| Duvernay Silica Sand Project ("Duvernay Project") | 2140534 AB ("214") | Note 13.1 & Sch.26 | 100.00% | 2,151,800 | 3,955,534 | 580,200 | 1,555,606 |
| Montney In-Basin Silica Sand Project ("MIB Project") | 2132561 AB ("213") | Note 13.2 & Sch.24 | 100.00% | 1,771,000 | 1,568,758 | 1,114,099 | 1,845,158 |
| Total Investments in Associates | | | | 3,922,800 | 5,524,292 | 1,694,299 | 3,400,764 |

13.1 On January 25, 2019, the Corporation purchased a 16.2% ownership interest in a private Alberta corporation that owns the Duvernay silica sand project in Alberta in exchange for \$280,000 cash consideration and 420,000 common shares of the Corporation at a value of \$0.25 per common share for a total purchase price of \$385,000. On April 30, 2019, the Corporation exercised its option ("Option #1") to purchase an additional 33.4% of the shares in a private Alberta corporation that holds the Duvernay silica sand project for \$742,000 of cash consideration and the issuance of 1,680,000 common shares of the Corporation at a value of \$0.61 per common share for a total purchase price of \$1,766,800. This increased the Corporation's ownership interest to 49.6%.

13.2 On December 14, 2018, the Corporation purchased a 49.2% ownership interest in a private Alberta corporation that owns the Montney In-Basin silica sand project located in the vicinity of Dawson Creek and Fort St. John in exchange for \$1,498,000 cash consideration and 1,186,956 common shares of the Corporation at a value of \$0.23 per common share for a total purchase price of \$1,771,000. Subsequently, on February 5, 2021, the Company acquired control corporation by securing 100% ownership.

14 As at December 31, 2021, RockChain and AMI Silica has net liabilities on their balance, we have assumed that the parent entity, AMI, would be responsible for settling the net liabilities of the subsidiaries.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|--------|---------------------|--------|-------------------|---------------------|
| Schedule 18 | | | | | |
| Cash | | \$ 143,679 | 0.0% | \$ - | \$ 143,679 |
| Long-term deposits | | 133,330 | 0.0% | - | 133,330 |
| Resource properties | Note 1 | 708,304 | 100.0% | 708,304 | - |
| Contract assets | Note 2 | 1,841,795 | 0.0% | - | 1,841,795 |
| Total Assets | | \$ 2,827,108 | | \$ 708,304 | \$ 2,118,804 |
| % of Total Assets | | | | 25.1% | 74.9% |

| | |
|---------------------|-------------|
| RCP % of Silica | 25.1% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

Notes

1 Resource properties has been netted against "Investment in AMI Silica" as a result of an intercompany transaction eliminate intercompany gain on of transfer the Firebag resource between AMI and Silica.

Since the resource properties include pit development costs related to the Firebag operation located near Fort McMurray, Alberta, we think it is more likely than not that such value accrues to the underlying mineral and real property. they are considered Taxable Canadian Property (TCP) under ITA s.248(1) and related provisions.

2 The contract assets/costs Silica incurred to secure the Duvernay off-take agreement is not RCP due to:

An off-take agreement is a commercial contract that is typically for the future sale and purchase of a commodity. It does not, in itself, grant any ownership or interest in land or mineral rights, nor a right to explore for or exploit Canadian mineral resources. Accordingly, the contract assets are not deemed to be TCP.

Assessment of Taxable Canadian Property as at April 19, 2024

Silica - Net Asset Value as at December 31, 2021

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 15 | FMV ⁽³⁾ 31-Dec-21 |
|--|----------------------|---------------------------------|------------------|----------------------|----------------------------------|---------------------------------|
| Cash | | 143,679 | - | 143,679 | - | 143,679 |
| Accounts receivable | Note 2.1 | (4,022,846) | 4,022,846 | - | - | - |
| Long-term deposits | | 133,330 | - | 133,330 | - | 133,330 |
| Contract assets | Note 4 & Schedule 15 | 1,000,735 | - | 1,000,735 | 841,060 | 1,841,795 |
| Resource properties | Note 5 & Schedule 15 | 30,759,855 | - | 30,759,855 | 323,449 | 31,083,304 |
| Investment in AMI Silica Inc. | | (30,375,000) | - | (30,375,000) | - | (30,375,000) |
| Total Assets | | (2,360,247) | 4,022,846 | 1,662,599 | 1,164,509 | 2,827,108 |
| Accounts payable and accrued liabilities | Note 2.1 | 75,230 | 4,022,846 | 4,098,076 | - | 4,098,076 |
| Long-term debt | | 60,000 | - | 60,000 | - | 60,000 |
| Total Liabilities | | 135,230 | 4,022,846 | 4,158,076 | - | 4,158,076 |
| Net Assets | | (2,495,477) | - | (2,495,477) | 1,164,509 | (1,330,968) |
| En bloc FMV of Equity | Note 6 | | | | \$ | - |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes

2.1 We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.

3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

4 AMI Silica signed an off-take agreement with Shell Canada Energy for silica sand from the Duvernay site in the first quarter of 2020. The off-take agreement, which includes certain take-or-pay provisions, carries a five-year term with two mutually acceptable and separate one-year extensions beginning on the later of mid-2021 or 30 days after the Duvernay facility has been commissioned. The off-take agreement allows Shell to procure a minimum volume over five years or up to an annual maximum of silica sand that represents the majority of the Duvernay site's stated capacity. AMI Silica incurred costs of \$1,000,735 to secure the Duvernay off-take agreement. These costs include \$500,000 in AMI's common shares issued to the Company's advisors as well as cash payments of \$500,735.

5 Resource properties contains the pit development costs for the Firebag operation.

6 Since the FMV of the net assets is negative, the en bloc FMV of equity is deemed to be zero.

| | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|-------------------|-------|-------------|-------------------|
| | Schedule 20 | | | |
| Cash | \$ 75,912 | 0.0% | \$ - | \$ 75,912 |
| Income tax recoverable | 17,464 | 0.0% | - | 17,464 |
| Property and equipment | 846 | 0.0% | - | 846 |
| Investment in associates | 70,378 | 0.0% | - | 70,378 |
| Total Assets | \$ 164,600 | | \$ - | \$ 164,600 |
| % of Total Assets | | | 0.0% | 100.0% |

| | |
|---------------------|-------------|
| RCP % of RockChain | 0.0% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | Adjustments ⁽²⁾ | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 15 | FMV ⁽³⁾ 31-Dec-21 |
|--|----------------------|---------------------------------|----------------------------|----------------------|----------------------------------|---------------------------------|
| Cash | | 75,912 | - | 75,912 | - | 75,912 |
| Accounts receivable | Note 2.1 | (1,968,058) | 1,968,058 | - | - | - |
| Income tax recoverable | | 17,464 | - | 17,464 | - | 17,464 |
| Property and equipment | | 846 | - | 846 | - | 846 |
| Investments in associates | Schedule 22 & Note 4 | 100,013 | (60,060) | 39,953 | 30,425 | 70,378 |
| Total Assets | | (1,773,823) | 1,907,998 | 134,175 | 30,425 | 164,600 |
| Accounts payable and accrued liabilities | Note 2.1 | 145,626 | 1,968,058 | 2,113,684 | - | 2,113,684 |
| Long-term debt | | 60,000 | - | 60,000 | - | 60,000 |
| Total Liabilities | | 205,626 | 1,968,058 | 2,173,684 | - | 2,173,684 |
| Net Assets | | (1,979,449) | (60,060) | (2,039,509) | 30,425 | (2,009,084) |
| En bloc FMV of Equity | Note 5 | | | | \$ | - |

Notes

- Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.
- Adjustments include intercompany and restatement adjustments as well as reclassification adjustments to net book values as at December 31, 2021 for presentation purposes
 - We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.
- Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.
- Investment in associated relates to 100% interest in TerraShift.
- Since the FMV of the net assets is negative, the en bloc FMV of equity is deemed to be zero.

| | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|------------------|-------|-------------|----------------|
| | Schedule 22 | | | |
| Cash | \$ 165,828 | 0.0% | \$ - | \$ 165,828 |
| Accounts receivable | 72,139 | 0.0% | - | 72,139 |
| Property and equipment | 4,015 | 0.0% | - | 4,015 |
| Income tax recoverable | 56,873 | 0.0% | - | 56,873 |
| Intangible Assets | 66,626 | 0.0% | - | 66,626 |
| Total Assets | 365,481 | | - | 365,481 |
| % of Total Assets | | | 0.0% | 100.0% |

| | |
|---------------------|-------------|
| RCP % of TerraShift | 0.0% |
| Threshold | 50.0% |
| Deemed TCP % | 0.0% |

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | FMV Adjustment Schedule 15 | FMV ⁽²⁾ 31-Dec-21 |
|--|--------|---------------------------------|-------------------------------|---------------------------------|
| Cash | | 165,828 | \$ - | \$ 165,828 |
| Accounts receivable | | 72,139 | - | 72,139 |
| Income tax recoverable | | 56,873 | - | 56,873 |
| Property and equipment | | 4,015 | - | 4,015 |
| Intangible Assets | Note 3 | 36,201 | 30,425 | 66,626 |
| Total Assets | | 335,056 | 30,425 | 365,481 |
| Accounts payable and accrued liabilities | | 235,103 | - | 235,103 |
| Long-term debt | | 60,000 | - | 60,000 |
| Total Liabilities | | 295,103 | - | 295,103 |
| Net Assets | | 39,953 | 30,425 | 70,378 |
| En bloc FMV of Equity | | | | \$ 70,378 |

Notes

1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.

2 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

| | | |
|--|----------|------------------|
| 3 Intangible assets as at June 30, 2020 | Note 3.1 | \$ 143,447 |
| Accumulated amortization as at December 31, 2021 | Note 3.2 | (107,246) |
| Intangible assets as at September 30, 2022 | | <u>\$ 36,201</u> |

3.1 On June 30, 2020, RockChain acquired 100% of TerraShift, the purchase price allocation for this acquisition is presented below. As a result of the acquisition and purchase price allocation, the company recognized \$143,447 in intangible assets, consisting of customer relationships and software.

| | |
|--|----------------|
| Total purchase price | 100,013 |
| Purchase Price Allocation | |
| Cash | 151,832 |
| Trade and other receivables | 30,178 |
| Property and equipment | 7,741 |
| Intangible assets - customer relationship and software | 143,447 |
| Accounts payable and accrued liabilities | (35,693) |
| Income taxes payable | (14,436) |
| Bank loan | (40,000) |
| Total net assets acquired | 243,069 |
| Gain on acquisition of TerraShift | 143,056 |

3.2 Amortization balance provided by KSV.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|-------------------------------|------|------------------|--------|------------------|----------------|
| | | Schedule 24 | | | |
| Cash | \$ | (2) | 0.0% | \$ - | (2) |
| Accounts receivable | | 269,065 | 0.0% | - | 269,065 |
| Prepaid expenses and deposits | | 25,200 | 0.0% | - | 25,200 |
| Resource Properties | | 1,600,909 | 100.0% | 1,600,909 | - |
| Total Assets | | 1,895,172 | | 1,600,909 | 294,263 |
| % of Total Assets | | | | 84.5% | 15.5% |

| | |
|---------------------|--------------|
| RCP % of 213 | 84.5% |
| Threshold | 50.0% |
| Deemed TCP % | 84.5% |

In CAD, unless otherwise specified.

| | Ref. | NBV ⁽¹⁾ 31-Dec-21 | FMV Adjustment Schedule 15 | FMV ⁽³⁾ 31-Dec-21 |
|--|------|---------------------------------|----------------------------------|---------------------------------|
| Cash | | (2) | \$ - | \$ (2) |
| Accounts receivable | | 269,065 | - | 269,065 |
| Prepaid expenses and deposits | | 25,200 | - | 25,200 |
| Resource properties | | 869,850 | 731,059 | 1,600,909 |
| Total Assets | | 1,164,113 | 731,059 | 1,895,172 |
| Accounts payable and accrued liabilities | | (9,986) | - | (9,986) |
| Long-term debt | | 60,000 | - | 60,000 |
| Total Liabilities | | 50,014 | - | 50,014 |
| Net Assets | | 1,114,099 | 731,059 | 1,845,158 |
| En bloc FMV of Equity | | | \$ | 1,845,158 |

Notes

- 1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.
- 2 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

| | Ref. | FMV 31-Dec-21 | RCP % | RCP | Non-RCP |
|--------------------------|------|------------------|--------|------------------|--------------|
| | | Schedule 26 | | | |
| Cash | \$ | 179 | 0.0% | \$ - | 179 |
| Resource Properties | | 2,135,992 | 100.0% | 2,135,992 | - |
| Total Assets | | 2,136,171 | | 2,135,992 | 179 |
| % of Total Assets | | | | 99.99% | 0.01% |

| | |
|---------------------|---------------|
| RCP % of 214 | 99.99% |
| Threshold | 50.00% |
| Deemed TCP % | 99.99% |

In CAD, unless otherwise specified.

| | NBV ⁽¹⁾ 31-Dec-21 | Adjustments ⁽²⁾ | Adj NBV 31-Dec-21 | FMV Adjustment Schedule 15 | FMV ⁽³⁾ 31-Dec-21 |
|--|---------------------------------|----------------------------|----------------------|----------------------------------|---------------------------------|
| Cash | 179 | \$ - | \$ 179 | \$ - | 179 |
| Accounts receivable | (529,667) | 529,667 | - | - | - |
| Resource properties | 1,160,586 | - | 1,160,586 | 975,406 | 2,135,992 |
| Total Assets | 631,098 | 529,667 | 1,160,765 | 975,406 | 2,136,171 |
| Accounts payable and accrued liabilities | (9,102) | 529,667 | 520,565 | - | 520,565 |
| Income tax payable | - | - | - | - | - |
| Total Liabilities | 50,898 | 529,667 | 580,565 | - | 580,565 |
| Net Assets | 580,200 | - | 580,200 | 975,406 | 1,555,606 |
| En bloc FMV of Equity | | | | \$ | 1,555,606 |

Notes

- 1 Source: internal unconsolidated balance sheet by entity as at December 31, 2021 provided by KSV.
- 2 We reclassified the credit accounts receivable balances to accounts payable for presentation purpose.
- 3 Unless otherwise indicated, net book value approximates Fair Market Value, as represented by KSV.

Schedules 27 to 44: Step 1 Test – Consolidated

The following table summarizes the FMV of Total Equity as at each testing date in the Test Period observed in Schedules 27 to 44.

| Market Capitalization | | | | |
|-----------------------|---------------|-----------------|------------|------------|
| Date | Market Cap | Control Premium | FMV Equity | |
| 30-Jun-19 | \$ 28,863,300 | 30% | \$ | 37,522,290 |
| 30-Sep-19 | \$ 29,536,240 | 30% | \$ | 38,397,112 |
| 31-Dec-19 | \$ 11,883,870 | 30% | \$ | 15,449,031 |
| 31-Mar-20 | \$ 5,829,820 | 30% | \$ | 7,578,766 |
| 30-Jun-20 | \$ 7,132,580 | 30% | \$ | 9,272,354 |
| 30-Sep-20 | \$ 5,828,220 | 30% | \$ | 7,576,686 |
| 31-Dec-20 | \$ 7,638,790 | 30% | \$ | 9,930,427 |
| 31-Mar-21 | \$ 13,514,770 | 30% | \$ | 17,569,201 |
| 30-Jun-21 | \$ 14,940,240 | 30% | \$ | 19,422,312 |
| 30-Sep-21 | \$ 10,957,090 | 30% | \$ | 14,244,217 |
| 31-Dec-21 | \$ 27,641,660 | 30% | \$ | 35,934,158 |
| 31-Mar-22 | \$ 36,855,540 | 30% | \$ | 47,912,202 |
| 30-Jun-22 | \$ 23,390,820 | 30% | \$ | 30,408,066 |
| 30-Sep-22 | \$ 17,288,190 | 30% | \$ | 22,474,647 |
| 31-Dec-22 | \$ 16,469,000 | 30% | \$ | 21,409,700 |
| 31-Mar-23 | \$ 8,234,500 | 30% | \$ | 10,704,850 |
| 30-Jun-23 | \$ 5,893,700 | 30% | \$ | 7,661,810 |
| 30-Sep-23 | \$ 10,608,660 | 30% | \$ | 13,791,258 |

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 18,706,265 |
| Total Assets | \$ | 40,818,801 |
| TCP % | | 45.83% |

| June 30, 2019 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|--|---------------|----------------|---------------|--------|---------------|
| Cash | 3,722,072 | | 3,722,072 | 0.0% | - |
| Trade and other receivables | 1,042,098 | | 1,042,098 | 0.0% | - |
| Inventory | 1,139,477 | | 1,139,477 | 0.0% | - |
| Prepaid expenses and deposits | 65,370 | | 65,370 | 0.0% | - |
| Share purchase options | 94,897 | | 94,897 | 0.0% | - |
| Current Assets | \$ 6,063,914 | \$ - | \$ 6,063,914 | | \$ - |
| Long-term deposits | 806,937 | | 806,937 | 0.0% | - |
| Restricted cash | 1,836,656 | | 1,836,656 | 0.0% | - |
| Contract assets | 57,177 | 134,821 | 191,998 | 0.0% | - |
| Property and equipment | 1,106,788 | - | 1,106,788 | 0.0% | - |
| Right-of-use assets | 22,992 | - | 22,992 | 0.0% | - |
| Resource properties | 6,261,111 | 12,445,154 | 18,706,265 | 100.0% | 18,706,265 |
| Investments in associates | 3,598,388 | 8,484,863 | 12,083,251 | 0.0% | - |
| Total Assets | \$ 19,753,963 | \$ 21,064,838 | \$ 40,818,801 | | \$ 18,706,265 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 947,124 | | 947,124 | | |
| Current portion of environmental rehabilitation obligations | 1,716,170 | | 1,716,170 | | |
| Current portion of lease liabilities | 30,979 | | 30,979 | | |
| Current Liabilities | \$ 2,694,273 | \$ - | \$ 2,694,273 | | |
| Environmental rehabilitation and decommissioning obligations | 2,318,309 | (2,318,309) | - | | |
| Deposit liabilities | 602,238 | | 602,238 | | |
| Total Liabilities | \$ 5,614,820 | \$ (2,318,309) | \$ 3,296,511 | | |
| Share capital | 16,283,421 | | | | |
| Contributed surplus | 4,929,730 | | | | |
| Deficit | (7,074,008) | | | | |
| Total Shareholders' Equity | \$ 14,139,143 | \$ 23,383,147 | \$ 37,522,290 | | |
| Total Liabilities and Shareholders' Equity | \$ 19,753,963 | \$ 21,064,838 | \$ 40,818,801 | | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 14,139,143 |
| Market Capitalization, including control premium (30%) | \$ | 37,522,290 |
| Value Allocation Amount | \$ | 23,383,147 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 18,469,643 |
| Total Assets | \$ | 39,192,305 |
| TCP % | | 47.13% |

| September 30, 2019 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|--|---------------|----------------|---------------|--------|---------------|
| Cash | 3,986,289 | | 3,986,289 | 0.0% | - |
| Trade and other receivables | 85,983 | | 85,983 | 0.0% | - |
| Inventory | 1,112,475 | | 1,112,475 | 0.0% | - |
| Prepaid expenses and deposits | 154,245 | | 154,245 | 0.0% | - |
| Share purchase options | 43,928 | | 43,928 | 0.0% | - |
| Current Assets | \$ 5,382,920 | \$ - | \$ 5,382,920 | | \$ - |
| Long-term deposits | 794,462 | | 794,462 | 0.0% | - |
| Restricted cash | 862,941 | | 862,941 | 0.0% | - |
| Contract assets | 179,850 | 416,388 | 596,238 | 0.0% | - |
| Property and equipment | 1,058,414 | - | 1,058,414 | 0.0% | - |
| Right-of-use assets | 195,420 | - | 195,420 | 0.0% | - |
| Resource properties | 6,272,040 | 12,197,603 | 18,469,643 | 100.0% | 18,469,643 |
| Investments in associates | 3,569,099 | 8,263,168 | 11,832,267 | 0.0% | - |
| Total Assets | \$ 18,315,146 | \$ 20,877,159 | \$ 39,192,305 | | \$ 18,469,643 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 452,589 | | 452,589 | | |
| Current portion of environmental rehabilitation obligations | 144,188 | | 144,188 | | |
| Current portion of lease liabilities | 94,493 | | 94,493 | | |
| Current Liabilities | \$ 691,270 | \$ - | \$ 691,270 | | |
| Lease obligations | 103,923 | | 103,923 | | |
| Environmental rehabilitation and decommissioning obligations | 2,323,406 | (2,323,406) | - | | |
| Total Liabilities | \$ 3,118,599 | \$ (2,323,406) | \$ 795,193 | | |
| Share capital | 16,582,442 | | | | |
| Contributed surplus | 4,939,447 | | | | |
| Deficit | (6,325,342) | | | | |
| Total Shareholders' Equity | \$ 15,196,547 | \$ 23,200,565 | \$ 38,397,112 | | |
| Total Liabilities and Shareholders' Equity | \$ 18,315,146 | \$ 20,877,159 | \$ 39,192,305 | | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 15,196,547 |
| Market Capitalization, including control premium (30%) | \$ | 38,397,112 |
| Value Allocation Amount | \$ | 23,200,565 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 4,550,619 |
| Total Assets | \$ | 16,994,164 |
| TCP % | | 26.78% |

| December 31, 2019 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|--|---------------|----------------|---------------|--------|--------------|
| Cash | 1,995,280 | | 1,995,280 | 0.0% | - |
| Trade and other receivables | 1,011,903 | | 1,011,903 | 0.0% | - |
| Inventory | 1,112,475 | | 1,112,475 | 0.0% | - |
| Prepaid expenses and deposits | 115,582 | | 115,582 | 0.0% | - |
| Share purchase options | - | | - | 0.0% | - |
| Current Assets | \$ 4,235,240 | \$ - | \$ 4,235,240 | | \$ - |
| Long-term deposits | 803,288 | | 803,288 | 0.0% | - |
| Restricted cash | 1,761,470 | | 1,761,470 | 0.0% | - |
| Contract assets | 392,879 | 44,839 | 437,718 | 0.0% | - |
| Property and equipment | 982,306 | - | 982,306 | 0.0% | - |
| Right-of-use assets | 175,414 | - | 175,414 | 0.0% | - |
| Resource properties | 6,288,436 | (1,737,817) | 4,550,619 | 100.0% | 4,550,619 |
| Investments in associates | 3,633,427 | 414,681 | 4,048,108 | 0.0% | - |
| Total Assets | \$ 18,272,460 | \$ (1,278,296) | \$ 16,994,164 | | \$ 4,550,619 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 1,348,550 | | 1,348,550 | | |
| Current portion of environmental rehabilitation obligations | 16,693 | | 16,693 | | |
| Current portion of lease liabilities | - | | - | | |
| Current Liabilities | \$ 1,458,928 | \$ - | \$ 1,458,928 | | |
| Lease obligations | 86,205 | | 86,205 | | |
| Environmental rehabilitation and decommissioning obligations | - | - | - | | |
| Total Liabilities | \$ 4,000,646 | \$ (2,455,513) | \$ 1,545,133 | | |
| Share capital | 16,734,732 | | | | |
| Contributed surplus | 4,964,152 | | | | |
| Deficit | (7,427,070) | | | | |
| Total Shareholders' Equity | \$ 14,271,814 | \$ 1,177,217 | \$ 15,449,031 | | |
| Total Liabilities and Shareholders' Equity | \$ 18,272,460 | \$ (1,278,296) | \$ 16,994,164 | | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 14,271,814 |
| Market Capitalization, including control premium (30%) | \$ | 15,449,031 |
| Value Allocation Amount | \$ | 1,177,217 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 1,226,389 |
| Total Assets | \$ | 11,067,124 |
| TCP % | | 11.08% |

| March 31, 2020 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|----------------|---------------|--------|--------------|
| Cash | 1,735,810 | | 1,735,810 | 0.0% | - |
| Trade and other receivables | 1,132,907 | | 1,132,907 | 0.0% | - |
| Inventory | 1,112,475 | | 1,112,475 | 0.0% | - |
| Prepaid expenses and deposits | 78,151 | | 78,151 | 0.0% | - |
| Current Assets | \$ 4,059,343 | \$ - | \$ 4,059,343 | | \$ - |
| Long-term deposits | 780,962 | | 780,962 | 0.0% | - |
| Restricted cash | 1,835,128 | | 1,835,128 | 0.0% | - |
| Contract assets | 2,220,295 | (1,495,878) | 724,417 | 0.0% | - |
| Property and equipment | 911,664 | 0 | 911,664 | 0.0% | - |
| Right-of-use assets | 350,065 | 0 | 350,065 | 0.0% | - |
| Resource properties | 6,711,351 | (5,484,962) | 1,226,389 | 100.0% | 1,226,389 |
| Investments in associates | 3,614,043 | (2,434,887) | 1,179,156 | 0.0% | - |
| Total Assets | \$ 20,482,851 | \$ (9,415,727) | \$ 11,067,124 | | \$ 1,226,389 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | |
|---|---------------|----------------|---------------|
| Accounts payable and accrued liabilities | 1,622,655 | | 1,622,655 |
| Current portion of bank loan | 348,230 | | 348,230 |
| Current portion of lease obligations | 159,688 | | 159,688 |
| Current portion of environmental rehabilitation obligations | 16,904 | | 16,904 |
| Current Liabilities | \$ 2,147,477 | \$ - | \$ 2,147,477 |
| Bank loan | 1,151,770 | | 1,151,770 |
| Lease obligations | 189,111 | | 189,111 |
| Environmental rehabilitation obligations | 2,952,541 | (2,952,541) | - |
| Total Liabilities | \$ 6,440,899 | \$ (2,952,541) | \$ 3,488,358 |
| Share capital | 17,260,023 | | |
| Contributed surplus | 5,024,679 | | |
| Deficit | (8,242,750) | | |
| Total Shareholders' Equity | \$ 14,041,952 | \$ (6,463,186) | \$ 7,578,766 |
| Total Liabilities and Shareholders' Equity | \$ 20,482,851 | \$ (9,415,727) | \$ 11,067,124 |

| | |
|--|----------------|
| Book Value of Equity | \$ 14,041,952 |
| Market Capitalization, including control premium (30%) | \$ 7,578,766 |
| Value Allocation Amount | \$ (6,463,186) |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 2,127,035 |
| Total Assets | \$ | 11,783,327 |
| TCP % | | 18.05% |

| June 30, 2020 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|----------------|---------------|--------|--------------|
| Cash | 1,089,500 | | 1,089,500 | 0.0% | - |
| Trade and other receivables | 114,716 | | 114,716 | 0.0% | - |
| Inventory | 1,112,475 | | 1,112,475 | 0.0% | - |
| Prepaid expenses and deposits | 41,621 | | 41,621 | 0.0% | - |
| Current Assets | \$ 2,358,312 | \$ - | \$ 2,358,312 | | \$ - |
| Long-term deposits | 757,252 | | 757,252 | 0.0% | - |
| Restricted cash | 1,835,160 | | 1,835,160 | 0.0% | - |
| Contract assets | 2,452,694 | (1,053,146) | 1,399,548 | 0.0% | - |
| Property and equipment | 849,588 | 0 | 849,588 | 0.0% | - |
| Right-of-use assets | 317,032 | 0 | 317,032 | 0.0% | - |
| Resource properties | 6,750,782 | (4,623,747) | 2,127,035 | 100.0% | 2,127,035 |
| Investments in associates | 3,605,830 | (1,548,283) | 2,057,547 | 0.0% | - |
| Intangible assets | 143,447 | (61,594) | 81,853 | 0.0% | - |
| Total Assets | \$ 19,070,097 | \$ (7,286,770) | \$ 11,783,327 | | \$ 2,127,035 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|---------------|----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 527,642 | | 527,642 | | |
| Current portion of lease obligations | 162,583 | | 162,583 | | |
| Current portion of environmental rehabilitation obligations | 16,904 | | 16,904 | | |
| Current portion of bank loans | 475,672 | | 475,672 | | |
| Current Liabilities | \$ 1,182,801 | \$ - | \$ 1,182,801 | | |
| Bank loans | 1,144,328 | | 1,144,328 | | |
| Lease obligations | 152,500 | | 152,500 | | |
| Environmental rehabilitation obligations | 3,023,174 | (3,023,174) | - | | |
| Income taxes payable | 31,344 | | 31,344 | | |
| Total Liabilities | \$ 5,534,147 | \$ (3,023,174) | \$ 2,510,973 | | |
| Share capital | 17,367,831 | | | | |
| Contributed surplus | 5,084,827 | | | | |
| Deficit | (8,916,708) | | | | |
| Total Shareholders' Equity | \$ 13,535,950 | \$ (4,263,596) | \$ 9,272,354 | | |
| Total Liabilities and Shareholders' Equity | \$ 19,070,097 | \$ (7,286,770) | \$ 11,783,327 | | |

| | | |
|--|----|----------------|
| Book Value of Equity | \$ | 13,535,950 |
| Market Capitalization, including control premium (30%) | \$ | 9,272,354 |
| Value Allocation Amount | | \$ (4,263,596) |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 1,767,638 |
| Total Assets | \$ | 10,028,503 |
| TCP % | | 17.63% |

| September 30, 2020 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|----------------------|-----------------------|----------------------|------------|---------------------|
| Cash | 1,176,001 | | 1,176,001 | 0.0% | - |
| Trade and other receivables | 245,888 | | 245,888 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 46,887 | | 46,887 | 0.0% | - |
| Current Assets | \$ 2,315,375 | \$ - | \$ 2,315,375 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 1,077,360 | | 1,077,360 | 0.0% | - |
| Contract assets | 2,488,261 | (1,269,191) | 1,219,070 | 0.0% | - |
| Property and equipment | 787,940 | (0) | 787,940 | 0.0% | - |
| Right-of-use assets | 284,000 | (0) | 284,000 | 0.0% | - |
| Resource properties | 6,685,322 | (4,917,684) | 1,767,638 | 100.0% | 1,767,638 |
| Investments in associates | 3,598,941 | (1,835,717) | 1,763,224 | 0.0% | - |
| Intangible assets | 91,480 | (46,661) | 44,819 | 0.0% | - |
| Total Assets | \$ 18,097,757 | \$ (8,069,254) | \$ 10,028,503 | | \$ 1,767,638 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|----------------------|-----------------------|----------------------|--|--|
| Accounts payable and accrued liabilities | 587,206 | | 587,206 | | |
| Current portion of lease obligations | 165,506 | | 165,506 | | |
| Current portion of environmental rehabilitation obligations | 16,904 | | 16,904 | | |
| Current portion of bank loans | 524,699 | | 524,699 | | |
| Current Liabilities | \$ 1,294,315 | \$ - | \$ 1,294,315 | | |
| Bank loans | 1,010,607 | | 1,010,607 | | |
| Lease obligations | 115,551 | | 115,551 | | |
| Environmental rehabilitation obligations | 3,077,372 | (3,077,372) | - | | |
| Income taxes payable | 31,344 | | 31,344 | | |
| Total Liabilities | \$ 5,529,189 | \$ (3,077,372) | \$ 2,451,817 | | |
| Share capital | 17,450,153 | | | | |
| Contributed surplus | 5,141,477 | | | | |
| Deficit | (10,023,062) | | | | |
| Total Shareholders' Equity | \$ 12,568,568 | \$ (4,991,882) | \$ 7,576,686 | | |
| Total Liabilities and Shareholders' Equity | \$ 18,097,757 | \$ (8,069,254) | \$ 10,028,503 | | |

| | | |
|--|----|----------------|
| Book Value of Equity | \$ | 12,568,568 |
| Market Capitalization, including control premium (30%) | \$ | 7,576,686 |
| Value Allocation Amount | | \$ (4,991,882) |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 2,390,047 |
| Total Assets | \$ | 12,644,292 |
| TCP % | | 18.90% |

| December 31, 2020 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|--|----------------|----------------|---------------|--------|--------------|
| Cash | 1,954,371 | | 1,954,371 | 0.0% | - |
| Trade and other receivables | 490,918 | | 490,918 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 32,414 | | 32,414 | 0.0% | - |
| Amounts due from related entities | 88,876 | | 88,876 | 0.0% | - |
| Current Assets | \$ 3,413,178 | \$ - | \$ 3,413,178 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 1,076,595 | | 1,076,595 | 0.0% | - |
| Contract costs | 2,434,300 | (820,972) | 1,613,328 | 0.0% | - |
| Property and equipment | 739,100 | 0 | 739,100 | 0.0% | - |
| Right-of-use assets | 250,967 | 0 | 250,967 | 0.0% | - |
| Resource properties | 6,250,770 | (3,860,723) | 2,390,047 | 100.0% | 2,390,047 |
| Investments in associates | 3,524,291 | (1,188,574) | 2,335,717 | 0.0% | - |
| Intangible assets | 84,923 | (28,640) | 56,283 | 0.0% | - |
| Total Assets | \$ 18,543,202 | \$ (5,898,910) | \$ 12,644,292 | | \$ 2,390,047 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 1,003,696 | | 1,003,696 | | |
| Current portion of lease obligations | 159,640 | | 159,640 | | |
| Current portion of bank loans | 1,286,924 | | 1,286,924 | | |
| Current Liabilities | \$ 2,450,260 | \$ - | \$ 2,450,260 | | |
| Bank loans | 140,000 | | 140,000 | | |
| Lease obligations | 78,521 | | 78,521 | | |
| Environmental rehabilitation obligations | 2,644,503 | (2,644,503) | - | | |
| Income taxes payable | 45,084 | | 45,084 | | |
| Total Liabilities | \$ 5,358,368 | \$ (2,644,503) | \$ 2,713,865 | | |
| Share capital | 18,955,877 | | | | |
| Contributed surplus | 5,186,552 | | | | |
| Deficit | (10,957,595) | | | | |
| Total Shareholders' Equity | \$ 13,184,834 | \$ (3,254,407) | \$ 9,930,427 | | |
| Total Liabilities and Shareholders' Equity | \$ 18,543,202 | \$ (5,898,910) | \$ 12,644,292 | | |
| | | | | | |
| Book Value of Equity | \$ 13,184,834 | | | | |
| Market Capitalization, including control premium (30%) | \$ 9,930,427 | | | | |
| Value Allocation Amount | \$ (3,254,407) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 11,372,577 |
| Total Assets | \$ | 20,241,981 |
| TCP % | | 56.18% |

| March 31, 2021 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|------------|---------------|--------|---------------|
| Cash | 1,560,194 | | 1,560,194 | 0.0% | - |
| Trade and other receivables | 427,532 | | 427,532 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 288,924 | | 288,924 | 0.0% | - |
| Current Assets | \$ 3,123,249 | \$ - | \$ 3,123,249 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 1,079,965 | | 1,079,965 | 0.0% | - |
| Contract costs | 2,426,466 | 471,198 | 2,897,664 | 0.0% | - |
| Property and equipment | 708,325 | - | 708,325 | 0.0% | - |
| Right-of-use assets | 198,011 | | 198,011 | 0.0% | - |
| Resource properties | 11,629,111 | (256,534) | 11,372,577 | 100.0% | 11,372,577 |
| Intangible assets | 77,970 | 15,141 | 93,111 | 0.0% | - |
| Total Assets | \$ 20,012,175 | \$ 229,806 | \$ 20,241,981 | | \$ 11,372,577 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | |
|--|---------------|----------------|---------------|--|
| Accounts payable and accrued liabilities | 1,116,605 | | 1,116,605 | |
| Current portion of lease obligations | 128,737 | | 128,737 | |
| Current portion of bank loans | 1,156,416 | | 1,156,416 | |
| Current Liabilities | \$ 2,401,758 | \$ - | \$ 2,401,758 | |
| Bank loans | 180,000 | | 180,000 | |
| Lease obligations | 60,374 | | 60,374 | |
| Environmental rehabilitation obligations | 2,514,805 | (2,514,805) | - | |
| Income taxes payable | 30,648 | | 30,648 | |
| Total Liabilities | \$ 5,187,585 | \$ (2,514,805) | \$ 2,672,780 | |
| Share capital | 21,155,878 | | | |
| Contributed surplus | 5,228,219 | | | |
| Deficit | (11,559,507) | | | |
| Total Shareholders' Equity | \$ 14,824,590 | \$ 2,744,611 | \$ 17,569,201 | |
| Total Liabilities and Shareholders' Equity | \$ 20,012,175 | \$ 229,806 | \$ 20,241,981 | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 14,824,590 |
| Market Capitalization, including control premium (30%) | \$ | 17,569,201 |
| Value Allocation Amount | \$ | 2,744,611 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 13,295,250 |
| Total Assets | \$ | 24,016,666 |
| TCP % | | 55.36% |

| June 30, 2021 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|--------------|---------------|--------|---------------|
| Cash | 674,595 | | 674,595 | 0.0% | - |
| Trade and other receivables | 3,003,420 | | 3,003,420 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 199,998 | | 199,998 | 0.0% | - |
| Current Assets | \$ 4,724,612 | \$ - | \$ 4,724,612 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 1,079,965 | | 1,079,965 | 0.0% | - |
| Contract costs | 2,424,364 | 848,264 | 3,272,628 | 0.0% | - |
| Property and equipment | 653,839 | - | 653,839 | 0.0% | - |
| Right-of-use assets | 163,051 | | 163,051 | 0.0% | - |
| Resource properties | 11,927,504 | 1,367,746 | 13,295,250 | 100.0% | 13,295,250 |
| Intangible assets | 43,146 | 15,096 | 58,242 | 0.0% | - |
| Total Assets | \$ 21,785,559 | \$ 2,231,107 | \$ 24,016,666 | | \$ 13,295,250 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|--|---------------|----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 3,204,039 | | 3,204,039 | | |
| Current portion of lease obligations | 110,334 | | 110,334 | | |
| Current portion of bank loans | 1,024,328 | | 1,024,328 | | |
| Current Liabilities | \$ 4,338,701 | \$ - | \$ 4,338,701 | | |
| Bank loans | 180,000 | | 180,000 | | |
| Lease obligations | 45,005 | | 45,005 | | |
| Environmental rehabilitation obligations | 2,805,585 | (2,805,585) | - | | |
| Income taxes payable | 30,648 | | 30,648 | | |
| Total Liabilities | \$ 7,399,939 | \$ (2,805,585) | \$ 4,594,354 | | |
| Share capital | 21,272,209 | | | | |
| Contributed surplus | 5,252,644 | | | | |
| Deficit | (12,139,233) | | | | |
| Total Shareholders' Equity | \$ 14,385,620 | \$ 5,036,692 | \$ 19,422,312 | | |
| Total Liabilities and Shareholders' Equity | \$ 21,785,559 | \$ 2,231,107 | \$ 24,016,666 | | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 14,385,620 |
| Market Capitalization, including control premium (30%) | \$ | 19,422,312 |
| Value Allocation Amount | \$ | 5,036,692 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 8,993,559 |
| Total Assets | \$ | 17,752,166 |
| TCP % | | 50.66% |

| September 30, 2021 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|-------------------|-------------------|---------------|------------|--------------|
| Cash | 1,997,211 | | 1,997,211 | 0.0% | - |
| Trade and other receivables | 1,702,629 | | 1,702,629 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 123,155 | | 123,155 | 0.0% | - |
| Current Assets | \$ 4,669,594 | \$ - | \$ 4,669,594 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 120,000 | | 120,000 | 0.0% | - |
| Contract costs | 2,423,888 | 3,260 | 2,427,148 | 0.0% | - |
| Property and equipment | 604,971 | - | 604,971 | 0.0% | - |
| Right-of-use assets | 128,090 | - | 128,090 | 0.0% | - |
| Resource properties | 11,792,738 | (2,799,179) | 8,993,559 | 100.0% | 8,993,559 |
| Intangible assets | 39,673 | 53 | 39,726 | 0.0% | - |
| Total Assets | \$ 20,548,032 | \$ (2,795,866) | \$ 17,752,166 | | \$ 8,993,559 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|--|---------------|----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 2,170,311 | | 2,170,311 | | |
| Current portion of lease obligations | 91,549 | | 91,549 | | |
| Current portion of bank loans | 890,607 | | 890,607 | | |
| Current Liabilities | \$ 3,152,467 | \$ - | \$ 3,152,467 | | |
| Bank loans | 300,000 | | 300,000 | | |
| Lease obligations | 35,384 | | 35,384 | | |
| Environmental rehabilitation obligations | 2,815,038 | (2,815,038) | - | | |
| Income taxes payable | 20,098 | | 20,098 | | |
| Total Liabilities | \$ 6,322,987 | \$ (2,815,038) | \$ 3,507,949 | | |
| Share capital | 21,428,282 | | | | |
| Contributed surplus | 5,297,825 | | | | |
| Deficit | (12,501,062) | | | | |
| Total Shareholders' Equity | \$ 14,225,045 | \$ 19,172 | \$ 14,244,217 | | |
| Total Liabilities and Shareholders' Equity | \$ 20,548,032 | \$ (2,795,866) | \$ 17,752,166 | | |

| | | |
|--|----|------------|
| Book Value of Equity | \$ | 14,225,045 |
| Market Capitalization, including control premium (30%) | \$ | 14,244,217 |
| Value Allocation Amount | \$ | 19,172 |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 26,433,115 |
| Total Assets | \$ | 38,531,695 |
| TCP % | | 68.60% |

| December 31, 2021 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|---|---------------|----------------|---------------|--------|---------------|
| Cash | 2,348,562 | | 2,348,562 | 0.0% | - |
| Trade and other receivables | 698,440 | | 698,440 | 0.0% | - |
| Inventory | 846,599 | | 846,599 | 0.0% | - |
| Prepaid expenses and deposits | 52,991 | | 52,991 | 0.0% | - |
| Income taxes recoverable - Canada | 74,337 | | 74,337 | 0.0% | - |
| Current Assets | \$ 4,020,929 | \$ - | \$ 4,020,929 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 120,000 | | 120,000 | 0.0% | - |
| Contract costs | 2,420,470 | 3,386,922 | 5,807,392 | 0.0% | - |
| Property and equipment | 593,911 | - | 593,911 | 0.0% | - |
| Right-of-use assets | 87,440 | - | 87,440 | 0.0% | - |
| Resource properties | 12,126,762 | 14,306,353 | 26,433,115 | 100.0% | 26,433,115 |
| Intangible assets | 36,201 | 50,655 | 86,856 | 0.0% | - |
| Investment in Joint venture | 255,482 | 357,492 | 612,974 | 0.0% | - |
| Total Assets | \$ 20,430,273 | \$ 18,101,422 | \$ 38,531,695 | | \$ 26,433,115 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 1,239,496 | | 1,239,496 | | |
| Current portion of lease obligations | 73,618 | | 73,618 | | |
| Current portion of environmental rehabilitation obligations | 133,295 | | 133,295 | | |
| Current portion of bank loans | 755,051 | | 755,051 | | |
| Current Liabilities | \$ 2,201,460 | \$ - | \$ 2,201,460 | | |
| Bank loans | 300,000 | | 300,000 | | |
| Lease obligations | 4,899 | | 4,899 | | |
| Environmental rehabilitation obligations | 2,662,417 | (2,662,417) | - | | |
| Deposit liabilities | 26,770 | | 26,770 | | |
| Income taxes payable - Foreign | 64,408 | | 64,408 | | |
| Total Liabilities | \$ 5,259,954 | \$ (2,662,417) | \$ 2,597,537 | | |
| Share capital | 22,971,793 | | | | |
| Contributed surplus | 5,324,170 | | | | |
| Deficit | (13,128,128) | | | | |
| Accumulated other comprehensive income | 2,484 | | 2,484 | | |
| Total Shareholders' Equity | \$ 15,170,319 | \$ 20,763,839 | \$ 35,934,158 | | |
| Total Liabilities and Shareholders' Equity | \$ 20,430,273 | \$ 18,101,422 | \$ 38,531,695 | | |
| Book Value of Equity | \$ 15,170,319 | | | | |
| Market Capitalization, including control premium (30%) | \$ 35,934,158 | | | | |
| Value Allocation Amount | \$ 20,763,839 | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 13,986,722 |
| Total Assets | \$ | 68,882,079 |
| TCP % | | 20.31% |

| March 31, 2022 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-----------------------------------|---------------|--------------|---------------|--------|---------------|
| Cash | 528,522 | | 528,522 | 0.0% | - |
| Trade and other receivables | 5,665,735 | | 5,665,735 | 0.0% | - |
| Inventory | 3,225,607 | | 3,225,607 | 0.0% | - |
| Prepaid expenses and deposits | 148,674 | | 148,674 | 0.0% | - |
| Income taxes recoverable - Canada | 56,873 | | 56,873 | 0.0% | - |
| Current Assets | \$ 9,625,411 | \$ - | \$ 9,625,411 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 120,000 | | 120,000 | 0.0% | - |
| Contract costs | 2,412,381 | 1,721,526 | 4,133,907 | 0.0% | - |
| Property, plant and equipment | 40,120,765 | - | 40,120,765 | 0.0% | - |
| Right-of-use assets | 70,110 | - | 70,110 | 0.0% | - |
| Resource properties | 12,087,398 | 1,899,324 | 13,986,722 | 100.0% | 13,986,722 |
| Intangible assets | 32,729 | 23,356 | 56,085 | 0.0% | - |
| Total Assets | \$ 65,237,872 | \$ 3,644,207 | \$ 68,882,079 | | \$ 13,986,722 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|---------------|----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 7,172,351 | | 7,172,351 | | |
| Current portion of lease obligations | 64,674 | | 64,674 | | |
| Current portion of environmental rehabilitation obligations | 133,295 | | 133,295 | | |
| Current portion of bank loans | 617,429 | | 617,429 | | |
| Current Liabilities | \$ 7,987,749 | \$ - | \$ 7,987,749 | | |
| Bank loans | 300,000 | | 300,000 | | |
| Bonds - railcar sublease | 3,124,000 | | 3,124,000 | | |
| Lease obligations | 4,128 | | 4,128 | | |
| Environmental rehabilitation obligations | 6,726,500 | (6,726,500) | - | | |
| Deferred tax liability | 9,449,266 | | 9,449,266 | | |
| Deposit liabilities | 40,326 | | 40,326 | | |
| Income taxes payable - Foreign | 64,408 | | 64,408 | | |
| Total Liabilities | \$ 27,696,377 | \$ (6,726,500) | \$ 20,969,877 | | |
| Share capital | 23,035,460 | | | | |
| Contributed surplus | 5,364,699 | | | | |
| Accumulated other comprehensive loss | (293,826) | | (293,826) | | |
| Retained earnings (deficit) | 9,435,162 | | 9,435,162 | | |
| Total Shareholders' Equity | \$ 37,541,495 | \$ 10,370,707 | \$ 47,912,202 | | |
| Total Liabilities and Shareholders' Equity | \$ 65,237,872 | \$ 3,644,207 | \$ 68,882,079 | | |
| Book Value of Equity | \$ 37,541,495 | | | | |
| Market Capitalization, including control premium (30%) | \$ 47,912,202 | | | | |
| Value Allocation Amount | \$ 10,370,707 | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|--------------|
| RCP\$ | \$ | 1,156,146 |
| Total Assets | \$ | 51,551,033 |
| TCP % | | 2.24% |

| June 30, 2022 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-----------------------------------|---------------|----------------|---------------|--------|--------------|
| Cash | 1,210,688 | | 1,210,688 | 0.0% | - |
| Trade and other receivables | 3,640,323 | | 3,640,323 | 0.0% | - |
| Inventory | 3,346,122 | | 3,346,122 | 0.0% | - |
| Prepaid expenses and deposits | 275,776 | | 275,776 | 0.0% | - |
| Income taxes recoverable - Canada | 56,873 | | 56,873 | 0.0% | - |
| Current Assets | \$ 8,529,782 | \$ - | \$ 8,529,782 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 120,000 | | 120,000 | 0.0% | - |
| Contract costs | 1,404,898 | (857,148) | 547,750 | 0.0% | - |
| Property, plant and equipment | 40,358,644 | 0 | 40,358,644 | 0.0% | - |
| Right-of-use assets | 58,226 | 0 | 58,226 | 0.0% | - |
| Resource properties | 9,754,312 | (8,598,166) | 1,156,146 | 100.0% | 1,156,146 |
| Intangible assets | 29,258 | (17,851) | 11,407 | 0.0% | - |
| Total Assets | \$ 61,024,198 | \$ (9,473,165) | \$ 51,551,033 | | \$ 1,156,146 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|----------------|----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 5,145,327 | | 5,145,327 | | |
| Current portion of lease obligations | 47,436 | | 47,436 | | |
| Current portion of environmental rehabilitation obligations | 133,295 | | 133,295 | | |
| Current portion of bank and government loans | 778,053 | | 778,053 | | |
| Current Liabilities | \$ 6,104,111 | \$ - | \$ 6,104,111 | | |
| Shareholders' loans | 1,955,266 | | 1,955,266 | | |
| Bonds - railcar sublease | 3,221,500 | | 3,221,500 | | |
| Lease obligations | 4,128 | | 4,128 | | |
| Environmental rehabilitation obligations | 6,788,966 | (6,788,966) | - | | |
| Deferred tax liability | 9,744,178 | | 9,744,178 | | |
| Deposit liabilities | 49,376 | | 49,376 | | |
| Income taxes payable - USA | 64,408 | | 64,408 | | |
| Total Liabilities | \$ 27,931,933 | \$ (6,788,966) | \$ 21,142,967 | | |
| Share capital | 23,335,802 | | | | |
| Contributed surplus | 5,385,759 | | | | |
| Accumulated other comprehensive income | 318,768 | | 318,768 | | |
| Retained earnings (deficit) | 4,051,936 | | 4,051,936 | | |
| Total Shareholders' Equity | \$ 33,092,265 | \$ (2,684,199) | \$ 30,408,066 | | |
| Total Liabilities and Shareholders' Equity | \$ 61,024,198 | \$ (9,473,165) | \$ 51,551,033 | | |
| Book Value of Equity | \$ 33,092,265 | | | | |
| Market Capitalization, including control premium (30%) | \$ 30,408,066 | | | | |
| Value Allocation Amount | \$ (2,684,199) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|--------------|
| RCP\$ | \$ | - |
| Total Assets | \$ | 49,396,893 |
| TCP % | | 0.00% |

| September 30, 2022 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|-----------------|---------------|--------|-------|
| Cash | 2,056,607 | | 2,056,607 | 0.0% | - |
| Trade and other receivables | 6,513,369 | | 6,513,369 | 0.0% | - |
| Inventory | 3,426,732 | | 3,426,732 | 0.0% | - |
| Prepaid expenses and deposits | 223,851 | | 223,851 | 0.0% | - |
| Current Assets | \$ 12,220,559 | \$ - | \$ 12,220,559 | | \$ - |
| Long-term deposits | 769,078 | | 769,078 | 0.0% | - |
| Restricted cash | 120,148 | | 120,148 | 0.0% | - |
| Contract costs | 1,401,615 | (1,401,615) | - | 0.0% | - |
| Property, plant and equipment | 42,224,583 | (5,972,161) | 36,252,423 | 0.0% | - |
| Right-of-use assets | 40,399 | (5,714) | 34,685 | 0.0% | - |
| Resource properties | 9,686,516 | (9,686,516) | - | 100.0% | - |
| Intangible assets | 26,363 | (26,363) | - | 0.0% | - |
| Total Assets | \$ 66,489,261 | \$ (17,092,368) | \$ 49,396,893 | | \$ - |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|-----------------|-----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 8,520,206 | | 8,520,206 | | |
| Current portion of lease obligations | 23,536 | | 23,536 | | |
| Current portion of environmental rehabilitation obligations | 133,295 | | 133,295 | | |
| Current portion of bank and government loans | 646,127 | | 646,127 | | |
| Current Liabilities | \$ 9,323,164 | \$ - | \$ 9,323,164 | | |
| Bank and government loans | 1,802,546 | | 1,802,546 | | |
| Shareholders' loans | 1,900,000 | | 1,900,000 | | |
| Bonds - railcar sublease | 3,426,750 | | 3,426,750 | | |
| Lease obligations | 4,128 | | 4,128 | | |
| Environmental rehabilitation obligations | 6,990,281 | (6,990,281) | - | | |
| Deferred tax liability | 10,365,004 | | 10,365,004 | | |
| Deposit liabilities | 49,376 | | 49,376 | | |
| Income taxes payable - USA | 51,277 | | 51,277 | | |
| Total Liabilities | \$ 33,912,526 | \$ (6,990,281) | \$ 26,922,246 | | |
| Share capital | 23,395,908 | | | | |
| Contributed surplus | 5,467,418 | | | | |
| Accumulated other comprehensive income | 1,616,271 | | 1,616,271 | | |
| Retained earnings (deficit) | 2,097,137 | | 2,097,137 | | |
| Total Shareholders' Equity | \$ 32,576,734 | \$ (10,102,087) | \$ 22,474,647 | | |
| Total Liabilities and Shareholders' Equity | \$ 66,489,261 | \$ (17,092,368) | \$ 49,396,893 | | |
| Book Value of Equity | \$ 32,576,734 | | | | |
| Market Capitalization, including control premium (30%) | \$ 22,474,647 | | | | |
| Value Allocation Amount | \$ (10,102,087) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 3,833,502 |
| Total Assets | \$ | 27,344,674 |
| TCP % | | 14.02% |

| December 31, 2022 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|--|----------------|----------------|---------------|--------|--------------|
| Cash | 587,623 | | 587,623 | 0.0% | - |
| Trade and other receivables | 1,389,738 | | 1,389,738 | 0.0% | - |
| Inventory | 174,703 | | 174,703 | 0.0% | - |
| Prepaid expenses and deposits | 93,686 | | 93,686 | 0.0% | - |
| Joint venture loan receivable | 677,200 | | 677,200 | 0.0% | - |
| Current Assets | \$ 2,922,950 | \$ - | \$ 2,922,950 | | \$ - |
| Long-term deposits | 788,876 | | 788,876 | 0.0% | - |
| Restricted cash | 120,148 | | 120,148 | 0.0% | - |
| Contract costs | 1,402,130 | (337,455) | 1,064,675 | 0.0% | - |
| Property, plant and equipment | 460,134 | - | 460,134 | 0.0% | - |
| Right-of-use assets | 321,126 | - | 321,126 | 0.0% | - |
| Resource properties | 7,549,667 | (3,716,165) | 3,833,502 | 100.0% | 3,833,502 |
| Intangible assets | 23,468 | (5,648) | 17,820 | 0.0% | - |
| Investment in Joint venture | 23,462,149 | (5,646,707) | 17,815,442 | 0.0% | - |
| Total Assets | \$ 37,050,648 | \$ (9,705,974) | \$ 27,344,674 | | \$ 3,833,502 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Accounts payable and accrued liabilities | 2,598,359 | | 2,598,359 | | |
| Current portion of lease obligations | 8,328 | | 8,328 | | |
| Current portion of bank and government loans | 493,736 | | 493,736 | | |
| Current Liabilities | \$ 3,100,423 | \$ - | \$ 3,100,423 | | |
| Shareholders' loans | 1,900,000 | | 1,900,000 | | |
| Lease obligations | 295,125 | | 295,125 | | |
| Environmental rehabilitation obligations | 2,501,114 | (2,501,114) | - | | |
| Deposit liabilities | 49,376 | | 49,376 | | |
| Income taxes payable - Canada | 93,365 | | 93,365 | | |
| Income taxes payable - USA | 496,685 | | 496,685 | | |
| Total Liabilities | \$ 8,436,088 | \$ (2,501,114) | \$ 5,934,974 | | |
| Share capital | 23,509,890 | | | | |
| Contributed surplus | 5,493,352 | | | | |
| Accumulated other comprehensive income | 850,184 | | 850,184 | | |
| Retained earnings (deficit) | (1,238,866) | | (1,238,866) | | |
| Total Shareholders' Equity | \$ 28,614,560 | \$ (7,204,860) | \$ 21,409,700 | | |
| Total Liabilities and Shareholders' Equity | \$ 37,050,648 | \$ (9,705,974) | \$ 27,344,674 | | |
| Book Value of Equity | \$ 28,614,560 | | | | |
| Market Capitalization, including control premium (30%) | \$ 21,409,700 | | | | |
| Value Allocation Amount | \$ (7,204,860) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|--------------|
| RCP\$ | \$ | - |
| Total Assets | \$ | 49,511,089 |
| TCP % | | 0.00% |

| March 31, 2023 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|-----------------|---------------|--------|-------|
| Cash | 1,024,083 | | 1,024,083 | 0.0% | - |
| Trade and other receivables | 7,069,288 | | 7,069,288 | 0.0% | - |
| Inventory | 3,963,942 | | 3,963,942 | 0.0% | - |
| Prepaid expenses and deposits | 895,171 | | 895,171 | 0.0% | - |
| Current Assets | \$ 12,952,484 | \$ - | \$ 12,952,484 | | \$ - |
| Long-term deposits | 788,876 | | 788,876 | 0.0% | - |
| Restricted cash | 120,148 | | 120,148 | 0.0% | - |
| Contract costs | 1,402,130 | (1,402,130) | - | 0.0% | - |
| Property, plant and equipment | 38,541,405 | (9,970,434) | 28,570,971 | 0.0% | - |
| Right-of-use assets | 9,548,838 | (2,470,228) | 7,078,610 | 0.0% | - |
| Resource properties | 8,050,200 | (8,050,200) | - | 100.0% | - |
| Intangible assets | 24,433 | (24,433) | - | 0.0% | - |
| Total Assets | \$ 71,428,514 | \$ (21,917,425) | \$ 49,511,089 | | \$ - |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|-----------------|-----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 12,394,335 | | 12,394,335 | | |
| Current portion of lease obligations | 1,641,376 | | 1,641,376 | | |
| Current portion of environmental rehabilitation obligations | 606,327 | | 606,327 | | |
| Current portion of bank and other loans | 2,687,928 | | 2,687,928 | | |
| Current Liabilities | \$ 17,329,966 | \$ - | \$ 17,329,966 | | |
| Bank and other loans | 1,540,427 | | 1,540,427 | | |
| Shareholders' loans | 2,738,325 | | 2,738,325 | | |
| Lease obligations | 8,272,102 | | 8,272,102 | | |
| Environmental rehabilitation obligations | 5,835,154 | (5,835,154) | - | | |
| Deferred tax liability | 8,272,219 | | 8,272,219 | | |
| Deposit liabilities | 63,564 | | 63,564 | | |
| Income taxes payable - Canada | 93,365 | | 93,365 | | |
| Income taxes payable - USA | 496,271 | | 496,271 | | |
| Total Liabilities | \$ 44,641,392 | \$ (5,835,154) | \$ 38,806,238 | | |
| Share capital | 23,509,890 | | | | |
| Contributed surplus | 5,530,052 | | | | |
| Accumulated other comprehensive income | 414,847 | | 414,847 | | |
| Retained earnings (deficit) | (2,667,668) | | (2,667,668) | | |
| Total Shareholders' Equity | \$ 26,787,121 | \$ (16,082,271) | \$ 10,704,850 | | |
| Total Liabilities and Shareholders' Equity | \$ 71,428,513 | \$ (21,917,425) | \$ 49,511,088 | | |
| Book Value of Equity | \$ 26,787,121 | | | | |
| Market Capitalization, including control premium (30%) | \$ 10,704,850 | | | | |
| Value Allocation Amount | \$ (16,082,271) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|--------------|
| RCP\$ | \$ | - |
| Total Assets | \$ | 50,547,481 |
| TCP % | | 0.00% |

| June 30, 2023 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|-----------------|---------------|--------|-------|
| Cash | 3,106,293 | | 3,106,293 | 0.0% | - |
| Trade and other receivables | 10,723,987 | | 10,723,987 | 0.0% | - |
| Inventory | 2,527,811 | | 2,527,811 | 0.0% | - |
| Prepaid expenses and deposits | 693,153 | | 693,153 | 0.0% | - |
| Holdback receivable | 400,000 | | 400,000 | 0.0% | - |
| Current Assets | \$ 17,451,245 | \$ - | \$ 17,451,245 | | \$ - |
| Long-term deposits | 788,876 | | 788,876 | 0.0% | - |
| Restricted cash | 120,148 | | 120,148 | 0.0% | - |
| Property, plant and equipment | 37,276,429 | (12,497,511) | 24,778,918 | 0.0% | - |
| Right-of-use assets | 11,144,748 | (3,736,453) | 7,408,295 | 0.0% | - |
| Resource properties | 6,232,137 | (6,232,137) | - | 100.0% | - |
| Intangible assets | 24,433 | (24,433) | - | 0.0% | - |
| Total Assets | \$ 73,038,014 | \$ (22,490,533) | \$ 50,547,481 | | \$ - |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|---|-----------------|-----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 15,951,527 | | 15,951,527 | | |
| Current portion of lease obligations | 2,576,626 | | 2,576,626 | | |
| Current portion of environmental rehabilitation obligations | 391,243 | | 391,243 | | |
| Current portion of JMAC loan, bank and other loans | 2,677,809 | | 2,677,809 | | |
| Current portion of shareholders' loans | 2,400,000 | | 2,400,000 | | |
| Current Liabilities | \$ 23,997,205 | \$ - | \$ 23,997,205 | | |
| Bank and other loans | 1,418,168 | | 1,418,168 | | |
| Shareholders' loans | 331,000 | | 331,000 | | |
| Lease obligations | 8,934,845 | | 8,934,845 | | |
| Environmental rehabilitation obligations | 3,950,265 | (3,950,265) | - | | |
| Deferred tax liability | 7,706,080 | | 7,706,080 | | |
| Income taxes payable - USA | 498,372 | | 498,372 | | |
| Total Liabilities | \$ 46,835,935 | \$ (3,950,265) | \$ 42,885,670 | | |
| Share capital | 23,509,890 | | | | |
| Contributed surplus | 5,551,152 | | | | |
| Accumulated other comprehensive income | 602,657 | | 602,657 | | |
| Retained earnings (deficit) | (3,461,621) | | (3,461,621) | | |
| Total Shareholders' Equity | \$ 26,202,078 | \$ (18,540,268) | \$ 7,661,810 | | |
| Total Liabilities and Shareholders' Equity | \$ 73,038,013 | \$ (22,490,533) | \$ 50,547,480 | | |
| Book Value of Equity | \$ 26,202,078 | | | | |
| Market Capitalization, including control premium (30%) | \$ 7,661,810 | | | | |
| Value Allocation Amount | \$ (18,540,268) | | | | |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

| | | |
|--------------|----|---------------|
| RCP\$ | \$ | 3,424,889 |
| Total Assets | \$ | 20,896,169 |
| TCP % | | 16.39% |

| September 30, 2023 | Book Value | Adjustment | FMV | RCP | RCP\$ |
|-------------------------------|---------------|-----------------|---------------|--------|--------------|
| Cash | 2,066,271 | | 2,066,271 | 0.0% | - |
| Trade and other receivables | 180,562 | | 180,562 | 0.0% | - |
| Prepaid expenses and deposits | 278,837 | | 278,837 | 0.0% | - |
| Holdback receivable | 400,000 | | 400,000 | 0.0% | - |
| Joint venture loan receivable | 677,200 | | 677,200 | 0.0% | - |
| Current Assets | \$ 3,602,871 | \$ - | \$ 3,602,871 | | \$ - |
| Long-term deposits | 788,876 | | 788,876 | 0.0% | - |
| Restricted cash | 120,148 | | 120,148 | 0.0% | - |
| Right-of-use assets | 254,284 | 0 | 254,284 | 0.0% | - |
| Resource properties | 6,232,137 | (2,807,248) | 3,424,889 | 100.0% | 3,424,889 |
| Intangible assets | 24,433 | (9,314) | 15,119 | 0.0% | - |
| Investment in Joint venture | 20,507,629 | (7,817,647) | 12,689,982 | 0.0% | - |
| Total Assets | \$ 31,530,378 | \$ (10,634,209) | \$ 20,896,169 | | \$ 3,424,889 |

LIABILITIES AND SHAREHOLDERS' EQUITY

| | | | | | |
|--|---------------|-----------------|---------------|--|--|
| Accounts payable and accrued liabilities | 2,069,340 | | 2,069,340 | | |
| Current portion of lease obligations | 32,077 | | 32,077 | | |
| Current portion of JMAC loan, bank and other loans | 2,300,000 | | 2,300,000 | | |
| Current portion of shareholders' loans | 2,400,000 | | 2,400,000 | | |
| Current Liabilities | \$ 6,801,417 | \$ - | \$ 6,801,417 | | |
| Lease obligations | 303,492 | | 303,492 | | |
| Environmental rehabilitation obligations | 697,350 | (697,350) | - | | |
| Deposit liabilities | 0 | | 0 | | |
| Total Liabilities | \$ 7,802,260 | \$ (697,350) | \$ 7,104,910 | | |
| Share capital | 23,509,890 | | | | |
| Contributed surplus | 5,551,152 | | | | |
| Accumulated other comprehensive income | 850,184 | | 850,184 | | |
| Retained earnings (deficit) | (6,183,109) | | (6,183,109) | | |
| Total Shareholders' Equity | \$ 23,728,117 | \$ (9,936,859) | \$ 13,791,258 | | |
| Total Liabilities and Shareholders' Equity | \$ 31,530,377 | \$ (10,634,209) | \$ 20,896,168 | | |

| | | |
|--|----|----------------|
| Book Value of Equity | \$ | 23,728,117 |
| Market Capitalization, including control premium (30%) | \$ | 13,791,258 |
| Value Allocation Amount | | \$ (9,936,859) |

Notes:

Source: based on AMI's publicly available financial statements on S&P Capital IQ.

Appendix “E”



Bennett Jones

MEMORANDUM

TO: KSV Restructuring Inc.
Attn: Andrew Basi

FROM: Bennett Jones LLP

DATE: November 7, 2025

RE: Calculation of Paid-up Capital for 2585929 Alberta Ltd.

You have asked us to provide a calculation of the "paid-up capital" for Canadian income tax purposes ("**PUC**") of the outstanding shares of 2585929 Alberta Ltd. ("**ResidualCo**"). On April 26, 2024, each common share of Athabasca Minerals Inc. (an "**AMI Share**") held by a shareholder was transferred to ResidualCo in exchange for one share of ResidualCo (the "**Share Exchange**"). We conducted our analysis solely based on a review of the published audited financial statements of AMI (the "**Financial Statements**"), the unaudited financial statements of AMI for the nine months ending September 30, 2023, and a review of the materials in the AMI minute book provided by Blakes, Cassels & Graydon, LLP.

A copy of the spreadsheet detailing such calculations is enclosed herein as Exhibit "A". The purpose of this memorandum is to outline and describe the various assumptions underlying such calculations.

We have concluded that the PUC of the ResidualCo shares should be between \$14,700,993.13 (the "Lower Limit") and \$23,810,545.96 (the "Upper Limit").

By way of brief background, as a starting point, subsection 89(1) of the *Income Tax Act* (Canada) (the "**Act**") defines the PUC of a particular class of shares as being an amount equal to the PUC of that class of shares computed without reference to the Act but subject to certain adjustments. Accordingly, the starting point for the calculation of PUC is a determination to be made under the applicable corporate law, usually being the "stated capital" for corporate law purposes.¹ Generally, under corporate law statutes, on the issuance of shares of a particular class the corporation must add to the stated capital account for that class the amount of consideration for which those shares were issued.² Following the amount of state capital determined under the relevant corporate law, the relevant adjustments must be calculated under the specific provisions of the Act. These

¹ Generally, the terms stated capital and paid-up capital for corporate law purposes are one and the same. See, for example, paragraph 2 of *Interpretation Bulletin* IT-463R2, "Paid-up Capital," September 8, 1995 [archived].

² See, for example, *Business Corporations Act* (Alberta) (the "**ABCA**"), subsections 27(3) and 28(2). Subsection 28(2) provides that a corporation shall add to the appropriate stated capital account the full amount of any consideration it receives for any shares it issues, and subsection 27(3) provides that a share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the corporation would have received if the share had been issued for money. However, subsection 28(3) provides that a corporation may add all or any part of the consideration it receives for a share when such share was issued in exchange for property.

adjustments are most prevalent in connection with shares issued in tax-deferred transactions, and in many circumstances result in downward adjustments.

Accordingly, basing our analysis on the transactions described in the Financial Statements, our calculations of the Lower Limit have been made by making adjustments based on the following assumptions (which should generally be conservative for the purposes of calculating PUC):

- The Share Exchange occurred on a tax deferred basis pursuant to section 85.1 of the Act in respect of each of the AMI shareholders.
- No amount of PUC was added on AMI's amalgamation with Hali Corporation as the PUC of the shares of that entity is not apparent from the documents we reviewed.
- No amount of PUC was added on AMI's acquisitions of Aggregates Management Inc., as the PUC of the shares of those entities is not apparent from the documents we reviewed and there is a reasonable argument that such transactions were subject to and occurred on a rollover basis under subsection 85(1) of the Act.
- No amount of PUC was added on AMI's acquisition of the Montney and Prosvista projects (being, the acquisition by AMI of all the issued and outstanding shares of 2140534 Alberta Ltd. And 2132561 Alberta Ltd.), as the PUC of the shares of those entities apparent from the documents we reviewed and there is a reasonable argument that such transactions were subject to and occurred on a tax-deferred basis under section 85.1 of the Act.
- PUC was added equal to the fair market value of the AMI shares issued in the acquisition by a subsidiary of AMI of the shares of TerraShift Engineering Ltd., as that transaction should not have been subject to section 85.1 of the Act.
- Where "options" (as described in the Financial Statements) were exercised, only the exercise price has been added to PUC.
- Where "warrants" (as described in the Financial Statements) were exercised, both the exercise price and related reductions in contributed surplus have been added to PUC on the basis that the contributed surplus amounts were amounts paid to acquire the warrants.
- PUC reductions on the repurchase of AMI shares in a year were calculated based on (a) the maximum PUC calculated during the course of the year multiplied by (b) the number of shares redeemed divided by the minimum number of shares outstanding during the year (excluding the shares redeemed).
- There have been no changes to the PUC of the ResidualCo shares since the Share Exchange.

Basing our analysis on the transactions described in the Financial Statements, our calculations of the Upper Limit have been made by making adjustments based on the following assumptions, but would require further analysis and access to documents that we have not reviewed:

- The Share Exchange occurred on a tax deferred basis pursuant to section 85.1 of the *Income Tax Act* (the "**Act**") in respect of each of the AMI shareholders.
- The full amount of share capital added to the Financial Statements in respect of the amalgamation with Hali Corporation was added to PUC.
- The full fair market value of the shares issued in respect of AMI's acquisition of Aggregates Management Inc. and the shares issued in respect of AMI's acquisition of the Montney and Prosvista projects (being, the acquisition by AMI of 2140534 Alberta Ltd. And 2132561 Alberta Ltd.) was added to PUC on the acquisition of those entities.
- PUC was added equal to the fair market value of the AMI shares issued in the acquisition by a subsidiary of AMI of the shares of TerraShift Engineering Ltd., as that transaction should not have been subject to section 85.1 of the Act.
- Where "options" (as described in the Financial Statements) were exercised, both the exercise price and related reductions in contributed surplus have been added to PUC on the basis that the contributed surplus amounts were amounts paid or services performed to acquire the options.
- Where "warrants" (as described in the Financial Statements) were exercised, both the exercise price and related reductions in contributed surplus have been added to PUC on the basis that the contributed surplus amounts were amounts paid to acquire the warrants.
- PUC reductions on the repurchase of AMI shares in a year were calculated based on (a) the maximum PUC calculated during the course of the year multiplied by (b) the number of shares redeemed divided by the minimum number of shares outstanding during the year (excluding the shares redeemed).
- There have been no changes to the PUC of the ResidualCo shares since the Share Exchange.

Exhibit "A"
PUC Calculation

See attached.

EXHIBIT A: Calculation of PUC - Athabasca Minerals Inc. / 2585929 Alberta Ltd.

| EXHIBIT A: Calculation of PUC - Athabasca Minerals Inc. / 2585929 Alberta Ltd. | | | | | | | |
|--|--------------------------------|-----------------------------|----------------|---------------|----------------|---------------|--|
| Transaction Description | Contributed Surplus Account | Consideration for Shares | Upper Boundary | | Lower Boundary | | Notes and References to Financial Statements ("FS") |
| | | | PUC Effect | PUC Balance | PUC Effect | PUC Balance | |
| February 14, 2006 to September 30, 2006 | | | | | | | |
| Subscription - Class A | | 39,000.00 | 39,000.00 | 39,000.00 | 39,000.00 | 39,000.00 | AMI issued 9,000,000 Class A shares for cash consideration of \$39,000. See Note 9(c) to FS for the year ended September 30, 2007 and 2006 (p. 14) |
| Subscription - Class A and Class A Warrants | 772,730.00 | 1,016,270.00 | 1,016,270.00 | 1,055,270.00 | 1,016,270.00 | 1,055,270.00 | See Note 1 below. |
| Year ended September 30, 2007 | | | | | | | |
| Exercise of agent options | (15,157.00) | 37,100.00 | 52,257.00 | 1,107,527.00 | 37,100.00 | 1,092,370.00 | See Note 9 to FS for the year ended September 30, 2007 (p. 13, 15) |
| PUC of Hali Corporation (Amalgamation) | | 730,646.00 | 730,646.00 | 1,838,173.00 | - | 1,092,370.00 | See Note 9 to FS for the year ended September 30, 2007 (p. 13) |
| Renunciation of Flow-through Amounts (s. 66.3(4)) | | | (595,000.00) | 1,243,173.00 | (595,000.00) | 497,370.00 | See Note 9 to FS for the year ended September 30, 2007 (p. 13) |
| 14 months ending November 30, 2008 | | | | | | | |
| Exercise of stock options | (251,742.00) | 336,666.00 | 588,408.00 | 1,831,581.00 | 336,666.00 | 834,036.00 | See Note 15 to FS for the year ended November 30, 2008 (p. 18, 23) |
| Subscription - Class A and Class A Warrants | 176,164.00 | 297,836.00 | 297,836.00 | 2,129,417.00 | 297,836.00 | 1,131,872.00 | Subscription for 1,185,000 units with each unit consisting of one Class A common share and one Class A common share purchase warrant. See Note 15 to FS for the year ended November 30, 2008 (p. 18) |
| Acquisition of Aggregates Management Inc. | | 3,900,000.00 | 3,900,000.00 | 6,029,417.00 | - | 1,131,872.00 | See Notes 7 and 15 to FS for the year ended November 30, 2008 (p. 12-13, 18) |
| Year Ended November 30, 2009 | | | | | | | |
| | | | - | 6,029,417.00 | - | 1,131,872.00 | |
| Year Ended November 30, 2010 | | | | | | | |
| Share Repurchase (NCIB) | | | (178,653.13) | 5,850,763.87 | (33,537.65) | 1,098,334.35 | See Note 16c to FS for the year ended November 30, 2010 (p. 20) |
| Year Ended November 30, 2011 | | | | | | | |
| Exercise of stock options | (54,358.00) | 67,151.00 | 121,509.00 | 5,972,272.87 | 67,151.00 | 1,165,485.35 | See Note 15d to FS for the year ended November 30, 2011 (p. 22) |
| Share Repurchase (NCIB) | | | (58,294.92) | 5,913,977.96 | (11,376.22) | 1,154,109.13 | See Note 15c to FS for the year ended November 30, 2011 (p. 21) |
| Year Ended November 30, 2012 | | | | | | | |
| Exercise of stock options | (166,847.00) | 227,117.00 | 393,964.00 | 6,307,941.96 | 227,117.00 | 1,381,226.13 | See FS for the year ended November 30, 2012 (p. 6), Note 19d (p. 34-35) |
| Year Ended November 30, 2013 | | | | | | | |
| Exercise of stock options | (104,288.00) | 136,650.00 | 240,938.00 | 6,548,879.96 | 136,650.00 | 1,517,876.13 | See FS for the year ended November 30, 2013 (p. 6), Note 18c (p. 35-37) |
| 13 months ending December 31, 2014 | | | | | | | |
| Private Placement | | 4,870,096.00 | 4,870,096.00 | 11,418,975.96 | 4,870,096.00 | 6,387,972.13 | Private placement for 3,965,517 AMI shares. See FS for the year ended December 31, 2014 (p. 6), see Note 18d (p. 40) |
| Exercise of stock options | (290,122.00) | 395,650.00 | 685,772.00 | 12,104,747.96 | 395,650.00 | 6,783,622.13 | See FS for the year ended December 31, 2014 (p. 6), see Note 18c (p. 37) |
| Exercise of Warrants | (187,407.00) | 739,026.00 | 926,433.00 | 13,031,180.96 | 926,433.00 | 7,710,055.13 | See FS for the year ended December 31, 2014 (p. 6), see Note 18d (p. 40) |
| Year Ended December 31, 2015 | | | | | | | |
| | | | - | 13,031,180.96 | - | 7,710,055.13 | |
| Year Ended December 31, 2016 | | | | | | | |
| | | | - | 13,031,180.96 | - | 7,710,055.13 | |
| Year Ended December 31, 2017 | | | | | | | |
| | | | - | 13,031,180.96 | - | 7,710,055.13 | |
| Year Ended December 31, 2018 | | | | | | | |
| Private Placement | 992,625.00 | | 992,625.00 | 14,023,805.96 | 992,625.00 | 8,702,680.13 | Private placement for 5,750,000 AMI shares. See Note 15 to FS for the year ended December 31, 2018 (p. 40-41) |
| Shares Issued in Purchase of Investment (Montney Project) | | 273,000.00 | 273,000.00 | 14,296,805.96 | - | 8,702,680.13 | AMI purchased 49.2% interest in Montney Project in exchange for \$1,498,000 cash consideration and 1,186,956 common shares issued at value of \$0.23 per common share. See Notes 10 and 15 to FS for the year ended December 31, 2018 (p. 33-34, 40-41) |
| Year Ended December 31, 2019 | | | | | | | |
| Shares Issued in Purchase of Investment (Prosvista Project) | | 1,129,800.00 | 1,129,800.00 | 15,426,605.96 | - | 8,702,680.13 | See Note 2 below. See Note 17 to FS for the year ended December 31, 2019 (p. 41) |
| Exercise of Options | (131,442.00) | 347,484.00 | 478,926.00 | 15,905,531.96 | 347,484.00 | 9,050,164.13 | See Note 17 to FS for the year ended December 31, 2019 (p. 41) |
| Exercise of Warrants | (99,375.00) | 795,000.00 | 894,375.00 | 16,799,906.96 | 894,375.00 | 9,944,539.13 | See Note 17 to FS for the year ended December 31, 2019 (p. 41) |
| Year Ended December 31, 2020 | | | | | | | |
| Shares Issued in Purchase of Investment (Off-Take Agreement (Shell)) | | 500,000.00 | 500,000.00 | 17,299,906.96 | 500,000.00 | 10,444,539.13 | See Note 3 below. See Note 19 to FS for the year ended December 31, 2020 (p. 40-41) |
| Shares Issued in Purchase of Investment (TerraShift) | | 75,013.00 | 75,013.00 | 17,374,919.96 | 75,013.00 | 10,519,552.13 | See Note 4 below. See Note 19 to FS for the year ended December 31, 2020 (p. 40-41) |
| Private Placement | | 1,480,000.00 | 1,480,000.00 | 18,854,919.96 | 1,480,000.00 | 11,999,552.13 | Private placement for 9,866,668 AMI shares. See Note 19 to FS for the year ended December 31, 2020 (p. 40-41) |
| Shares Issued to Contractors/Consultants/Employees | | 172,628.00 | 172,628.00 | 19,027,547.96 | 172,628.00 | 12,172,180.13 | Under Employee Share Purchase Plan, AMI paid various employees, contractors and consultants partially or in whole using AMI shares. AMI issued 1,194,663 common shares as payment totalling \$172,628. See Note 19 to FS for the year ended December 31, 2020 (p. 40-41) |
| Exercise of Options | (5,155.00) | 13,655.00 | 18,810.00 | 19,046,357.96 | 13,655.00 | 12,185,835.13 | |
| Year Ended December 31, 2021 | | | | | | | |
| Shares Issued in Purchase of Investment (Montney and Prosvista Buy-out) | | 1,500,000.00 | 1,500,000.00 | 20,546,357.96 | - | 12,185,835.13 | See Note 5 below. See Note 19 to FS for the year ended December 31, 2021 (p. 42) |
| Shares Issued in Payment of Royalties | | 150,001.00 | 150,001.00 | 20,696,358.96 | 150,001.00 | 12,335,836.13 | See Note 6 below. See Note 19 to FS for the year ended December 31, 2021 (p. 42) |
| Shares issued and held in Escrow | | 550,000.00 | 550,000.00 | 21,246,358.96 | - | 12,335,836.13 | See Note 6 below. See Note 19 to FS for the year ended December 31, 2021 (p. 42) |
| Private Placement | | 1,475,500.00 | 1,475,500.00 | 22,721,858.96 | 1,475,500.00 | 13,811,336.13 | Private placement for 7,375,000 AMI shares. See Note 19 to FS for the year ended December 31, 2021 (p. 42) |

| | | | | | | | |
|--|--------------|------------|---------------|---------------|---------------|--|---|
| Shares Issued to Contractors/Consultants/Employees | 268,812.00 | 268,812.00 | 22,990,670.96 | 268,812.00 | 14,080,148.13 | Shares issued pursuant to Employee Share Purchase Plan. See Note 19 to FS for the year ended December 31, 2021 (p. 42) | |
| Exercise of Options | (31,467.00) | 82,748.00 | 114,215.00 | 23,104,885.96 | 82,748.00 | 14,162,896.13 | See Note 19 to FS for the year ended December 31, 2021 (p. 42) |
| Year Ended December 2022 (Restated) | | | - | 23,104,885.96 | - | 14,162,896.13 | |
| Private Placement | 32,990.00 | 32,990.00 | 23,137,875.96 | 32,990.00 | 14,195,886.13 | See Note 20 to Amended and Restated FS for the year ended December 31, 2022 (p. 46) | |
| Shares Issued to Service Providers | 75,000.00 | 75,000.00 | 23,212,875.96 | 75,000.00 | 14,270,886.13 | See Note 20 to Amended and Restated FS for the year ended December 31, 2022 (p. 46) | |
| Exercise of Options | (167,563.00) | 430,107.00 | 597,670.00 | 23,810,545.96 | 430,107.00 | 14,700,993.13 | See Note 20 to Amended and Restated FS for the year ended December 31, 2022 (p. 46) |
| Nine months ending September 30, 2023 (Unaudited) | | | - | 23,810,545.96 | - | 14,700,993.13 | |

****Notes**

(1) AMI issued 4,375,000 Class A "flow-through" shares in a Private Placement for cash consideration of \$1,750,000. Each common share issued accompanied by one common share purchase warrant entitling the holder to acquire one additional common share at a price of \$0.60 for a period of 24 months from the date of issuance. See Note 9(c) to FS for the year ended September 30, 2007 and 2006 (p. 14)

(2) January 25, 2019, AMI purchased 16.2% ownership interest in Prosvista Project in exchange for \$280,000 cash and 420,000 common shares issued at value of \$0.25 per share. On April 30, 2019, AMI exercised option to purchase additional 33.4% of shares of Prosvista Project for \$742,000 cash and issuance of 1,680,000 common shares at \$0.61 per share.

(3) During Q1 2020, AMI issued shares to entities for services to secure off-take agreements, issuing 2,130,380 shares valued at \$500,000. In consideration for services provided, entities were provided each with cash installments (three equal of \$83,333.33) and additional fee of \$250,000 of equity in AMI.

(4) AMI acquired TerraShift for aggregate purchase price of \$250,000. AMI issued 343,796 shares at value of \$75,013 as Initial Payment (Initial payment of \$25,000 cash and \$75,013 in common shares). Trailing payments by way of issuance of AMI of equity made in (i) June 30, 2021 in amount of 343,796 shares at 0.2182 per share (\$75,016.29); and (ii) July 14, 2022 in amount of 158898 shares at 0.31 per share (\$49,258.38). Acquisition further included Performance Payments made in September 21, 2021 with issuance of 699,326 common shares with a value of \$0.167 per share (\$116,787).

(5) February, 2021, AMI secured remaining ownership of Montney and Prosvista Projects, concluded for \$1 cash consideration and 8,000,000 common shares at stated value of \$0.25 per share. Of the 8,000,000 shares, 2,000,000 held in escrow to be released June 30, 2022.

(6) Related to the acquisition of the Montney and Prosvista projects, AMI issued AMI shares to make annual minimum royalty payments relating to the Montney project, consisting of 800,004 AMI shares for a total value of \$200,001, to be released from escrow over three corresponding milestone installments of February 5, 2021, June 30, 2021, and June 30, 2022. Of the 8,000,000 shares issued in respect of the Montney and Prosvista acquisition, 2,000,000 held in escrow to be released June 30, 2022.