

# CobaltOne

Limited

14 July 2017

ACN: 127 411 796

## COBALT ONE ENTERS INTO SCHEME IMPLEMENTATION DEED WITH FIRST COBALT

- COBALT ONE AND FIRST COBALT HAVE ENTERED INTO A BINDING SCHEME IMPLEMENTATION DEED
- COBALT ONE SHAREHOLDERS TO RECEIVE 0.145 COMMON SHARES IN FIRST COBALT PER ORDINARY SHARE IF THE SCHEME BECOMES EFFECTIVE
- COBALT ONE DIRECTORS RECOMMEND COBALT ONE SHAREHOLDERS VOTE IN FAVOUR OF THE SCHEME

**Cobalt One Limited (ASX: CO1) (the “Company” or “Cobalt One”)** and First Cobalt Corp. (“**First Cobalt**”) (TSXV: FCC) have entered into a binding Scheme Implementation Deed, under which it is proposed that First Cobalt will acquire 100% of the shares in Cobalt One via a Scheme of Arrangement (“**Scheme**”).

### Overview of the Scheme

Cobalt One shareholders (other than ineligible foreign holders) will receive 0.145 fully paid common shares of First Cobalt in the form of First Cobalt common shares or ASX-listed CHESS Depository Interests.

Cobalt One would become a wholly-owned subsidiary of First Cobalt.

The Scheme is subject to approval by Cobalt One shareholders and other customary conditions, including court approval. Under the Scheme Implementation Deed, the parties will be bound by all customary provisions including “no shop”, “no talk” and “notification” obligations, as well as “matching” rights.

Full details of all conditions precedent to the Scheme and other agreed terms are set out in the Scheme Implementation Deed, a copy of which is attached to this announcement.

### Board recommendations

The Board of Cobalt One recommends that Cobalt One shareholders vote in favour of the Scheme, in the absence of a superior proposal and subject to an independent expert concluding that the Scheme is in the best interests of Cobalt One shareholders. Subject to those same qualifications, each director of Cobalt One intends to vote all the Cobalt One shares controlled by them in favour of the Scheme.

### **Indicative timetable\***

An indicative timetable for the Scheme is set out below:

Event	Target date
First Court Hearing	1 September 2017
Dispatch of Scheme Booklet to Cobalt One Shareholders	8 September 2017
Scheme Meeting	13 October 2017
Second Court Hearing	23 October 2017
Effective Date	24 October 2017
Scheme Record Date	27 October 2017
Implementation Date	3 November 2017

\*All dates are indicative only and are subject to the Court approval process, regulatory approval and the satisfaction, or, where applicable, waiver of conditions under the Scheme Implementation Deed. Any changes to the timetable will be announced to ASX.

### **Resignation of Alex Passmore**

Cobalt One announces the resignation of Alex Passmore as a Non-Executive Director of the Company. Alex has resigned to allow him to focus on his other Australian directorships.

The Company would like to take this opportunity to thank Alex for his valuable contribution during his time as a Director.

END

For more information, please contact:

Jason Bontempo  
Executive Director

### **About Cobalt One**

Cobalt One Limited is a cobalt exploration company with high grade projects and the only permitted cobalt extraction refinery in a Tier 1 mining jurisdiction, Ontario Canada. It has seven high-grade cobalt properties in Cobalt, Ontario which includes; Cobalt Town claims, Lorrain Valley Cobalt claims, Silver Centre Cobalt claims and Silverfields mine property, which has four patented mining claims near Cobalt Town.

### **About First Cobalt**

First Cobalt is focused on building a diversified global portfolio of assets that are highly leveraged to the cobalt market. The Company's current assets include almost 3,000 hectares and three former

mines in the Cobalt camp in Ontario, Canada. Cornerstone assets include an option for the former producing Keeley-Frontier mine, a high-grade mine that produced over 3.3 million pounds of cobalt and 19.1 million ounces of silver from 301,000 tonnes of ore, as well as a joint venture on a fully permitted cobalt refinery in Cobalt, Ontario. The Company also has interests in seven prospective copper-cobalt properties covering 190 square kilometres in the Democratic Republic of the Congo, all with known surface mineralization.

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## **Scheme Implementation Deed**

First Cobalt Corp.  
Cobalt One Limited

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## Parties

- 1 **First Cobalt Corp.** with its registered and records office at Suite 201, 140 Yonge Street, Toronto, ON M5C 1X6 (**Bidder**)
  - 2 **Cobalt One Limited** ABN 50 127 411 796 of Level 1, 35 Richardson Street, West Perth, Western Australia 6005 (**C-One**)
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## Background

- A The parties have agreed that Bidder will acquire C-One by means of a scheme of arrangement under Part 5.1 of the Corporations Act between C-One and Scheme Shareholders.
- B At the request of Bidder, C-One intends to propose the Scheme and issue the Scheme Booklet.
- C The parties have agreed to implement the Scheme on and subject to the terms of this deed.

### The parties agree

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## 1 Defined terms and interpretation

### 1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

### 1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

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## 2 Agreement to proceed with Transaction

- (a) C-One agrees to propose the Scheme on and subject to the terms of this deed.
  - (b) Bidder agrees to assist C-One to propose the Scheme on and subject to the terms of this deed.
  - (c) The parties agree to implement the Transaction on and subject to the terms of this deed.
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## 3 Conditions precedent

### 3.1 Conditions precedent

Subject to this clause 3, the Scheme will not become Effective, and the obligations of Bidder under clause 4.2(b) are not binding, until and unless each of the following conditions precedent is satisfied or waived in accordance with clause 3.3.

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	CONDITIONS PRECEDENT
(a)	<b>(Court approval)</b> The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.
(b)	<b>(C-One Shareholder approval)</b> C-One Shareholders (other than Excluded Shareholders) agree to the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a) of the Corporations Act.
(c)	<b>(Bidder Shareholder approval)</b> Bidder's shareholders approving: <ul style="list-style-type: none"> <li>(i) any changes to the Bidder's constating documents required by ASX for the admission of Bidder to the official list of ASX; and</li> <li>(ii) to the extent required by the TSXV, the Transaction.</li> </ul>
(d)	<b>(Restraints)</b> No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Government Agency or other material legal restraint or prohibition preventing the Transaction is in effect at 8:00am on the Second Court Date.
(e)	<b>(C-One Material Adverse Change)</b> No C-One Material Adverse Change occurs, is announced or is otherwise discovered by Bidder (whether or not it becomes public) between the date of this deed and 8:00am on the Second Court Date.
(f)	<b>(Bidder Material Adverse Change)</b> No Bidder Material Adverse Change occurs, is announced or is otherwise discovered by C-One (whether or not it becomes public) between the date of this deed and 8:00am on the Second Court Date.
(g)	<b>(C-One Prescribed Occurrence)</b> No C-One Prescribed Occurrence occurs between the date of this deed and 8:00am on the Second Court Date.
(h)	<b>(Bidder Prescribed Occurrence)</b> No Bidder Prescribed Occurrence occurs between the date of this deed and 8:00am on the Second Court Date.
(i)	<b>(TSXV quotation)</b> The New Bidder Shares to be issued pursuant to the Scheme have, before 8:00am on the Second Court Date, been conditionally approved for listing on the TSXV subject only to the satisfaction of customary listing conditions and to the Scheme becoming Effective and such approval remains in full force and effect in all respects and does not become

	subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.
(j)	<b>(ASX quotation)</b> The New Bidder Shares in the form of CDIs to be issued pursuant to the Scheme have, before 8:00am on the Second Court Date, been approved for official quotation on the ASX subject only to any conditions which ASX may reasonably require and to the Scheme becoming Effective and such approval remains in full force and effect in all respects and does not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.
(k)	<b>(C-One Options)</b> Before 8.00am on the Second Court Date, binding agreements have been entered into for a sufficient number of C-One Options in accordance with clause 4.5 so as, when taking into account any exercised C-One Options, Bidder is permitted to compulsorily acquire the remaining C-One Options in accordance with Part 6A of the Corporations Act.
(l)	<b>(Restricted Securities)</b> Each holder of Restricted Securities enters into a deed, in a form acceptable to Bidder and C-One, acting reasonably, under which the Restricted Securities holder agrees, during the Escrow Period, not to Deal with the New Bidder Shares or CDIs received as Scheme Consideration or under the agreements contemplated by clause 3.1(k) for the Restricted Securities without the prior written consent of Bidder.

### 3.2 Reasonable endeavours

- (a) C-One must use reasonable endeavours to procure that the condition precedent in clause 3.1(g) is satisfied.
- (b) Bidder must use reasonable endeavours to procure that the conditions precedent in clause 3.1(h), (i) and (j) are satisfied.
- (c) Each party must use reasonable endeavours to procure that:
  - (i) the conditions precedent in clauses 3.1(a), (b), (c), (k) and (l) are satisfied; and
  - (ii) there is no occurrence or non-occurrence within the control of such party that prevents, or would be reasonably likely to prevent, the satisfaction of any condition precedent.
- (d) Without limiting clause 3.2(c):
  - (i) before sending any submission or material correspondence to a Government Agency in connection with any regulatory matter, each party must consult



with the other party in relation to, and provide the other party with a draft copy of, such submission or correspondence as soon as practicable and consider in good faith any reasonable comments received from the other party in relation to such submission or correspondence;

- (ii) each party must act co-operatively with the other party and in a timely manner in connection with obtaining any regulatory approval, including responding to reasonable requests for information (whether made by the other party, a Government Agency or any other person) at the earliest practicable time; and
- (iii) a regulatory approval will be deemed to have been granted or obtained notwithstanding that it is subject to conditions, provided that the conditions are acceptable to both parties (acting reasonably).

### **3.3 Waiver of conditions precedent**

- (a) The conditions precedent in clauses 3.1(a), (b), (d), (i) and (j) cannot be waived.
- (b) The conditions precedent in clause 3.1(c) is for the benefit of C-One and Bidder and any breach or non-fulfilment of either of these conditions precedent may only be waived with the written consent of both C-One and Bidder (each in its absolute discretion).
- (c) The conditions precedent in clauses 3.1(e), (g), (k) and (l) are for the sole benefit of Bidder and any breach or non-fulfilment of either of these conditions precedent may only be waived by Bidder (in its absolute discretion) in writing.
- (d) The conditions precedent in clauses 3.1(f) and (h) are for the sole benefit of C-One and any breach or non-fulfilment of either of these conditions precedent may only be waived by C-One (in its absolute discretion) in writing.
- (e) If a party waives the breach or non-fulfilment of a condition precedent, that waiver does not prevent it from suing the other party for any breach of this deed that resulted in the breach or non-fulfilment of the condition precedent.
- (f) Waiver of a breach or non-fulfilment of a condition precedent does not constitute:
  - (i) a waiver of breach or non-fulfilment of any other condition precedent resulting from the same event; or
  - (ii) a waiver of breach or non-fulfilment of that condition precedent resulting from any other event.

### **3.4 Termination on failure of condition precedent**

- (a) Subject to clause 5.8 and the fiduciary duties of C-One directors, if any conditions precedent contained in clause 3.1 are not satisfied or waived by the date specified in this deed for its satisfaction or if the Scheme has not become Effective by the End Date, then the parties will consult in good faith with a view to determining whether:
  - (i) the Scheme or a transaction which results in the acquisition of C-One by Bidder may proceed by way of an alternative approach and, if so, to agree on the terms of such an alternative approach;

- (ii) to agree to extend the date for satisfaction of the relevant condition precedent to another date agreed by C-One and Bidder;
  - (iii) to extend the End Date; or
  - (iv) to adjourn or change the date of an application to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme (as applicable).
- (b) If the condition precedent in clause 3.1(b) is not satisfied by reason only of the non-satisfaction of the Headcount Test and:
- (i) either Bidder or C-One considers, acting reasonably, that Share Splitting or some abusive or improper conduct may have caused or materially contributed to the Headcount Test not having been satisfied; and
  - (ii) legal advisers to C-One have opined that the application in clause 3.4(b)(ii)(A) more likely than not to succeed,

then C-One must, subject to the fiduciary duties of C-One directors:

- (A) apply for an order of the Court contemplated by section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test and seek Court approval of the Scheme under section 411(4)(b) of the Corporations Act, notwithstanding that the Headcount Test has not been satisfied; and
  - (B) make such submissions to the Court and file such evidence as counsel engaged by C-One to represent it in Court proceedings related to the Scheme, in consultation with Bidder, considers is reasonably required to persuade the Court to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act by making an order to disregard the Headcount Test.
- (c) If the Court agrees to exercise its discretion under section 411(4)(a)(ii)(A) of the Corporations Act to disregard the Headcount Test, it will not be necessary to meet the Headcount Test in order to satisfy the condition precedent in clause 3.1(b).
- (d) If the parties are unable to reach agreement under clause 3.4(a) within 5 Business Days of the earlier of becoming aware of the relevant occurrence or relevant date or by the End Date, then unless that condition is waived in accordance with clause 3.3, either party may (subject to clause 3.4(e)) terminate this deed without liability to the other party because of that termination.
- (e) A party may not terminate this deed under clause 3.4(d) if the relevant condition in clause 3.1 has not been satisfied, or is incapable of being satisfied, or there is an occurrence that will prevent the relevant condition being satisfied by the date specified in this deed for its satisfaction, as a result of an act or omission by that party or any of its Related Bodies Corporate which results in a material breach of this deed.

### 3.5 Certain notices

Each party must promptly notify the other parties in writing if:

- (a) a condition precedent has been satisfied, in which case that party must comply with any reasonable requests for evidence of such satisfaction made by the other party;

- (b) there is a breach or non-fulfilment of a condition precedent;
- (c) it becomes aware of any fact, matter or circumstance that has resulted, will result or is reasonably likely to result in:
- (i) a condition precedent becoming incapable of satisfaction or otherwise not being satisfied in accordance with its terms;
  - (ii) a breach of a Representation and Warranty provided by that party under this deed or such a Representation and Warranty ceasing to be true and correct in all material respects; or
  - (iii) a material breach of this deed by that party.

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## 4 Transaction outline

### 4.1 Terms of Scheme

C-One must not consent to any modification of, or amendment to, the Scheme, or to the making or imposition by a court of any condition in respect of the Scheme, without the prior written consent of Bidder, not to be unreasonably withheld.

### 4.2 Scheme Consideration

- (a) Under the Scheme, each Scheme Shareholder (other than an Ineligible Foreign Holder) will be entitled to receive 0.145 New Bidder Shares in the form of CDIs or New Bidder Shares for every 1 Scheme Share held by that Scheme Shareholder (**Scheme Consideration**).
- (b) In consideration of the transfer to Bidder of all the Scheme Shares, Bidder covenants in favour of C-One (in its own right and separately as trustee for each Scheme Shareholder) that it will:
- (i) accept that transfer; and
  - (ii) issue, or cause to be issued, the Scheme Consideration to each Scheme Shareholder (other than Ineligible Foreign Holders who will be dealt with in accordance with clause 4.4) prior to 12:00pm on the Implementation Date,
- in each case in accordance with the terms of the Scheme. To avoid doubt, nothing in this clause 4.2(b) shall derogate from the obligations of Bidder under the Deed Poll, which shall prevail to the extent of any inconsistency with this clause 4.2(b) such that full compliance by Bidder with the Deed Poll will be taken as compliance by it with this clause 4.2(b).
- (c) The Bidder will procure that the New Bidder Shares or CDIs to be issued as Scheme Consideration will be validly issued, fully paid and rank equally with the Bidders other issued common shares or CDIs from their date of issue.
- (d) Any fractional entitlement of a Scheme Shareholder to New Bidder Shares or CDIs:
- (i) of 0.5 or more will be rounded up to the nearest whole number; and
  - (ii) of less than 0.5 will be rounded down to the nearest whole number.

#### 4.3 No amendments to Scheme without consent

C-One must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior consent of Bidder, such consent not to be unreasonably withheld or delayed.

#### 4.4 Ineligible Foreign Holders

Bidder will be under no obligation under the Scheme to issue, and will not issue any CDIs or New Bidder Shares to Ineligible Foreign Holders, and instead:

- (a) all the CDIs or New Bidder Shares which would otherwise be required to be issued to any Ineligible Foreign Holder under the Scheme, if they were eligible to receive them, will be issued to the Nominee;
- (b) Bidder will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date), the Nominee sells on ASX or TSXV all of the CDIs or New Bidder Shares issued to the Nominee pursuant to clause 4.4(a) in such manner, at such price and on such other terms as the Nominee determines in good faith (and at the risk of the Ineligible Foreign Holders), and remits to Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
- (c) Bidder will pay to each Ineligible Foreign Holder such proportion of the Proceeds as the number of CDIs or New Bidder Shares which would have been issued to that Ineligible Foreign Holder (if they were eligible to receive CDIs or New Bidder Shares) represents as a portion of all CDIs or New Bidder Shares which would have been issued to all Ineligible Foreign Holders (if they were eligible to receive CDIs or New Bidder Shares) in full satisfaction of the Bidder's obligations to those Ineligible Foreign Holders under the Scheme in respect of the Scheme Consideration;
- (d) Bidder will pay the relevant proportion of the Proceeds to each Ineligible Foreign Holder by either:
  - (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Holder by prepaid post to that Ineligible Foreign Holder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Holder; or
  - (ii) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Holder to C-One (or the Share Registry) and recorded in or for the purposes of the Share Register at the Scheme Record Date,  
  
for the relevant amount, with that amount being denominated in Australian dollars; and
- (e) for the purposes of this clause 4.4, each Ineligible Foreign Holder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Ineligible Foreign Holders under the Corporations Act.

#### 4.5 Small shareholders

Scheme Shareholders who are entitled to receive 675 or less CDIs (or such other number as may be agreed between Bidder and C-One in writing) (**Small Shareholder**) under the

Scheme will be given the option to have the Scheme Consideration to which it is entitled issued to the Nominee in the form of CDIs and/or New Bidder Shares, in which case:

- (a) Bidder will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date) the Nominee sells on ASX or TSXV all of the CDIs and/or New Bidder Shares issued to the Nominee in such manner, at such price and on such terms as the Nominee determines in good faith (and at the risk of the Small Shareholder), and remits to the Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
- (b) Bidder will pay to each Small Shareholder such fraction of the Proceeds as is equal to the number of CDIs or New Bidder Shares which would have been issued to that Small Shareholder divided by the total number of CDIs and/or New Bidder Shares issued to the Nominee under clause 4.5(a) promptly after the last sale of CDIs and/or New Bidder Shares by the Nominee in full satisfaction of the Bidder's obligations to those Small Shareholders under the Scheme in respect of the Scheme Consideration;
- (c) Bidder will pay the relevant fraction of the Proceeds to each Small Shareholder by either:
  - (i) dispatching or procuring the dispatch, to that Small Shareholder by prepaid post to that Small Shareholder's Registered Address (at the Record Date), a cheque in the name of that Small Shareholder; or
  - (ii) making a deposit in an account with any ADI (as defined by the Banking Act 1959 (Cth)) in Australia notified by that Small Shareholder to the Bidder (or the Share Registry) and recorded in or for the purposes of the Share Register at the Record Date,  
  
for the relevant amount, with that amount being denominated in Australian dollars; and
- (d) for the purposes of this clause 4.5, each Small Shareholder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Small Shareholders under the Corporations Act).

#### 4.6 Transfer or cancellation of C-One Options

The parties must use reasonable endeavours (acting co-operatively and in good faith) to procure that, as soon as practicable after the date of this deed, a sufficient number of holders of C-One Options so as to permit the Bidder to compulsorily acquire the remaining C-One Options in accordance with Part 6A of the Corporations Act, enters into a deed with Bidder and C-One, in a form acceptable to both Bidder and C-One (each acting reasonably), under which:

- (a) each individual holder agrees, to the extent they have not exercised their C-One Options and received Scheme Shares prior to the Record Date, to the transfer to the Bidder or to cancellation of their C-One Options in exchange for the consideration per C-One Option set out in Attachment D, with such transfer or cancellation to be subject to the Scheme becoming Effective and to take effect on the Implementation Date;
- (b) Bidder agrees to provide, or procure the provision of, the consideration referred to in clause 4.6(a) to the holder on the Implementation Date; and

- (c) C-One agrees to cooperate with the Bidder to facilitate the exercise, transfer or cancellation of C-One Options (including, if required the C-One Board making any necessary lawful amendment, consent or determination, and seeking any required shareholder approval for any such thing, for the purposes of the relevant terms and conditions upon which the C-One Options were issued and using reasonable endeavours to procure ASX granting any necessary waivers).

#### 4.7 Exercise of certain C-One Options

The parties acknowledge that each of Alex Passmore, Jason Bontempo and Nicholas Rowley have undertaken to exercise all of the C-One Options held by them so as to receive Scheme Shares prior to the Scheme Record Date, subject only to receipt of any required shareholder approval to permit the exercise of those C-One Options held by them which are subject to restrictions on exercise. If shareholder approval is not received as contemplated, the parties acknowledge that each of Alex Passmore, Jason Bontempo and Nicholas Rowley have undertaken to exercise the Bidder options received as consideration for their C-One Options as soon as practicable, and in any event within 120 days, after the issue of the Bidder options to them.

#### 4.8 Resignation of Alex Passmore

Both parties acknowledge Alex Passmore has resigned from the Board of Directors of C-One effective from the date of execution of this deed.

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## 5 Implementation

### 5.1 C-One obligations

C-One must take all steps reasonably necessary to implement the Scheme in accordance with the Timetable and otherwise on and subject to the terms of this deed. Without limiting the foregoing, C-One must (to the fullest extent applicable):

- (a) **(Independent Expert)** as soon as reasonably practicable after the date of this deed, appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report (and any update to that report);
- (b) **(preparation of Scheme Booklet)**
  - (i) prepare the Scheme Booklet (other than the Bidder Information and the Independent Expert's Report) in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, RG 60, the Listing Rules;
  - (ii) provide Bidder with drafts of the Scheme Booklet and, acting reasonably and in good faith, take into account any reasonable comments from Bidder and its Representatives on those drafts, where such comments are provided in a timely manner;
- (c) **(apply for ASX and ASIC relief)** use its reasonable endeavours to obtain all waivers, exemptions and modifications from ASX and ASIC as may be required to facilitate implementation of the Scheme;
- (d) **(lodgement of Regulator's Draft)**

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- (i) provide an advanced draft of the Scheme Booklet (**Regulator's Draft**) to ASIC for its review for the purposes of section 411(2) of the Corporations Act; and
  - (ii) keep Bidder informed of any material issues raised by ASIC in relation to the Regulator's Draft and any steps taken to address any such issues (provided that, where such issues relate to Bidder Information, C-One must not take any steps to address them without Bidder's prior written consent);
- (e) (**no objection statement**) apply to ASIC for a statement under section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;
- (f) (**First Court Hearing**) apply to the Court for an order under section 411(1) of the Corporations Act directing C-One to convene the Scheme Meeting;
- (g) (**approval and registration of Scheme Booklet**)
- (i) procure that a meeting of the C-One Board is convened to approve the Scheme Booklet for registration with ASIC and despatch to C-One Shareholders; and
  - (ii) after receipt from Bidder of the written confirmation referred to in clause 5.2(e), request that, in accordance with section 412(6) of the Corporations Act, ASIC register the explanatory statement in relation to the Scheme, as included in the Scheme Booklet;
- (h) (**Scheme Meeting**) as soon as reasonably practicable following registration of the Scheme Booklet by ASIC, despatch the Scheme Booklet to C-One Shareholders and convene and hold the Scheme Meeting in accordance with the orders made by the Court at the First Court Hearing;
- (i) (**supplementary disclosure**) if, after despatch of the Scheme Booklet, it becomes aware:
- (i) that information included in the Scheme Booklet is or has become misleading or deceptive in any material respect (whether by omission or otherwise); or
  - (ii) of information that is required to be disclosed to C-One Shareholders under any applicable law (including RG 60),
- promptly consult with Bidder as to the need for, and form of, any supplementary disclosure to C-One Shareholders, and make any such disclosure that it considers reasonably necessary as soon as reasonably practicable and having regard to applicable laws (including RG 60);
- (j) (**conditions precedent certificate**) at the Second Court Hearing, provide to the Court (through its counsel):
- (i) a certificate confirming (in respect of matters within its knowledge) whether or not the conditions precedent (other than the condition precedent in clause 3.1(a)) have been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to Bidder by 5:00pm on the Business Day prior to the Second Court Date; and
  - (ii) any certificate provided to it by Bidder pursuant to clause 5.2(g);

- (k) **(Second Court Hearing)** subject to the conditions precedent (other than the condition precedent in clause 3.1(a)) being satisfied or waived in accordance with clause 3, apply (and to the extent necessary and reasonable, re-apply) to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme;
- (l) **(Court Documents)** prepare the Court Documents, provide drafts of those documents to Bidder and, acting reasonably and in good faith, take into account any reasonable comments from Bidder and its Representatives on those drafts, where such comments are provided in a timely manner;
- (m) **(Bidder representation at Court Hearings)** allow, and not oppose, any application by Bidder for leave of the Court to be represented by counsel at a Court Hearing;
- (n) **(lodgement of Court order)** for the purposes of section 411(10) of the Corporations Act, lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act before 5:00pm on the Business Day following the day on which such office copy is received;
- (o) **(quotation of C-One Shares and ASX listing)** apply to ASX to have:
  - (i) trading in C-One Shares suspended from the close of trading on the Effective Date; and
  - (ii) C-One removed from the official list of ASX, and quotation of C-One Shares on the ASX terminated, by the close of trading on the trading day immediately following the Implementation Date,and not do anything to cause any of these things to happen before the date specified in this clause 5.1(o);
- (p) **(compliance with laws)** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws, regulations and policy;
- (q) **(implementation)** if the Scheme becomes Effective, do all things contemplated of it under the Scheme and all other things (if any) necessary to lawfully give effect to the Scheme;
- (r) **(communications with C-One Shareholders)** participate in, and ensure the C-One Board participates in, all communications, presentations and other measures reasonably requested by Bidder to promote the merits of the Transaction, subject always to the C-One Directors not changing or withdrawing their recommendation to C-One Shareholders to vote in favour of the Scheme because of a Superior Proposal or because the Independent Expert concludes that the Scheme is not in the best interests of C-One Shareholders;
- (s) **(CobalTech Transaction)** act reasonably and in good faith when reviewing and forming conclusions on the results of Bidder's due diligence in respect of the CobalTech Transaction, as outlined in clause 5.2(s);
- (t) **(Registry details)** subject to the Scheme:
  - (i) provide all necessary information about the C-One Shareholders to Bidder which Bidder requires in order to assist Bidder to identify the Scheme Shareholders and which can be provided under Australian law; and



- (ii) direct C-One's share registry to promptly provide any information that Bidder reasonably requests in relation to the register of members maintained by (or on behalf of) C-One in accordance with the Corporations Act, including any sub-register and, where requested by Bidder, C-One must procure such information to be provided to Bidder in such electronic form as is reasonably requested by Bidder; and
- (u) **(Restricted Shares)** use reasonable endeavours to procure that, as soon as practicable after the date of this deed, each holder of C-One Restricted Shares enters into the deed contemplated by clause 3.1(l).

## 5.2 Bidder obligations

Bidder must take all steps reasonably necessary to implement the Scheme in accordance with the Timetable and otherwise on and subject to the terms of this deed. Without limiting the foregoing, Bidder must (to the fullest extent applicable):

- (a) **(prepare Bidder Information)**
- (i) as soon as reasonably practicable after the date of this deed, prepare the Bidder Information for inclusion in the Scheme Booklet in accordance with all applicable laws, including the Corporations Act, Corporations Regulations, RG 60, the Listing Rules and Canadian securities laws; and
- (ii) provide C-One with drafts of the Bidder Information and, acting reasonably and in good faith, take into account any reasonable comments from C-One and its Representatives on those drafts, where such comments are provided in a timely manner;
- (b) **(assistance with Scheme Booklet and Court Documents)** provide any assistance or information reasonably requested by C-One or its Representatives in connection with the preparation of the Scheme Booklet (including any supplementary disclosure to C-One Shareholders) or any Court Documents;
- (c) **(review of scheme booklet)** review the drafts of the Scheme Booklet prepared by C-One and provide comments promptly on those drafts in good faith;
- (d) **(Independent Expert's Report)** provide any assistance or information reasonably requested by C-One or its Representatives, or by the Independent Expert directly, in connection with the preparation of the Independent Expert's Report (and any update to that report);
- (e) **(confirmation of Bidder Information)** as soon as reasonably practicable after C-One requests that it do so and having regard to the Timetable, confirm in writing to C-One that:
- (i) it consents to the inclusion of the Bidder Information in the Scheme Booklet, in the form and context in which it appears; and
- (ii) the Bidder Information, in that form and context, is not misleading or deceptive in any material respect (whether by omission or otherwise);
- (f) **(update Bidder Information)** promptly advise C-One in writing if it becomes aware:
- (i) of information which should have been included in any Bidder Information previously provided to C-One (including if known at the time or if new

information which has arisen after the Scheme Booklet has been despatched to C-One Shareholders); or

- (ii) that any Bidder Information previously provided to C-One is misleading or deceptive in any material respect (whether by omission or otherwise), and promptly provide C-One with any information required to correct the misleading or deceptive statements,

until the date of the Scheme Meeting;

- (g) (**conditions precedent certificate**) before 8:00am on the Second Court Date, provide to C-One for provision to the Court at the Second Court Hearing a certificate confirming (in respect of matters within its knowledge) whether or not the conditions precedent (other than the condition precedent in clause 3.1(a)) have been satisfied or waived in accordance with clause 3, a draft of which certificate must be provided to C-One by 5:00pm on the Business Day prior to the Second Court Date;
- (h) (**representation at Court**) ensure that it is represented by counsel at the First and Second Court Hearing and give such undertakings (if any) to the Court (through its counsel) as are reasonably necessary to ensure the Court makes an order under section 411(4)(b) of the Corporations Act approving the Scheme;
- (i) (**Deed Poll**) before 5:00pm on the Business Day prior to the First Court Date, enter into the Deed Poll and deliver it to C-One, and, if the Scheme becomes Effective, fully comply with its obligations under the Deed Poll;
- (j) (**apply for ASX and ASIC relief**) use its reasonable endeavours to obtain all waivers, exemptions and modifications from ASX or ASIC as may be required to facilitate implementation of the Share Scheme;
- (k) (**maintain TSXV listing**) take all reasonable and appropriate steps to maintain the Bidders listing on TSXV, notwithstanding any suspension of the quotation of Bidders shares, up to and including the Effective Date;
- (l) (**apply for TSXV approval**) use its reasonable endeavours to obtain all approvals, waivers, exemptions and modifications from TSXV or applicable Canadian securities regulatory authorities as may be required to facilitate implementation of the Scheme;
- (m) (**share transfer**) if the Scheme becomes Effective:
  - (i) accept a transfer of the Scheme Shares as contemplated by clause 4.2(b)(i); and
  - (ii) execute instruments of transfer in respect of the Scheme Shares;
- (n) (**Scheme Consideration**) if the Scheme becomes Effective, procure the provision of, the Scheme Consideration in the manner and amount contemplated by clause 4 and the terms of the Scheme and the Deed Poll;
- (o) (**C-One Restricted Shares**) not unreasonably withhold their consent to the terms of the deed to be entered into in respect of Restricted Shares and to the Dealing with New Bidder Shares or CDIs, as referred to in clause 3.1(l);
- (p) (**notice of meeting**) lodge the notice of meeting required by clause 3.1(c) to call the Bidders Shareholder meeting within 2 weeks of executing this deed;

- For personal use only
- (q) **(financing)** keep C-One reasonably informed of all discussions with financiers regarding proposed financing arrangements for Bidder after the Effective Date and must consult with C-One in relation to the proposed financing arrangements;
  - (r) **(communications with Bidder Shareholders)** participate in, and ensure the Bidder Board participates in all communications, presentations and other measures reasonably requested by C-One to promote the merits of the Transaction;
  - (s) **(CobalTech Transaction):**
    - (i) undertake all necessary and appropriate due diligence in relation to the CobalTech Transaction, including, but not limited to:
      - (A) confirmation of legal title to all material assets which it is expected that CobalTech owns, based on public information as at the date of this deed;
      - (B) a thorough review of CobalTech's existing and past contracts;
      - (C) identification of CobalTech's actual and contingent liabilities; and
      - (D) identify CobalTech's agreements to issue securities; and
    - (ii) consult with C-One in respect of the results of the due diligence outlined in (i) above and take into account C-One's queries concerning and assessment of that due diligence for the purposes of Bidder's assessment of the CobalTech Transaction and its completion (acting reasonably and in good faith);
  - (t) **(promote transaction)** participate in efforts reasonably requested by C-One to promote the merits of the Transaction and the Scheme Consideration, including meeting with key Bidder or C-One Shareholders at the reasonable request of C-One and providing C-One with such information and assistance that C-One reasonably requests to enable it to promote the merits of the Transaction; and
  - (u) **(compliance with laws)** do everything reasonably within its power to ensure that the Transaction is effected in accordance with all applicable laws, regulations and policy.

### 5.3 Scheme Booklet

- (a) If the parties are unable to agree on the form or content of a particular part of the Scheme Booklet, then:
  - (i) if the relevant part of the Scheme Booklet is Bidder Information, C-One will make such amendments to that part of the Scheme Booklet as required by Bidder (acting reasonably and in good faith); and
  - (ii) if the relevant part of the Scheme Booklet is C-One Information, C-One (acting reasonably and in good faith) will decide the form and content of that part of the Scheme Booklet.
- (b) The parties agree that the Scheme Booklet will contain a responsibility statement to the effect that:
  - (i) C-One is responsible for the C-One Information contained in the Scheme Booklet;

- (ii) Bidder is responsible for the Bidder Information contained in the Scheme Booklet; and
- (iii) the Independent Expert has provided and is responsible for, the Independent Expert's Report,

and neither of C-One, Bidder or their directors and officers assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

- (c) Each party must undertake appropriate verification processes for the information supplied by that party for the Scheme Booklet and must make such verification material available to the other party on request by it.

#### **5.4 Conduct of business**

- (a) Subject to clause 5.4(b), from the date of this deed up to and including the Implementation Date, each of C-One and Bidder must in respect of any assets or businesses owned by a member of the C-One Group or Bidder Group respectively:
  - (i) conduct its business and operations, and must cause each other member of the C-One Group or member of the Bidder Group (as applicable) to conduct its respective business and operations, in the ordinary course consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed;
  - (ii) ensure the expenditure is undertaken in a manner materially consistent with its board-approved budget for the 2017/18 financial year, activities undertaken in the 2016/2017 financial year or other board approved activities prior to the execution of this deed;
  - (iii) promptly notify the other party of any material Claim which may be threatened, brought, asserted or commenced against any member of the C-One Group or Bidder Group, or their officers, and consult with the other party in relation to such matter to the extent the other party reasonably requires;
  - (iv) not enter into, or agree to enter into, any material joint venture, partnership or similar arrangement other than in the ordinary course of business;
  - (v) for matters that are not within the board-approved budget for the 2017/8 financial year not:
    - (A) enter into, vary or terminate any contract or commitment which is for more than \$100,000 (in the case of the C-One Group) or more than C\$100,000 (in the case of the Bidder Group) in any month;
    - (B) incur any capital expenditure exceeding \$100,000 (in the case of the C-One Group) or more than C\$100,000 (in the case of the Bidder Group) in any month;
    - (C) purchase, lease or otherwise acquire or agree to acquire any individual asset, with a value of more than \$100,000 (in the case of the C-One Group) or more than C\$100,000 (in the case of the Bidder Group) in any month;
  - (vi) ensure that between (and including) the date of this deed and 8.00am on the Second Court Date, to the extent within the relevant party's control, no C-One Prescribed Occurrence or Bidder Prescribed Occurrence occurs;

- (vii) not make or permit any change to the terms and conditions of the current employment contracts of the senior management of the C-One Group or Bidder Group. For the avoidance of doubt, remuneration paid to Jason Bontempo and Nicholas Rowley for their respective work in relation to the Transaction is not a change to their current respective employment contracts for the purpose of this clause;
  - (viii) subject to the Listing Rules, the TSXV Exchange Rules and applicable laws, use reasonable endeavours to advise the other party of developments which would be considered material from a continuous disclosure perspective relating to or affecting the C-One Group or Bidder Group (as applicable), its financial position and its prospects; and
  - (ix) make reasonable efforts to:
    - (A) keep available the services of the key management personnel of the C-One Group or Bidder Group;
    - (B) maintain and preserve the C-One Group's or Bidder Group's relationships with operators, lessors, customers, suppliers, investors, Government Agencies, licensors, licensees and others with whom it has business dealings (including using reasonable endeavours to obtain any required consents or waivers from Third Parties under any change of control provisions in material contracts or arrangements to which a member of the C-One Group or Bidder Group (as applicable) is a party, where the other party advises it in writing of such contracts or arrangements); and
    - (C) ensure that the C-One Group or Bidder Group does not enter into any lines of business or other activities in which the C-One Group or Bidder Group (as applicable) is not engaged as at the date of this deed.
- (b) Nothing in clause 5.4(a) restricts the ability of C-One or Bidder to:
- (i) take any action which:
    - (A) is required by any applicable law or Government Agency;
    - (B) it considers is reasonably necessary or desirable to ensure that the business of the C-One Group or Bidder Group (as applicable) is able to continue to be conducted in a manner generally consistent with the manner in which such business has been conducted in the 12 months prior to the date of this deed, including disposing of assets in the ordinary course of business or where the other party consents to such disposal (such consent not to be unreasonably withheld or delayed);
    - (C) is required or permitted by this deed or the Scheme;
    - (D) has been Fairly Disclosed in the Disclosure Materials or any announcement to or filing with ASX, publicly disclosed by way of a news release filed on SEDAR or ASIC prior to the date of this deed; or
    - (E) has been agreed to in writing by the other party;

- (F) is a reasonable and prudent response to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property);
- (ii) employ or engage additional directors, officers, employees, contractors or other persons where the demands of the business of the C-One Group or Bidder Group require such additions and the C-One Board or Bidder Board (as applicable) considers it reasonably necessary or desirable to do so;
  - (iii) terminate the employment or engagement of directors, officers, employees, contractors or other persons in accordance with the terms of any applicable agreement or document governing such arrangement, where it considers it reasonably necessary or desirable to do so, provided it shall use reasonable endeavours to obtain qualified personnel for vacant positions, to the extent the relevant position is considered necessary or desirable to the C-One Group or Bidder Group (as applicable) going forward;
  - (iv) respond to a Competing Proposal in accordance with clause 8.
- (c) In this deed, references to the business of the C-One Group or Bidder Group are to that business taken as a whole.
- (d) From the date of this deed until the Second Court Date, each of C-One and Bidder will promptly notify the other of anything of which it becomes aware:
- (i) that makes any material information publicly filed by C-One or Bidder (as applicable) (either on its own account or in respect of any other member of the C-One Group or member of the Bidder Group (as applicable)) to be, or reasonably likely to be, incomplete, incorrect, untrue or misleading in any material respect;
  - (ii) that makes any of the Representations and Warranties false, inaccurate, misleading or deceptive in any material respect;
  - (iii) that makes any information provided in the Disclosure Materials incomplete, incorrect, untrue or misleading in any material respect; or
  - (iv) in relation to:
    - (A) a public statement that has been made by a third party; or
    - (B) any matter that it determines it will need to disclose to the ASX or by way of a news release filed on SEDAR,

in each case, relating to the termination or non-renewal of a Material Contract, (including if it receives any notice of termination or non-renewal of such Material Contract).

## 5.5 Integration

Between the date of this deed and the Implementation Date, C-One must co-operate with the Bidder to seek material third party consents which will be necessary or reasonably required as a result of the implementation of the Scheme and provide the Bidder with reasonable access to information, premises and senior executives of any member of the C-One Group, where Bidder requests such access for the purposes of:

- (a) implementation of the Scheme; or

- (b) Bidder obtaining an understanding, or furthering its understanding, of the C-One Group's business, financial position, prospects and affairs in order to allow and facilitate the development and the implementation of Bidder's plans for the C-One Group following implementation of the Scheme,

provided that compliance with any such request would not, in the reasonable opinion of C-One (acting in good faith), result in undue disruption to the C-One Group's business, and provided that nothing in this clause 5.5 shall require C-One to provide Bidder with any information:

- (c) in breach of an obligation of confidentiality to any person; or
- (d) concerning the consideration of the Transaction or any actual or potential Competing Proposal by the C-One Board (or a sub-committee of the board) or C-One management.

### **5.6 Appointment and resignation of directors**

- (a) The parties agree that with effect on and from (and subject to) implementation of the Scheme, and each individual consenting to act, Paul Matysek, Jason Bontempo and Robert Cross will be appointed to the Bidder Board.
- (b) Subject to the Scheme becoming Effective, Bidder must procure that, as soon as reasonably practicable after the Scheme becomes Effective (and, in any event, before the Scheme Record Date) each Bidder Director, other than those identified in accordance with clause 5.6(a), resigns in writing to Bidder (as applicable) with effect on and from (and subject to) implementation of the Scheme.
- (c) Subject to the Scheme becoming Effective, C-One and Bidder must procure that, as soon as reasonably practicable after the Scheme becomes Effective (and, in any event, before the Scheme Record Date) each C-One Director identified in accordance with clause 5.6(a), who is not already a member of the Bidder Board is appointed to the Bidder Board with effect on and from (and subject to) implementation of the Scheme.

### **5.7 Option term sheet**

The option term sheet entered into between the parties, announced to ASX by C-One on 2 June 2017, is terminated on and from the Effective Date.

### **5.8 Appeal process**

- (a) If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, C-One must appeal the Court's decision except:
- (i) to the extent that the parties agree otherwise;
- (ii) C-One's directors reasonably consider it is not consistent with their fiduciary duties; or
- (iii) C-One's legal advisers in relation to the Scheme indicate that, in their opinion, an appeal would have less than a 50% prospect of success,

in which case either party may terminate this deed in accordance with clause 12.

- (b) All reasonable costs of C-One in appealing the Court's decision in accordance clause 5.8(a) must be borne equally by the parties.

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## 6 Agreed announcements

### 6.1 Announcement of Scheme

Immediately after execution of this deed, C-One and Bidder must issue the Agreed Announcements.

### 6.2 No announcement

Neither party may make any public announcement relating to the subject matter of this deed or make public this deed (or any of its terms) unless the public announcement:

- (a) is required by clause 6.1 or any other provision of this deed;
- (b) has the prior approval of the other party, such approval not to be unreasonably withheld or delayed; or
- (c) is required to be made by any applicable law or stock exchange rules.

### 6.3 Notice of announcement

If a party is required to make a public announcement under clause 6.2(c), it must, to the extent practicable without that party breaching any applicable law or stock exchange rules, give to the other party:

- (a) such notice as is reasonable in the circumstances of its intention to make the announcement; and
- (b) a draft of the announcement and an opportunity, which is reasonable in the circumstances, to comment on the contents of the draft announcement.

### 6.4 Termination of this deed

If this deed is terminated under clause 12, either party may publicly disclose by way of announcement to ASX or on SEDAR, as the case may be, the fact that this deed has been terminated, where such disclosure is in the reasonable opinion of that party required to ensure that the market in its securities is properly informed, and provided, where reasonably practicable, that party consults with the other party as to (and gives the other party a reasonable opportunity to comment on) the form and content of the announcement prior to its disclosure.

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## 7 Board support of Transaction

### 7.1 C-One confirmation

C-One must use reasonable endeavours to procure that all of the C-One Board:

- (a) recommends that C-One Shareholders (other than Excluded Shareholders) vote in favour of the Scheme at the Scheme Meeting; and
- (b) intend to vote, or cause to be voted, all C-One Shares which they control in favour of the Scheme at the Scheme Meeting,



in each case in the absence of a Superior Proposal and subject to the Independent Expert concluding in the Independent Expert's Report that the Scheme is in the best interests of C-One Shareholders (other than Excluded Shareholders).

## 7.2 C-One Maintenance of Recommendation and Voting Intention

C-One must use reasonable endeavours to procure that the C-One Directors do not withdraw, change or modify their recommendation, as set out in clause 7.1(a) (**C-One Recommendation**), or their voting intention, as set out in clause 7.1(b) (**C-One Voting Intention**), unless:

- (a) a Superior Proposal is made;
- (b) the Independent Expert concludes in the Independent Expert's Report (or any update to that report) that the Scheme is not in the best interests of C-One Shareholders (other than Excluded Shareholders); or
- (c) a C-One Director or the C-One Board considers (after having obtained legal advice) that the failure by that C-One Director specifically, or by any C-One Director generally, to withdraw, change or modify their C-One Recommendation or C-One Voting Intention may involve a breach by that C-One Director of their fiduciary or statutory duties.

## 7.3 Bidder acknowledgement

Bidder acknowledges that without derogating from a party's rights or obligations under clause 9 or 12, if any of the events referred to in clause 7.2 occur, any C-One Director may withdraw, change or modify their Recommendation or Voting Intention.

## 7.4 Bidder confirmation

If Bidder is required to seek the approval of its shareholders of any matter to satisfy the condition in clause 3.1(c) and that condition is not waived, Bidder must use reasonable endeavours to procure that all of Bidder Board:

- (a) recommends that Bidder shareholders vote in favour of the approval of that matter; and
- (b) intend to vote, or cause to be voted, all Bidder Shares which they control in favour of approval of that matter.

## 7.5 Bidder Maintenance of Recommendation and Voting Intention

If Bidder is required to seek the approval of its shareholders of any matter reasonably necessary to implement the Scheme, Bidder must use reasonable endeavours to procure that Bidder Directors do not withdraw, change or modify their recommendation, as set out in clause 7.4(a) (**Bidder Recommendation**), or their voting intention, as set out in clause 7.4(b) (**Bidder Voting Intention**), unless:

- (a) the C-One Board withdraws its recommendation given under clause 7.1(a);
- (b) it becomes apparent to Bidder that the condition precedent in 3.1(b)(C-One Shareholder approval) has not been, or will not be, satisfied; or
- (c) a Bidder Director or the Bidder Board considers (after having obtained legal advice) that the failure by that Bidder Director specifically, or by any Bidder Director generally, to withdraw, change or modify their Bidder Recommendation or Bidder

Voting Intention may involve a breach by that Bidder Director of their fiduciary or statutory duties.

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## 8 Exclusivity

### 8.1 Commencement of Exclusivity Period

From the start of the Exclusivity Period, each of C-One and Bidder must:

- (a) terminate any existing discussions or negotiations in relation to a Competing Proposal; and
- (b) cease providing or making available to any Third Party any non-public information which might be reasonably expected to lead to a Competing Proposal.

### 8.2 No-shop

Subject to clause 8.4, during the Exclusivity Period, each of C-One and Bidder must not, and must take reasonable steps to ensure that its Representatives do not, directly or indirectly:

- (a) solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal; or
- (b) communicate to any person any intention to do any of the things referred to in clause 8.2(a).

Nothing in this clause 8.2 prevents each of C-One and Bidder from continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors and analysts in the ordinary course in relation to the Scheme or its business generally.

### 8.3 No-talk

Subject always to clauses 8.4 and 8.6 but without limiting clause 8.2, during the Exclusivity Period, each of C-One and Bidder must not, and must take reasonable steps to ensure that its Representatives do not, directly or indirectly:

- (a) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;
- (b) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;
- (c) disclose or otherwise provide any non-public information about the business or affairs of the C-One Group or the Bidder Group to a Third Party with a view to obtaining or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due

diligence investigations in respect of the C-One Group or Bidder Group , other than in the ordinary course of business or as required by law; or

- (d) communicate to any person any intention to do any of the things referred to in the preceding paragraphs of this clause 8.3.

#### **8.4 Fiduciary exception**

In respect of a bona fide Competing Proposal that is or may be received by, or become known to, either of C-One or Bidder without any breach by C-One or Bidder (as applicable) of its obligations under clause 8.2, C-One or Bidder may undertake any action that would otherwise be prohibited, or refuse to take any action that would otherwise be required, (**prohibited action**) by clause 8.3, 8.5 or 8.6 if (and only to the extent that) the C-One Board or Bidder Board (as applicable) determines, acting in good faith that not undertaking or undertaking the prohibited action, as applicable, may involve a breach by a C-One Director or Bidder Director (as applicable) of their fiduciary or statutory duties.

#### **8.5 Notification of approaches**

- (a) Subject to clause 8.4, during the Exclusivity Period, each of C-One and Bidder must as soon as possible after becoming aware of any of the matters set out below notify the other party in writing if it, or any of its Representatives, becomes aware of any:
  - (i) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;
  - (ii) proposal made to it or any of its Representatives, in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or
  - (iii) provision by it or any of its Representatives of any material non-public information concerning the business or operations of the C-One Group (in the case of C-One) or the Bidder Group (in the case of Bidder) to any to a Third Party (other than a Government Agency) in connection with an actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise. For the avoidance of doubt, any of the acts described in paragraphs (i) to (iii) may only be taken by C-One or Bidder (as applicable) if not prohibited by clauses 8.2 or 8.3 or if permitted by clause 8.4.

- (b) Subject to clause 8.4, a notification given under clause 8.5(a) must include all material terms and conditions of the actual, proposed or potential Competing Proposal (including, to the extent known, the identity of the relevant person or persons making or proposing the relevant actual, proposed or potential Competing Proposal, the price, conditions precedent, an indication of the initial proposed timing and break fee (if any)).

#### **8.6 Matching right**

Subject to clause 8.4, if, at any time during the Exclusivity Period, C-One receives a Superior Proposal, the following provisions apply:

- (a) C-One must immediately give Bidder notice in writing of that fact and that notice must provide all material details of the Superior Proposal as required by clause 8.5;
- (b) if C-One gives Bidder a notice under clause 8.6(a), C-One agrees that it will not, until the end of the day which is three (3) Business Days following the receipt of that notice by Bidder, enter into any legally binding agreement with respect to the Superior Proposal;
- (c) if C-One gives Bidder a notice under clause 8.6(a), Bidder agrees that the notice and its contents are to be kept confidential (subject to all applicable laws and the rules of the relevant stock exchange);
- (d) if C-One gives Bidder a notice under clause 8.6(a), Bidder will have the right, but not the obligation, at any time until the end of the day which is three (3) Business Days following receipt of the notice to:
- (i) offer to amend the terms of the Transaction; or
  - (ii) propose any other transaction,
- (each a **Counterproposal**), and if Bidder does so, the C-One Board must review the Counterproposal in good faith and in what the C-One Board considers is required to comply with its fiduciary and statutory duties, to determine whether the Counterproposal is more favourable to C-One Shareholders than the Superior Proposal;
- (e) if the C-One Board determines, in good faith and in order to satisfy what the C-One Board considers to be its fiduciary and statutory duties, that the Counterproposal is more favourable to C-One Shareholders than the Superior Proposal, then:
- (i) if the Counterproposal contemplates an amendment to the Transaction, the parties must use best endeavours to enter into a document amending this deed in relation to the Transaction and reflecting the Counterproposal; and
  - (ii) C-One must make an announcement as soon as reasonably practicable recommending the Counterproposal, in the absence of a more favourable proposal, and the parties must pursue implementation of the Counterproposal in good faith.
- (f) Despite anything in this clause 8.6, to the extent required to satisfy what the C-One Board have determined in good faith to be their fiduciary or statutory obligations, the C-One Board may release a public announcement acknowledging the receipt of a Competing Proposal and:
- (i) recommending the C-One Shareholders take no action in relation to a Competing Proposal; and
  - (ii) reserving its position in relation to its recommendation of the Competing Proposal and the Scheme.

## 8.7 CobalTech Transaction

The parties acknowledge for the avoidance of doubt, that the CobalTech Transaction is neither a Competing Proposal nor a Superior Proposal and this clause 8 is not intended to impede the CobalTech Transaction.

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## 9 Break Fee

### 9.1 Background

This clause 9 has been agreed to in circumstances where:

- (a) each party believes it and its shareholders will derive significant benefits from the implementation of the Scheme;
- (b) each party has incurred and will further incur, significant costs in connection with the Scheme, which will include significant opportunity costs if the Scheme is not implemented;
- (c) each party requested that provision be made for the payment of a Break Fee, and would not have entered into this deed had such provision not been made;
- (d) each party believes that it is appropriate to agree to pay a Break Fee to secure the other party's entry into this deed; and
- (e) each party has received separate legal advice in relation to this deed and the operation of this clause 9.

The parties acknowledge and agree that the costs referred to in clause 9.1(b) are of such a nature that they cannot be precisely quantified, but that the Break Fee is a genuine and reasonable pre-estimate of those costs.

### 9.2 Payment of Break Fee by C-One

Subject to clauses 9.4 and 9.6, C-One must pay Bidder the Break Fee, without set-off or withholding and within 5 Business Days after any of the following occurs:

- (a) a Competing Proposal for C-One is announced before the date of the Scheme Meeting and a Third Party undertakes any matters comprising or takes steps towards completion of a Competing Proposal involving C-One within 12 months after the date of this deed;
- (b) the C-One Board, prior to termination of this deed makes or authorises a public statement that it:
  - (i) no longer recommends C-One shareholders vote in favour of Scheme or withdraws or adversely changes their recommendation or own voting intention; or
  - (ii) recommends C-One shareholders vote in favour of or accept a Competing Proposal,

other than where a condition precedent has not been and will not be met (other than by reason of a deliberate act or omission amounting to a breach of this deed by C-One), this deed has been terminated in accordance with its terms or the Independent Expert concludes the Scheme is not in the best interests of C-One Shareholders (in the absence of a Competing Proposal); or

- (c) Bidder terminates this deed due to a deliberate act or omission amounting to a breach of this deed by C-One.

### 9.3 Payment of Break Fee by Bidder

Subject to clauses 9.4 and 9.6, Bidder must pay C-One the Break Fee, without set-off or withholding and within 5 Business Days after any of the following occurs:

- (a) a Competing Proposal for Bidder is announced before the date of the Scheme Meeting and a Third Party undertakes any matters comprising or takes steps towards completion of a Competing Proposal involving Bidder within 12 months after the date of this deed;
- (b) a majority of directors of the Bidder Board, prior to termination of this deed makes or authorises a public statement that he or she:
  - (i) no longer recommends Bidder shareholders vote in favour of any matter reasonably necessary to implement the Scheme or withdraws or adversely changes their recommendation or own voting intention; or
  - (ii) recommends Bidder shareholders vote in favour of or accept a Competing Proposal,

other than where a condition precedent has not been and will not be met (other than by reason of a deliberate act or omission amounting to a breach of this deed by C-One), this deed has been terminated in accordance with its terms or the Independent Expert concludes the Scheme is not in the best interests of C-One Shareholders (in the absence of a Competing Proposal); or

- (c) C-One terminates this deed due to a deliberate act or omission amounting to a breach of this deed by Bidder.

### 9.4 Payment conditions

- (a) Notwithstanding the occurrence of any event referred to in clauses 9.2 or 9.3, a Break Fee will not be payable under the relevant clause if the Scheme becomes Effective.
- (b) Each party can only ever be liable to pay a Break Fee once.

### 9.5 Nature of payment

The Break Fee payable under clauses 9.2 and 9.3 is an amount to compensate the relevant party for the following costs and expenses:

- (a) external advisory costs (excluding success fees);
- (b) internal costs such as costs of management and directors' time, risk management costs and capital costs;
- (c) out-of-pocket expenses; and
- (d) opportunity costs incurred in pursuing the Transaction or in not pursuing other alternative acquisitions or strategic initiatives which otherwise could have been developed.

### 9.6 Compliance with law

This clause 9 imposes obligations on each party only to the extent that the performance of those obligations:

- (a) does not constitute unacceptable circumstances as declared by the Australian Takeovers Panel;
- (b) does not breach the fiduciary or statutory duties of any C-One Director or Bidder Director; and
- (c) is not otherwise unlawful or held to be unenforceable by a court,

**(Impugned Obligations),**

but each of C-One and Bidder will remain obliged to comply with their respective obligations under clause 9 to the extent they are not Impugned Obligations.

If, and to the extent that, any of clause 9.6(a), 9.6(b) or 9.6(c) applies, a party must reimburse the relevant part of the Break Fee within 10 Business Days after receipt of a written demand for reimbursement from the other party.

**9.7 Other claims**

- (a) The parties acknowledge and agree that, despite any other provision of this deed but subject to clause 9.7(b):
  - (i) if C-One or Bidder becomes liable to pay a Break Fee and does so in accordance with this clause 9, it will have no further liability to the other party for any breach of this deed;
  - (ii) if C-One or Bidder becomes liable to pay a Break Fee, that fee shall be reduced by any amount previously paid by that party to the other party in connection with a breach by the party of this deed; and
  - (iii) in any event, the liability of C-One or Bidder under or in connection with this deed shall be limited to an amount equal to the Break Fee payable under this clause 9, provided that this limitation shall not apply to breaches of clause 15, and shall not derogate from clause 12.6.
- (b) Nothing in clause 9.7(a) in any way:
  - (i) prevents either party (in its own right or as trustee for another person, as the case may be under this deed) from seeking orders from a court of competent jurisdiction for the specific performance by the other party of any obligations under this deed; or
  - (ii) extinguishes or limits the liability of either party for any:
    - (A) interest payable on any amount payable by that party under or in connection with this deed; or
    - (B) breach of this deed arising from criminal acts or fraud.

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## **10 Representations and Warranties**

### **10.1 Bidder Representations and Warranties**

Bidder represents and warrants to C-One that:

- (a) (**validly existing**) each member of the Bidder Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) (**power**) it has full corporate power and lawful authority to execute, deliver and perform this deed and the Deed Poll;
- (c) (**corporate action**) it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed and the Deed Poll;
- (d) (**binding**) this deed constitutes legal, valid and binding obligations on it, enforceable in accordance with its terms;
- (e) (**performance**) the execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate or breach any provision of:
  - (i) an agreement, law or treaty or a judgment, ruling, order or decree binding on it; or
  - (ii) its constating documents;
- (f) (**capital structure**) its capital structure, including all issued securities as at the date of this deed, is as set out in Schedule 2 and, other than pursuant to the CobalTech Transaction or as otherwise permitted by the terms of this deed:
  - (i) it has not otherwise issued or granted (or agreed to issue or grant) any other securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into Bidder Shares (other than those which on issue or grant represent in number no more than 5% of the total number of Bidder Shares on issue as at the date of this deed and which have received C-One's prior written consent to their issue (not to be unreasonably withheld) or are issued on the conversion of any securities set out in Schedule 2); and
  - (ii) it is not otherwise under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any Bidder Shares, options, warrants, performance rights or other securities or instruments in Bidder;
- (g) (**Bidder Information**) the Bidder Information included in the Scheme Booklet, as consented to by it pursuant to clause 5.2, and any supplementary disclosure made to C-One Shareholders pursuant to clause 5.2, will be provided and will not be misleading or deceptive in any material respect (whether by omission or otherwise) and will comply in all material respects with applicable laws, including the Corporations Act, Corporations Regulations, RG 60, the Listing Rules and Canadian securities laws;
- (h) (**all information**) it is not aware of any confidential material change report or any information relating to the Bidder Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could reasonably be expected to give rise to a Bidder Material Adverse Change in respect of the Bidder Group that has not been publicly disclosed by way of a news release filed on SEDAR or in Bidder's Disclosure Materials;
- (i) (**fair and not misleading**) all information provided by or on behalf of Bidder to C-One (including Disclosure Materials) and the Independent Expert will be provided in good faith and is not misleading in any material respect and it has not omitted



any information required to make the information provided to C-One or the Independent Expert not misleading in any material respect;

- (j) **(reliance on information)** all information provided by or on behalf of Bidder to C-One and the Independent Expert will be provided on the understanding that the C-One Board will rely on such information for the purposes of considering and approving the Scheme Booklet and implementing the Transaction, and the Independent Expert will rely on such information for the purposes of producing their report;
- (k) **(honest belief)** any statement of opinion or belief contained in the Bidder Information is honestly held and there are reasonable grounds for that opinion or belief;
- (l) **(regulatory approvals)** other than the approvals specified in clause 3.1, no regulatory approvals are required to be obtained by it in order for it to execute and perform this deed and the Deed Poll;
- (m) **(financial statements)** its audited consolidated financial statements for the year ended 31 March 2017 comply as to form in all material respects with all Canadian laws and accounting requirements applicable to the preparation of financial statements, have been prepared on a basis consistent with past practices in accordance with in all material respects all relevant Canadian laws and accounting standards applicable in Canada, including generally accepted accounting principles in Canada (Canadian GAAP) or International Financial Reporting Standards as issued by the International Accounting Standards Board as applicable at 31 March 2017 and fairly present in all material respects the consolidated financial position of it as at 31 March 2017 and the consolidated results of its operations and cash flows for the periods ended 31 March 2017;
- (n) **(continuous disclosure)** it is not in breach of its continuous or periodic disclosure obligations under any applicable law, rule or regulation, including the TSXV Exchange Rules, subject to the announcement of the execution of this Deed;
- (o) **(Insolvency Event or regulatory action)** no Bidder Insolvency Event has occurred in relation to it or another substantial member of the Bidder Group, nor has any regulatory action of any nature of which it is aware been taken that would prevent or restrict its ability to fulfil its obligations under this deed;
- (p) **(compliance)** so far as the Bidder Board is aware each member of the Bidder Group has complied in all material respects with all Canadian and foreign laws and regulations applicable to them and orders of Canadian and foreign Government Agencies having jurisdiction over them and have all material licenses, authorisations and permits necessary for them to conduct the business of the Bidder Group as presently being conducted; and
- (q) **(Third Party Consents)** so far as the Bidder Board is aware, no Third Party Consents are required;
- (r) **(Material Contracts)** as at the date of this deed, it is not aware of any facts, matters or circumstances in relation to, or that can reasonably be expected to lead to, termination or non-renewal of a Material Contract to which a member of the Bidder Group is party;
- (s) **(Bidder Material Permits):**

- (i) Bidder or a Subsidiary of Bidder is the sole unencumbered legal and beneficial owner of the Bidder Material Permits and, so far as Bidder is aware, there are no royalties payable to any third party (other than a Government Agency) in respect of future production from the Bidder Material Permits;
- (ii) so far as Bidder is aware, the Bidder Material Permits are valid, subsisting, in full force and effect and in good standing in terms of applicable laws and regulations in Ontario, Canada;
- (iii) so far as Bidder is aware, Bidder and its Subsidiaries are not in default in the due and punctual observance a performance of its obligations under the provisions of the Bidder's Material Permits;
- (iv) so far as Bidder is aware, Bidder and its Subsidiaries have:
  - (A) complied in all material respects with all laws and regulations applicable to the Bidder Material Permits and with all orders of Governmental Agencies having jurisdiction over the Bidder Material Permits;
  - (B) not been convicted of any material offence under any Environmental Law and to, Bidder's knowledge, there are no orders issued by any Government Agency or any claims relating to the breach of any Environmental Law or Environmental Permits against Bidder or its Subsidiaries; and
  - (C) complied in all material respects with all applicable Environmental Laws and all Environmental Permits necessary for the conduct and operation of the Bidder Material Permits as presently conducted; and
- (v) so far as Bidder is aware, Bidder and its Subsidiaries have not received any notice or information regarding any circumstances that would result in a material breach of the terms and conditions of the Bidder Material Permits or any application for renewal not being granted; and
- (vi) all fees, charges, penalties, fines and royalties in respect of the Bidder Material Permits which have fallen due for payment have been paid and all renewal applications submitted on time and in accordance with the terms of applicable mining laws in Ontario, Canada.

## 10.2 C-One Representations and Warranties

C-One represents and warrants to Bidder that:

- (a) (**validly existing**) each member of the C-One Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) (**power**) each member of the C-One Group has full corporate power and lawful authority to execute, deliver and perform this deed;
- (c) (**corporate action**) it has taken all necessary corporate action to authorise the entry into this deed and has taken or will take all necessary corporate action to authorise the performance of this deed;
- (d) (**binding**) this deed constitutes legal, valid and binding obligations enforceable in accordance with its terms;

- For personal use only
- (e) **(Insolvency Event or regulatory action)** so far as the C-One Board is aware, no C-One Insolvency Event has occurred in relation to it or another substantial member of the C-One Group, nor has any regulatory action of any nature of which it is aware been taken that would prevent or restrict its ability to fulfil its obligations under this deed;
  - (f) **(performance)** the execution and performance by it of this deed and each transaction contemplated by this deed did not and will not violate or breach any provision of:
    - (i) a law or treaty or a judgment, ruling, order or decree binding on it; or
    - (ii) its constitution;
  - (g) **(capital structure)** its capital structure, including all issued securities as at the date of this deed, is as set out in Schedule 2, and
    - (i) it has not otherwise issued or granted (or agreed to issue or grant) any other securities, options, warrants, performance rights or other instruments which are still outstanding and may convert into C-One Shares (other than those which on issue or grant represent in number no more than 5% of the total number of C-One Shares on issue as at the date of this deed and which have received Bidder's prior written consent to their issue (not to be unreasonably withheld) or are issued on the conversion of any securities set out in Schedule 2); and
    - (ii) it is not otherwise under any obligation to issue or grant, and no person has any right to call for the issue or grant of, any C-One Shares, options, warrants, performance rights or other securities or instruments in C-One;
  - (h) **(C-One Information)** the C-One Information included in the Scheme Booklet despatched to C-One Shareholders, and any supplementary disclosure made to C-One Shareholders pursuant to clause 5.1(i), will not be misleading or deceptive in any material respect (whether by omission or otherwise) and will comply in all material respects with applicable laws, including the Corporations Act, Corporations Regulations, RG 60 and the Listing Rules;
  - (i) **(all information)** it is not aware of any information relating to the C-One Group or its respective businesses or operations (having made reasonable enquiries) as at the date of this deed that has or could reasonably be expected to give rise to a C-One Material Adverse Change in respect of the C-One Group that has not been disclosed to ASX or in C-One's Disclosure Materials;
  - (j) **(fair and not misleading)** all information provided by or on behalf of C-One to Bidder (including Disclosure Materials) and the Independent Expert will be provided in good faith and is not misleading in any material respect and it has not omitted any information required to make the information provided to Bidder or the Independent Expert not misleading in any material respect;
  - (k) **(reliance on information)** all information provided by or on behalf of C-One to Bidder and the Independent Expert will be provided on the understanding that the Bidder will rely on such information for the purposes of implementing the Transaction, and the Independent Expert will rely on such information for the purposes of producing their report;

- (l) (**honest belief**) any statement of opinion or belief contained in the C-One Information is honestly held and there are reasonable grounds for that opinion or belief;
- (m) (**regulatory approvals**) other than the approvals specified in clause 3.1, no regulatory approvals are required to be obtained by it in order for it to execute and perform this deed;
- (n) (**financial statements**) its audited consolidated financial statements for the half-year ended 31 December 2016 comply as to form in all material respects with all Australian laws and accounting requirements applicable to the preparation of financial statements, have been prepared on a basis consistent with past practices in accordance with in all material respects all relevant Australian laws and accounting standards applicable in Australia, including generally accepted accounting principles in Australia (Australian GAAP) or International Financial Reporting Standards as issued by the International Accounting Standards Board as applicable at 31 December 2016 and fairly present in all material respects the consolidated financial position of it as at 31 December 2017 and the consolidated results of its operations and cash flows for the period ended 31 December 2016;
- (o) (**continuous disclosure**) it has complied in all material respects with the continuous disclosure obligations under the Listing Rules and is not withholding any information pursuant to an exception in Listing Rule 3.1A (save in respect of the Scheme);
- (p) (**compliance**) so far as the C-One Board is aware, each member of the C-One Group has complied in all material respects with all Australian, Canadian and other foreign laws and regulations applicable to them and orders of Australian, Canadian and foreign Government Agencies having jurisdiction over them and have all material licenses, authorisations and permits necessary for them to conduct the business of the C-One Group as presently being conducted;
- (q) (**Third Party Consents**) so far as the C-One Board is aware, no material Third Party Consents are required;
- (r) (**Material Contracts**) as at the date of this deed, it is not aware of any facts, matters or circumstances in relation to, or that can reasonably be expected to lead to, termination or non-renewal of a Material Contract to which a member of the C-One Group is party; and
- (s) (**C-One Material Permits**):
  - (i) C-One or a Subsidiary of C-One is the sole unencumbered legal and beneficial owner of the C-One Material Permits and, so far as C-One is aware, there are no royalties payable to any third party (other than a Government Agency) in respect of future production from the C-One Material Permits;
  - (ii) so far as C-One is aware, the C-One Material Permits are valid, subsisting, in full force and effect and in good standing in terms of applicable laws and regulations in Ontario, Canada;
  - (iii) so far as Bidder is aware, C-One and its Subsidiaries are not in default in the due and punctual observance a performance of its obligations under the provisions of the C-One's Material Permits;
  - (iv) so far as C-One is aware, C-One and its Subsidiaries have:

- For personal use only
- (A) complied in all material respects with all laws and regulations applicable to the C-One Material Permits and with all orders of Governmental Agencies having jurisdiction over the C-One Material Permits;
  - (B) not been convicted of any material offence under any Environmental Law and to, C-One's knowledge, there are no orders issued by any Government Agency or any claims relating to the breach of any Environmental Law or Environmental Permits against C-One or its Subsidiaries; and
  - (C) complied in all material respects with all applicable Environmental Laws and all Environmental Permits necessary for the conduct and operation of the C-One Material Permits as presently conducted;
- (v) so far as C-One is aware, C-One and its Subsidiaries have not received any notice or information regarding any circumstances that would result in a material breach of the terms and conditions of the C-One Material Permits or any application for renewal not being granted; and
  - (vi) all fees, charges, penalties, fines and royalties in respect of the C-One Material Permits which have fallen due for payment have been paid and all renewal applications submitted on time and in accordance with the terms of applicable mining laws in Ontario, Canada.

### **10.3 Qualifications Representations and Warranties**

The Representations and Warranties are subject to matters which have been Fairly Disclosed in the Disclosure Materials or in any announcement to or filing with ASX, ASIC, SEDAR or applicable Canadian securities regulatory authorities prior to the date of this deed. In respect of those matters and without limiting the obligations of C-One and Bidder under clause 10, both parties agree that there will be no breach of a Representation and Warranty, and it will not have any claim against the other party or any C-One Indemnified Party or Bidder Indemnified Party, if such a matter would make a Representation and Warranty untrue or incorrect or misleading or deceptive in any respect.

### **10.4 Survival of Representations and Warranties**

Each Representation and Warranty:

- (a) is severable;
- (b) survives termination of this deed; and
- (c) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed.

### **10.5 Timing of Representations and Warranties**

- (a) Each Representation and Warranty is given at the date of this deed, the date of the Scheme Meeting and at 8:00am on the Second Court Date (except where any statement is expressed to be made only at a particular date).
- (b) For the purposes of clause 10.5(a), a Representation and Warranty shall be read with any necessary adjustments to the tense used in the Representation and Warranty.

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## 11 Releases

### 11.1 Release of C-One Indemnified Parties

- (a) Subject to clause 11.1(b), Bidder releases any and all rights that it may have, and agrees with C-One that it will not make any claim, against any C-One Indemnified Party as at the date of this deed in connection with:
- (i) any breach of any covenant, representation or warranty given by C-One under this deed;
  - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
  - (iii) any failure to provide information,
- except where a C-One Indemnified Party has not acted in good faith or has engaged in wilful misconduct. To avoid doubt, nothing in this clause 11.1(a) limits the rights of Bidder to terminate this deed under clause 12.
- (b) The release in clause 11.1(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) To the extent that clause 11.1(a) relates to an C-One Indemnified Party, C-One receives and holds the benefit of the clause as trustee for that C-One Indemnified Party.

### 11.2 Release of Bidder Indemnified Parties

- (a) Subject to clause 11.2(b), C-One releases any and all rights that it may have, and agrees with Bidder that it will not make any claim, against any Bidder Indemnified Party as at the date of this deed in connection with:
- (i) any breach of any covenant, representation or warranty given by Bidder under this deed;
  - (ii) any disclosures containing any statement which is false or misleading (whether by omission or otherwise); or
  - (iii) any failure to provide information,
- except where a Bidder Indemnified Party has not acted in good faith or has engaged in wilful misconduct. To avoid doubt, nothing in this clause 11.2 limits the rights of C-One to terminate this deed under clause 12.
- (b) The release in clause 11.2(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
- (c) To the extent that clause 11.2(a) relates to a Bidder Indemnified Party, Bidder receives and holds the benefit of the clause as trustee for that Bidder Indemnified Party.

### 11.3 Deeds of indemnity and insurance

- (a) Subject to implementation of the Scheme and to clause 11.3(b), Bidder undertakes that it will:

- For personal use only
- (i) for a period of 7 years from the Implementation Date, ensure that the constitutions of C-One and the other members of the C-One Group contain such rules as are contained in those constitutions at the date of this deed in respect of the indemnification of directors and officers; and
  - (ii) procure that C-One and each member of the C-One Group complies with and preserves the rights under any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time; and
  - (iii) without limiting clause 11.3(a)(ii), ensure that directors' and officers' run-off insurance cover for the directors and officers referred to in that clause is maintained for a period of 7 years from the resignation or retirement date of each such director and officer.
- (b) The undertaking in clause 11.3(a) is subject to any restriction imposed by law and will be read down to the extent that any such restriction applies.
  - (c) To the extent that this clause 11.3 relates to a C-One Indemnified Party, C-One receives and holds the benefit of the clause as trustee for that C-One Indemnified Party.
- 

## 12 Termination

### 12.1 Termination by either party

At any time before 8:00am on the Second Court Date, either party may terminate this deed:

- (a) in accordance with clause 3.4;
- (b) at any time before 8:00am on the Second Court Date if the other party commits a material breach of this deed, including any Representations and Warranties ceasing to be true and correct in all material respects, provided that:
  - (i) it has given written notice to the other party setting out the relevant circumstances and stating an intention to terminate this deed; and
  - (ii) the relevant circumstances have continued to exist for 20 Business Days from the time such notice is given (or any shorter period ending at 5:00pm on the Business Day before the Second Court Date).

Termination under clause 12.1(b) will be deemed to take effect at the expiry of the period referred to in clause 12.1(b)(ii).

### 12.2 Termination by Bidder

Bidder may terminate this deed, with immediate effect at any time before 8:00am on the Second Court Date by notice in writing to C-One if a majority of the C-One Directors publicly:

- (a) withdraw or adversely change their C-One Recommendation or C-One Voting Intention; or
- (b) recommend, promote or otherwise endorse a Competing Proposal in relation to C-One,

in each case provided that this happens following the occurrence of one of the events referred to in clause 7.5 and Bidder has paid the Break Fee if required to do so under this deed.

### **12.3 Termination by C-One**

C-One may terminate this deed, with immediate effect, by notice in writing to Bidder if at any time before 8:00am on the Second Court Date, a majority of the Bidder Directors publicly:

- (a) withdraw or adversely change their Bidder Recommendation or Bidder Voting Intention; or
- (b) recommend, promote or otherwise endorse a Competing Proposal in relation to Bidder,

in each case provided that this happens following the occurrence of one of the events referred to in clause 7.2 and C-One has paid the Break Fee if required to do so under this deed.

### **12.4 Termination by written agreement**

This deed may be terminated by the written agreement of the parties, on such terms as the parties agree.

### **12.5 Effect of termination**

If this deed is terminated by either party in accordance with this clause 12, this deed will cease to have force and effect without any liability or obligation on the part of either party, except that:

- (a) this clause 12 and clauses 9, 10, 11, 13, 15, 16.1, 16.2, 16.3 and 16.4, and Schedule 1, shall survive termination; and
- (b) each party shall retain any rights and remedies that accrued prior to termination, including any rights and remedies in respect of any past breach of this deed or (if applicable) in respect of the breach giving rise to termination.

### **12.6 Bidder acknowledgement**

- (a) Bidder acknowledges and agrees that, if this deed is terminated by C-One under clause 12, Bidder's liability to C-One may not adequately reflect any Loss suffered by C-One Shareholders (unlike the position that would have applied if the Transaction had been implemented by takeover bid and section 670E of the Corporations Act applied).
- (b) Accordingly, subject to clause 12.6(d), if C-One terminates this deed under clause 12.1(b), any C-One Shareholder who:
  - (i) enters into a transaction relating to C-One Shares in reliance on the announcement of the Transaction; and
  - (ii) suffers Loss as a result of the Transaction not proceeding,may recover the amount of that Loss from Bidder.



- (c) C-One receives and holds the benefit of clause 12.6(b) as trustee for any C-One Shareholder who is entitled to recover Loss from Bidder under that clause.
- (d) Bidder will not be liable under clause 12.6(b) if Bidder can show that it could not reasonably have been expected to proceed with implementation of the Scheme because:
- (i) at the time this deed was entered into, circumstances existed that Bidder did not know of and could not reasonably be expected to know of; or
  - (ii) after the date of this deed, a change in circumstances occurred that was not caused, directly or indirectly, by Bidder.

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## 13 Confidentiality

Each party acknowledges and agrees that:

- (a) nothing in this deed derogates from its rights and obligations, or the rights and obligations of Bidder and C-One under the Letter of Intent;
- (b) the Letter of Intent continues to apply with full force and effect; and
- (c) any information provided under this deed is subject to the terms of the Letter of Intent.

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## 14 Duty, costs and expenses

### 14.1 Stamp duty

Bidder:

- (a) must pay all stamp duties and any related fines and penalties in respect of this deed, the performance of this deed and each transaction contemplated by this deed; and
- (b) indemnifies C-One against any liability arising from or in connection with any failure by it to comply with clause 14.1(a).

### 14.2 Costs and expenses

Except as otherwise provided in this deed, each party must pay its own costs and expenses in connection with the negotiation, preparation, execution and performance of this deed and the proposed, attempted or actual implementation of the Transaction.

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## 15 GST

### 15.1 Interpretation

In this clause 15, a word or expression defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) has the meaning given to it in that legislation.

## 15.2 GST gross up

- (a) Subject to clause 15.2(b), if a party makes a supply under or in connection with this deed in respect of which GST is payable, the consideration for the supply but for the application of this clause 15.2 (GST exclusive consideration) is increased by an amount equal to the GST exclusive consideration multiplied by the rate of GST prevailing at the time the supply is made.
- (b) Clause 15.2(a) does not apply to any consideration that is expressed in this deed to be inclusive of GST.

## 15.3 Reimbursements and indemnifications

If a party must reimburse or indemnify another party for a Loss, the amount to be reimbursed or indemnified is first reduced by any input tax credit the other party is entitled to for the Loss, and then increased in accordance with clause 15.2.

## 15.4 Tax invoice

A party need not make a payment for a taxable supply made under or in connection with this deed until it receives a tax invoice for the supply to which the payment relates.

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# 16 General

## 16.1 Notices

- (a) A notice, consent, approval, waiver or other communication sent by a party under this deed (Notice) must be:
  - (i) in writing;
  - (ii) signed by an authorised representative of the sender; and
  - (iii) marked for the attention of the person named below,  
and must be:
    - (iv) left at, or sent by prepaid ordinary post (or by airmail if posted to or from a place outside Australia) to, the address set out below; or
    - (v) sent by email to the address set out below.

### C-One

Attention: Jason Bontempo

Address: Level 1, 35 Richardson Street, West Perth, Western Australia  
6005

Email: JBontempo@brcorporation.com.au

with a copy (for information purposes only) to:

sturner@gtlaw.com.au and agabrielson@fasken.com (by email)

### Bidder

Attention: Trent Mell  
Address: Suite 201, 140 Yonge Street, Toronto, ON M5C 1X6  
Email: tmell@firstcobalt.com

with a copy (for information purposes only) to:

wmoncrieff@jacmac.com.au (by email); and to  
scole@casselsbrock.com (by email)

- (b) Subject to clause 16.1(c), a Notice is taken to be received:
- (i) if sent by delivery, when it is delivered;
  - (ii) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
  - (iii) if sent by email:
    - (A) when the sender receives an automated message confirming delivery;  
or
    - (B) four hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,
- whichever happens first.
- (c) If a Notice is received or taken to be received under clause 16.1(b):
- (i) before 9:00am on a Business Day, it will be taken to be received at 9:00am on that Business Day; or
  - (ii) after 5:00pm on any day or on a day other than a Business Day, it will be taken to be received at 9:00am on the next Business Day.

## 16.2 Governing law and jurisdiction

- (a) This deed is governed by the laws of Western Australia.
- (b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia and courts competent to hear appeals from those courts.

## 16.3 No representation or reliance

- (a) Each party acknowledges that no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed and (to the maximum extent permitted by law) all other representations, warranties and conditions implied by statute or otherwise in relation to any matter relating to this deed, the circumstances surrounding the parties' entry into it and the transactions contemplated by it are expressly excluded.
- (b) Each party acknowledges and confirms that it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other person, except for any representation or inducement expressly set out in this deed.

#### **16.4 No merger**

The rights and obligations of the parties do not merge on completion of the Transaction. They survive the execution and delivery of any assignment or other document entered into for the purpose of implementing the Transaction.

#### **16.5 Waivers and consents**

- (a) Failure to exercise or enforce, a delay in exercising or enforcing, or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed by any party does not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed.
- (b) Any waiver or consent given by a party under this deed is only effective and binding on that party if it is given or confirmed in writing by that party.
- (c) No waiver of a breach of any term of this deed operates as a waiver of another breach of that term or of a breach of any other term of this deed.
- (d) Except where this deed expressly provides otherwise, where the consent of a party is required under this deed, such consent may be given or withheld in that party's absolute discretion.

#### **16.6 Variation**

This deed may only be varied by a document signed by or on behalf of each of the parties.

#### **16.7 Assignment**

A party may not assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other party.

#### **16.8 Further action**

Each party will do all things and execute all further documents necessary to give full effect to this deed, at their own expense.

#### **16.9 Entire agreement**

This deed supersedes all previous agreements, understandings, negotiations or deeds (other than the Confidentiality Deed) in respect of its subject matter and embodies the entire agreement between the parties.

#### **16.10 Severability**

If the whole or any part of a provision of this deed is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction but only to the extent that it is void, unenforceable or illegal and provided that it will have full force and effect in any other jurisdiction. Where a provision (or any part thereof) is severed in a jurisdiction, the remainder of this deed shall have full force and effect in that (and any other) jurisdiction.

This clause 16.10 does not apply to any severance that alters the basic nature of this deed or is contrary to public policy.

### **16.11 Counterparts**

This deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

### **16.12 Remedies and indemnities**

The rights and remedies in this deed are in addition to other rights and remedies given by law independently of this deed. The indemnities in this deed are continuing obligations, independent from the other obligations of the parties under this deed and continue after this deed ends. It is not necessary for a party to incur an expense or make payment before enforcing a right to an indemnity under this deed.

For the purpose of this deed C-One is taken to be acting as agent and trustee on behalf of and for the benefit of all C-One Indemnified Parties, and all those persons are to this extent taken to be parties to this deed.

For the purpose of this deed Bidder is taken to be acting as agent and trustee on behalf of and for the benefit of all Bidder Indemnified Parties, and all those persons are to this extent taken to be parties to this deed.

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## Schedule 1 Dictionary

**Aggregate Scheme Consideration** means the amount calculated by multiplying the number of Scheme Shares by the Scheme Consideration.

**Agreed Announcements** means the announcements in relation to the Transaction to be made by C-One and Bidder following execution of this deed in accordance with clause 6, the form of which has been agreed between the parties prior to execution of this deed.

**ASIC** means the Australian Securities and Investments Commission.

**associate** has the meaning given in section 12 of the Corporations Act.

**ASX** means ASX Limited (ABN 98 008 624 691) or, where the context requires, the financial market operated by it known as the "Australian Securities Exchange".

**BCBCA** means the *Business Corporations Act* (British Columbia).

**Bidder Board** means the board of directors of Bidder.

**Bidder Director** means a director of Bidder.

**Bidder Group** means Bidder and each of its Related Bodies Corporate.

**Bidder Indemnified Party** means a Related Body Corporate of Bidder or a director, officer, employee or adviser of a member of the Bidder Group.

**Bidder Information** means information regarding the Bidder Group provided by Bidder to C-One in writing for inclusion in the Scheme Booklet, which must include information in relation to Bidder, the funding of the Scheme Consideration and Bidder's intentions in relation to the C-One Group and its business (including the C-One Group's employees and assets), and includes any information contained in the Scheme Booklet that is solely based on any information so provided by Bidder.

**Bidder Insolvency Event** means:

- (a) a member of the Bidder Group resolving that it be wound up or the making of an application or order for the winding up or dissolution of that company other than where the application or order (as the case may be) is set aside within 14 days;
- (b) a liquidator of a member of the Bidder Group being appointed under the BCBCA or the OBCA as the case may be;
- (c) a court making an order for the winding up of a member of the Bidder Group;
- (d) a member of the Bidder Group making an assignment in bankruptcy or a proposal to creditors, or filing a notice of intention to make a proposal, or a court granting a bankruptcy order in relation to Bidder pursuant to the *Bankruptcy and Insolvency Act* (Canada);
- (e) a member of the Bidder Group is or becomes unable to pay its debts when they fall due within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or is otherwise presumed to be insolvent under the *Bankruptcy and Insolvency Act* (Canada) or has committed an act of bankruptcy;

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- For personal use only
- (f) any proceedings concerning a member of the Bidder Group are commenced under the *Companies Creditor Arrangement Act* (Canada);
  - (g) a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of the property of a member of the Bidder Group; or
  - (h) anything having a substantially similar effect to any event or circumstance referred to in subparagraphs (a) to (g) above happens in respect of Bidder under the law of any jurisdiction.

**Bidder Material Adverse Change** means one or more changes, events, occurrences or matters which (whether individually or when aggregated with all such changes, events, occurrences or matters of a like kind) has had or is reasonably likely to have a material adverse effect on the business, liabilities, assets, financial or trading position of the Bidder Group, taken as a whole, other than changes, events, occurrences or matters:

- (a) required or permitted by this deed or the Scheme;
- (b) Fairly Disclosed in the Disclosure Materials or in any public announcement or filing with SEDAR prior to the date of this deed;
- (c) consented to in writing by C-One;
- (d) arising from:
  - (i) changes in commodity prices, exchange rates or interest rates;
  - (ii) general economic, political or business conditions in Australia, Canada, the United States or elsewhere, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), natural disaster or the like; or
  - (iii) changes to accounting standards, laws or policies of a Government Agency in Australia, Canada, the United States or elsewhere; or
  - (iv) which comprise a change in the market trading price of Bidder Shares, either: (i) related to this Deed and the Scheme or the announcement thereof; or (ii) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of Bidder Material Adverse Change.

**Bidder Material Permits means:**

- (a) Bidder Group's exploration and mining permits listed in Schedule 3; and
- (b) any and all other exploration and mining permits applied for or granted in renewal, substitution, variation or extension, in whole or in part, of those permits.

**Bidder Prescribed Occurrence** means the occurrence of any of the following:

- (a) Bidder converting all or any of its shares into a larger or smaller number of shares;
- (b) Bidder resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;

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- (c) Bidder:
    - (i) entering into an issuer bid or buy-back agreement; or
    - (ii) resolving to approve the terms of an issuer bid or buy-back agreement with any shareholder of the Bidder ;
  - (d) a member of the Bidder Group issuing shares, securities convertible into shares (including performance rights) or debt securities or granting an option over its shares, or agreeing to make such an issue or grant such an option other than:
    - (i) as agreed between the parties;
    - (ii) any plan and as agreed between the parties; or
    - (iii) the issue of shares upon exercise of an option or performance right;
  - (e) Bidder paying any distribution to holders of Bidder Shares;
  - (f) the termination or non-renewal of a Material Contract;
  - (g) one or more members of the Bidder Group disposing, or agreeing to dispose, of any asset of the Bidder Group other than disposals in the ordinary course or for less than C\$250,000;
  - (h) one or more members of the Bidder Group creating, or agreeing to create, any mortgage, charge, lien or other encumbrance over any asset of the Bidder Group with a value of more than C\$250,000, other than in the ordinary course of business or a lien which arises by operation of law or legislation;
  - (i) a member of the Bidder Group altering its constating documents;
  - (j) notice of any material investigation, prosecution, arbitration, litigation or dispute threatened against a member of the Bidder Group which could reasonably be expected to give rise to a liability for the Bidder Group in excess of C\$250,000 and for the avoidance of doubt which is not frivolous or vexatious, or circumstances arising which could reasonably be expected to give rise to any liability in excess of C\$250,000. For the avoidance of doubt, this does not include any liability relating to an investigation, prosecution, arbitration, litigation or dispute to the extent that an insurer has agreed to cover the liability under an insurance policy maintained by a member of the Bidder Group;
  - (k) a member of the Bidder Group being deregistered as a company or otherwise dissolved except in the case of a company with less than C\$10,000 in net assets as at the date of this deed; or
  - (l) a Bidder Insolvency Event occurs,  
but does not include any matter:
    - (m) relating to vesting or exercise of existing options or warrants;
    - (n) required or permitted by this deed or the Scheme;
    - (o) agreed to in writing by C-One;
    - (p) pursuant to the CobalTech Transaction; or



- (q) Fairly Disclosed in the Disclosure Materials or in a public announcement to or filing with the TSXV or a Canadian securities regulatory authority before the date of this deed.

**Bidder Recommendation** has the meaning given in clause 7.5.

**Bidder Representations and Warranties** means the representations and warranties set out in clause 10.1.

**Bidder Share** means a fully paid common share in the capital of Bidder.

**Bidder Shareholder** means a holder of one or more Bidder Shares, as shown in the register of members maintained by (or on behalf of) Bidder in accordance with the BCBCA.

**Bidder Voting Intention** has the meaning given in clause 7.5.

**Break Fee** means \$1,400,000.

**Business Day** has the meaning given in the Listing Rules.

**C-One Board** means the board of directors of C-One.

**C-One Director** means a director of C-One.

**C-One Group** means C-One and each of its Related Bodies Corporate.

**C-One Indemnified Party** means a Related Body Corporate of C-One or a director, officer, employee or adviser of a member of the C-One Group.

**C-One Information** means all the information in the Scheme Booklet other than the Bidder Information and Independent Expert's Report.

**C-One Insolvency Event** means:

- (a) a member of the C-One Group resolving that it be wound up or the making of an application or order for the winding up or dissolution of that company other than where the application or order (as the case may be) is set aside within 14 days;
- (b) a liquidator or provisional liquidator of a member of the C-One Group being appointed;
- (c) a court making an order for the winding up of a member of the C-One Group;
- (d) an administrator of a member of the C-One Group being appointed under the Corporations Act or other applicable law;
- (e) a member of the C-One Group is or becomes unable to pay its debts when they fall due within the meaning of the Corporations Act or is otherwise presumed to be insolvent under the Corporations Act unless that company has, or has access to, committed financial support from its parent entity such that it is able to pay its debts;
- (f) a member of the C-One Group executing a deed of company arrangement;
- (g) a receiver, or a receiver and manager, being appointed in relation to the whole, or a substantial part, of the property of a member of the C-One Group; or

- (h) anything having a substantially similar effect to any event or circumstance referred to in subparagraphs (a) to (g) above happens in respect of a member of the C-One Group under the law of any jurisdiction.

**C-One Material Adverse Change** means one or more changes, events, occurrences or matters which (whether individually or when aggregated with all such changes, events, occurrences or matters of a like kind) has had or is reasonably likely to have a material adverse effect on the business, liabilities, assets, financial or trading position of the C-One Group, taken as a whole, other than changes, events, occurrences or matters:

- (a) required or permitted by this deed or the Scheme;
- (b) Fairly Disclosed in the Disclosure Materials or in any announcement to or filing with ASX or ASIC prior to the date of this deed;
- (c) consented to in writing by C-One;
- (d) arising from:
- (i) changes in commodity prices, exchange rates or interest rates;
  - (ii) general economic, political or business conditions in Australia, Canada, the United States or elsewhere, including material adverse changes or major disruptions to, or fluctuations in, domestic or international financial markets, and acts of terrorism, war (whether or not declared), natural disaster or the like; or
  - (iii) changes to accounting standards, laws or policies of a Government Agency in Australia, Canada, the United States or elsewhere; or
  - (iv) which comprise a change in the market trading price of C-One Shares, either: (i) related to this Deed and the Scheme or the announcement thereof; or (ii) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of C-One Material Adverse Change.

**C-One Material Permits means:**

- (e) C-One Group's exploration and mining permits, other than the Refinery Permits, listed in Schedule 4; and
- (f) any and all other exploration and mining permits applied for or granted in renewal, substitution, variation or extension, in whole or in part, of those permits.

**C-One Options** means the options set out in Schedule 2.

**C-One Prescribed Occurrence** means the occurrence of any of the following:

- (a) C-One converting all or any of its shares into a larger or smaller number of shares;
- (b) C-One resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares;
- (c) C-One:
- (i) entering into a buy-back agreement; or

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- (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
  - (d) a member of the C-One Group issuing shares, securities convertible into shares (including performance rights) or debt securities or granting an option over its shares, or agreeing to make such an issue or grant such an option other than:
    - (i) as agreed between the parties;
    - (ii) any plan as agreed between the parties; or
    - (iii) the issue of shares upon exercise of an option or performance right;
  - (e) C-One paying any distribution to holders of C-One Shares;
  - (f) the termination or non-renewal of a Material Contract;
  - (g) one or more members of the C-One Group disposing, or agreeing to dispose, of any asset of the C-One Group other than disposals in the ordinary course or for less than \$250,000;
  - (h) one or more members of the C-One Group creating, or agreeing to create, any mortgage, charge, lien or other encumbrance over any asset of the C-One Group with a value of more than \$250,000, other than in the ordinary course of business or a lien which arises by operation of law or legislation;
  - (i) a member of the C-One Group altering its constitution or constituent documents;
  - (j) notice of any material investigation, prosecution, arbitration, litigation or dispute threatened against a member of the C-One Group which could reasonably be expected to give rise to a liability for the C-One Group in excess of \$250,000 and for the avoidance of doubt which is not frivolous or vexatious, or circumstances arising which could reasonably be expected to give rise to any liability in excess of \$250,000. For the avoidance of doubt, this does not include any liability relating to an investigation, prosecution, arbitration, litigation or dispute to the extent that an insurer has agreed to cover the liability under an insurance policy maintained by a member of the C-One Group;
  - (k) C-One being deregistered as a company or otherwise dissolved except in the case of a company with less than \$10,000 in net assets as at the date of this deed; or
  - (l) a C-One Insolvency Event occurs,
- but does not include any matter:
- (m) relating to vesting or exercise of existing options or performance rights;
  - (n) required or permitted by this deed or the Scheme;
  - (o) agreed to in writing by Bidder; or
  - (p) Fairly Disclosed in the Disclosure Materials or in an announcement to or filing with ASX or ASIC before the date of this deed.

**C-One Recommendation** has the meaning given in clause 7.2.

**C-One Representations and Warranties** means the representations and warranties set out in clause 10.2.

**C-One Share** means a fully paid ordinary share in the capital of C-One.

**C-One Shareholder** means a holder of one or more C-One Shares, as shown in the register of members maintained by (or on behalf of) C-One in accordance with the Corporations Act.

**C-One Voting Intention** has the meaning given in clause 7.2.

**CDIs** means Bidder CHESS Depository Interests.

**CDN** means CHESS Depository Nominees Pty Limited (ACN 071 346 506).

**Claim** means a demand, claim, action or proceeding, however arising and whether present, unascertained, immediate, future or contingent, including any claim for specific performance.

**CobalTech Transaction** means the proposed acquisition by Bidder of all of the issued and outstanding shares of CobalTech Mining Inc. pursuant to a plan of arrangement or in a manner as contemplated in the letter of intent dated June 22 2017 between Bidder and CobalTech Mining Inc.

**Competing Proposal** means any proposed or potential transaction or arrangement (including any takeover bid, scheme of arrangement, share or asset sale, capital reduction or buy back, joint venture or dual listed company structure) in relation to a party to this deed under which a Third Party would, if completed:

- (a) directly or indirectly acquire Control of, or merge with, the relevant party;
- (b) directly or indirectly acquire or obtain an economic interest in 50% or more of the fair market of the assets or business of the relevant party and its Related Bodies Corporate as a whole; or
- (c) directly or indirectly acquire a Relevant Interest in, become the holder of or obtain an economic interest in 50% or more of the relevant party shares;
- (d) directly or indirectly acquire or obtain an economic interest in a material part of the business of the relevant party and its Subsidiaries as a whole;
- (e) otherwise acquire or merge with relevant party through a takeover bid, scheme of arrangement, amalgamation, merger, capital reconstruction, consolidation, purchase of main undertaking or other business combination; or
- (f) be issued 50% of the shares or other securities in on the relevant party (on a fully diluted basis) as consideration for cash or the assets or securities of another person,

but does not include the CobalTech Transaction or any matter contemplated by the CobalTech Transaction.

**Condition Precedent** means a condition set out in clause 3.1.

**Control** has the meaning given in section 50AA of the Corporations Act.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

**Counterproposal** has the meaning given to it in clause 8.6(d).

**Court** means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by C-One and Bidder.

**Court Documents** means the documents which C-One determines (acting reasonably) are required for the purposes of a Court Hearing, which may include originating process, affidavits, submissions and draft minutes of Court orders.

**Court Hearing** means the First Court Hearing or Second Court Hearing (as applicable), and **Court Hearings** means both of them.

**Deal**, in respect of any C-One Restricted Share, means to:

- (a) sell, assign, transfer or otherwise dispose of, or agree or offer to sell, assign, transfer or otherwise dispose of, that Scheme Consideration or any legal, beneficial or economic interest in that Scheme Consideration;
- (b) create, or agree or offer to create, any security interest in that Scheme Consideration or any legal, beneficial or economic interest in that Scheme Consideration;
- (c) enter into any option which, if exercised, enables or requires the relevant security holder to sell, assign, transfer or otherwise dispose of that Scheme Consideration;  
or
- (d) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of that Scheme Consideration or any legal, beneficial or economic interest in that Scheme Consideration.

**Deed Poll** means the deed poll to be entered into by Bidder pursuant to clause 5.2(i), under which Bidder covenants in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of the Scheme, in the form of Attachment C.

**Director Performance Options** means 15,000,000 C-One Options granted to C-One Directors described in Schedule 2.

**Disclosure Materials** means material provided by Jason Bontempo or Trent Mell to the other, respectively, after the Letter of Intent was signed and before the date of this deed.

**Effective** means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**End Date** means the date 6 months from the date of execution of this deed or such later date as agreed by C-One and Bidder.

**Environmental Law** means any law or regulation relating to the environment including relating to:

- (a) the discharge or emission of substances (whether solid, liquid or gaseous) to air, water or land;
- (b) contamination of air, water or land;

- (c) the production, use, handling, storage, disposal or transport of waste, hazardous substances;
- (d) the presence of asbestos; or
- (e) any other aspect of protection of the environment or the enforcement of any such law.

**Environmental Permit** means any permit, licence, authority, approval, certificate of approval, consent or authorisation required by Environmental Laws.

**Escrow Period** means the period prior to and including the date set out in Attachment E for which the C-One Restricted Shares are escrowed.

**Excluded Shareholder** means Bidder and any C-One Shareholder who is an associate of Bidder.

**Exclusivity Period** means the period from 9:00am on the date of execution of this deed to the earlier of:

- (a) the valid termination of this deed under clause 12; and
- (b) the End Date.

**Fairly Disclosed** means any information disclosed by one party to the other which made, or which could reasonably be expected to have made the other party (acting reasonably) aware of the nature of the matter concerned and the fact it may have financial, operational or other consequences.

**First Court Date** means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act directing C-One to convene the Scheme Meeting is heard, with such hearing being the **First Court Hearing**.

**Government Agency** means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian (including the ASX and TSXV as applicable).

**GST exclusive consideration** has the meaning given in clause 15.2(a).

**Headcount Test** means the requirement under section 411(4)(a)(ii)(A) of the Corporations Act that the resolution is passed at the Scheme Meeting by a majority in number of C-One Shareholders present and voting, either in person or by proxy.

**Implementation Date** means the fifth Business Day after the Scheme Record Date or such other day as the parties agree in writing.

**Independent Expert** means the independent expert to be appointed by C-One to prepare the Independent Expert's Report in accordance with clause 5.1(a).

**Independent Expert's Report** means the report to be prepared and issued by the Independent Expert in connection with the Scheme for inclusion in the Scheme Booklet.

**Ineligible Foreign Holders** means a Scheme Shareholder whose address in the register of C-One's Shareholders is in a jurisdiction outside Australia and its external territories,

New Zealand, the British Virgin Islands, Gibraltar and Canada, except where C-One and the Bidder are reasonably satisfied that the issue of New Bidder Shares or CDIs in that jurisdiction under the Share Scheme would be neither prohibited by law nor unduly onerous.

**laws** means all laws, statutes, regulations, by-laws, statutory rules, orders, ordinances, protocols, codes, guidelines, notices, directions (including all applicable Australian, and Canadian laws), and terms and conditions of any grant of approval, permission, authority or license of any court, Government Agency, statutory body or self-regulatory authority (including the ASX and TSXV as applicable).

**Letter of Intent** means the letter of intent between Bidder and C-One dated 23 June 2017, as announced on 26 June 2017.

**Listing Rules** means the official listing rules of ASX.

**Loss** means all claims, demands, damages, losses, costs, expenses and liabilities.

**Material Contract** means a contract with a value greater than \$1,000,000 or a contract that is price sensitive.

**New Bidder Shares** means a fully paid common share in the capital of the Bidder to be issued under the Scheme.

**Nominee** means the person chosen by C-One and Bidder and approved by ASIC (or any other applicable regulatory authority in Canada) to sell the New Bidder Shares or CDIs that are attributable to Ineligible Foreign Holders and Small Shareholders under the terms of this Scheme (or any nominee of such person).

**Notice** has the meaning given in clause 16.1(a).

**OBCA** means the *Business Corporations Act* (Ontario).

**Proceeds** has the meaning given to it in clause 4.5(a).

**prohibited action** has the meaning given in clause 8.4.

**Refinery Permits** means all permits acquired or to be acquired by C-One under the asset purchase agreement with Yukon Inc, which was completed and announced on ASX on 19 June 2017.

**Registered Address** means, in relation to a Scheme Shareholder, the address of the Scheme Shareholder shown in the Share Register.

**Regulator's Draft** has the meaning given in clause 5.1(d)(i).

**Related Body Corporate** has the meaning given in section 50 of the Corporations Act.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Representation and Warranty** means a Bidder Representation and Warranty or an C-One Representation and Warranty (as applicable).

**Representative** means, in respect of a party, an employee, agent, officer, director, adviser or financier of that party (or a Related Body Corporate of that party), and, in the

case of advisers and financiers, includes employees, officers and agents of the adviser or financier (as applicable).

**Restricted Securities** means the performance and facilitation shares and options set out in Attachment E.

**RG 60** means Regulatory Guide 60 issued by ASIC.

**Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between C-One and the Scheme Shareholders, in the form of Attachment B, subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

**Scheme Booklet** means the explanatory statement in respect of the Scheme to be prepared by C-One pursuant to section 412 of the Corporations Act and in accordance with clause 5.1(b), and to be despatch to C-One Shareholders in accordance with clause 5.1(h), which shall contain the Independent Expert's Report (or a concise version of that report), a notice of meeting in respect of the Scheme Meeting and a proxy form.

**Scheme Consideration** means, the consideration to be provided by the Bidder to each Scheme Shareholder for the transfer to C-One of each Scheme Share, as determined in accordance with clause 4.2(a).

**Scheme Meeting** means the meeting of C-One Shareholders (other than Excluded Shareholders) ordered by the Court to be convened at the First Court Hearing.

**Scheme Record Date** means 7:00pm on the third Business Day after the Effective Date.

**Scheme Share** means a C-One Share held by a Scheme Shareholder as at the Scheme Record Date.

**Scheme Shareholder** means a C-One Shareholder (other than an Excluded Shareholder) as at the Scheme Record Date.

**Second Court Date** means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is heard, with such hearing being the **Second Court Hearing**.

**SEDAR** means the system for electronic document analysis and retrieval in use in Canada.

**Share Register** means the register of members of C-One, maintained by the Share Registry, in accordance with the Corporations Act.

**Share Registry** means Advanced Share Registry Limited ABN 14 127 175.

**Share Splitting** means an C-One Shareholder splitting its holding of C-One Shares into two or more parcels, or a number of affiliated persons acquiring a number of parcels in different names or other manipulative conduct with the purpose of artificially increasing the number of shareholders in C-One.

**Small Shareholder** has the meaning given in clause 4.5.

**Subsidiary** has the meaning given to that term in the Corporations Act or the BCBCA as the context requires.



**Superior Proposal** means a bona fide Competing Proposal that the C-One Board determines, acting in good faith:

- (a) is reasonably capable of being implemented taking into account all aspects of the Competing Proposal, including its proponent(s), conditionality, structure and financing; and
- (b) would, if completed in accordance with its terms, produce an outcome for C-One Shareholders (other than Excluded Shareholders) (as a whole) that is superior to the outcome that would be produced by the Scheme.

**Third Party** means a person other than C-One, Bidder and their associates.

**Third Party Consent** means any consent, agreement, waiver, licence or approval from or by a Third Party in respect of a contract involving C-One Group or Bidder Group, which the parties have agreed, or subsequently agree, in writing is required for implementation of the Transaction.

**Timetable** means the indicative timetable for the implementation of the Transaction set out in Attachment A.

**Transaction** means the acquisition of C-One by Bidder by means of the Scheme.

**TSXV** means the TSX Venture Exchange.

**TSXV Exchange Rules** means the official rules and policies of the TSXV as from time to time amended or waived in their application to a party.

---

## 2 Interpretation

In this deed, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this deed.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including”, “such as”, “to avoid doubt” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) A reference to:
  - (i) a person includes a natural person, partnership, joint venture, Government Agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
  - (ii) a thing (including a chose in action or other right) includes a part of that thing;
  - (iii) a party includes its successors and permitted assigns;

- (iv) a document includes all amendments or supplements to that document;
  - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this deed (as applicable);
  - (vi) this deed includes all schedules and attachments to it;
  - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
  - (viii) an agreement (other than this deed) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
  - (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and
  - (x) a monetary amount is in Australian dollars, unless it is specified as "C\$" in which case it is in Canadian dollars;
- (g) An agreement on the part of two or more persons binds them jointly and severally.
  - (h) When the day on which something must be done is not a Business Day, that thing must be done on the following Business Day.
  - (i) In determining the time of day, where relevant to this deed, the time of day is the time in Perth, Western Australia.
  - (j) No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this deed or any part of it.

## Schedule 2 Capital structure

Bidder Securities	Total number on issue	Unissued but agreed to issue
Bidder Shares	57,257,748	2,900,000 Bidder Shares proposed to be issued pursuant to a transaction for the establishment of a joint venture agreement with Madini Minerals.
<b>Bidder options</b>		
Share Purchase Warrants (C\$0.06)	400,000	
Share Purchase Warrants (C\$0.10)	3,200,000	
Incentive Stock Options (C\$0.25)	575,000	
Incentive Stock Options (C\$0.34)	200,000	
Incentive Stock Options (C\$0.35)	350,000	
Incentive Stock Options (C\$0.38)	550,000	
Incentive Stock Options (C\$0.66)	1,975,000	
Incentive Stock Options (C\$0.69)	1,565,000	
C-One Securities	Total number on issue	Unissued but agreed to issue
<b>C-One Shares</b>		
Total quoted fully paid ordinary shares	576,627,602	
Consideration for Refinery acquisition (fully paid ordinary shares issued but not yet quoted)	100,000,000	
<b>C-One options</b>		
Class A options exercisable at \$0.02 and expiring 5 April 2020	8,500,000	
Class D options exercisable at \$0.03 and expiring 30 November 2019	16,000,000	

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Class E options exercisable at \$0.08 and expiring 10 February 2020	15,000,000	
Performance A options exercisable at \$0.03 and expiring 9 February 2020	25,000,000	
Performance B options exercisable at \$0.06 and expiring 9 February 2020	25,000,000	
Director Performance Options exercisable at \$0.001 and expiring 15 June 2020	15,000,000	

## Schedule 3 Bidder Material Permits

<b>Keeley-Frontier Property – Larder Lake Mining Division, Ontario</b>	
<i>Held by Canadian Silver Hunter Inc., and optioned to Cobalt Projects International Corp. (a wholly-owned subsidiary of Bidder), pursuant to a mining option agreement dated January 3, 2017.</i>	
<b>Claim Type</b>	<b>Tenure/Claim Number</b>
Mining Lease	CLM111108219
Mining Lease	CLM112108218
Mining Lease	T40521-109590
Mining Lease	T29994-109383
Mining Lease	T43338-108217
Patent Claim	T9299
Patent Claim	T32960
Patent Claim	T46400
Patent Claim	T10289
Patent Claim	T10288
Patent Claim	T9771
Patent Claim	T10155
Patent Claim	T19308
Patent Claim	T10359
Patent Claim	T10365
Patent Claim	T10287
Patent Claim	T10286
Patent Claim	T10285
Staked Claim	4269660
Staked Claim	4269659
Staked Claim	4250892
Staked Claim	4275020
Staked Claim	4275021
Staked Claim	4272876
Staked Claim	4268658

<b>South Lorraine Property – Larder Lake Mining Division, Ontario</b>	
<i>Held by Cobalt Industries of Canada Inc. (a wholly-owned subsidiary of Bidder)</i>	
<b>Claim Type</b>	<b>Tenure/Claim Number</b>
Patent Claim	4282446
Patent Claim	4282449
Patent Claim	4282748
Patent Claim	4282451
Patent Claim	4282445
Patent Claim	4282447
Patent Claim	4282448
Patent Claim	4283450
Patent Claim	4282747
Patent Claim	4282749
Patent Claim	4282750

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Patent Claim	4278692
Patent Claim	4282704
Patent Claim	4280570
Patent Claim	4282406
Patent Claim	4282702
Patent Claim	4282703

<b>Brixton Properties – Larder Lake Mining Division, Ontario</b>	
<i>Held by Cobalt Industries of Canada Inc. (a wholly-owned subsidiary of Bidder)</i>	
<b>Claim Type</b>	<b>Tenure/Claim Number</b>
Patent Claim	1118210
Patent Claim	1118211
Patent Claim	4243946
Patent Claim	4264322
Patent Claim	4275034
Patent Claim	4275036
Patent Claim	4275037
Patent Claim	4275041
Patent Claim	4275042
Patent Claim	4275043
Patent Claim	4275044
Patent Claim	4275150
Patent Claim	4275168
Patent Claim	4275169
Patent Claim	4275170
Patent Claim	4275171
Patent Claim	4275172
Patent Claim	4275173
Patent Claim	4275175
Patent Claim	4278609
Patent Claim	4278610
Patent Claim	4280114

<b>Gore Property – Larder Lake Mining Division, Ontario</b>	
<i>Held by John Aubrey Gore, and optioned to Cobalt Industries of Canada Inc. (a wholly-owned subsidiary of Bidder), pursuant to a mineral property option agreement dated June 20, 2017.</i>	
<b>Claim Type</b>	<b>Tenure/Claim Number</b>
Patent Claim	4200044

## Schedule 4 C-One Material Permits

Location	Permit, prospect or claim number
Northern Territory, Australia	EL25027
Northern Territory, Australia	EL27349
Northern Territory, Australia	EL27747
Northern Territory, Australia	EL26777
Northern Territory, Australia	EL27282
Coleman, Canada	4280138
Coleman, Canada	4283320
Gillies Limit, Canada	1230544
Gillies Limit, Canada	1230840
Gillies Limit, Canada	4278446
Gillies Limit, Canada	4280116
Gillies Limit, Canada	4280120
Gillies Limit, Canada	4280130
Gillies Limit, Canada	4280131
Gillies Limit, Canada	4280132
Gillies Limit, Canada	4280133
Gillies Limit, Canada	4280134
Gillies Limit, Canada	4280144
Gillies Limit, Canada	4280145
Gillies Limit, Canada	4280157
Gillies Limit, Canada	4280180
Gillies Limit, Canada	4280181
Gillies Limit, Canada	4280182
Gillies Limit, Canada	4280183
Gillies Limit, Canada	4280184
Gillies Limit, Canada	4280192
Gillies Limit, Canada	4280193
Gillies Limit, Canada	4280194
Gillies Limit, Canada	4280195
Gillies Limit, Canada	4280196
Gillies Limit, Canada	4280197
Gillies Limit, Canada	4280198
Gillies Limit, Canada	4280199
Gillies Limit, Canada	4280200
Gillies Limit, Canada	4282378
Gillies Limit, Canada	4282379
Gillies Limit, Canada	4283319
Gillies Limit, Canada	4283505
Lorrain, Canada	4276645
Lorrain, Canada	4280159
Lorrain, Canada	4280160
Lorrain, Canada	4280161
Lorrain, Canada	4280162
Lorrain, Canada	4280163
Lorrain, Canada	4280164
Lorrain, Canada	4280165
Lorrain, Canada	4280166
Lorrain, Canada	4280167
Lorrain, Canada	4280168

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Lorrain, Canada	4280177
Lorrain, Canada	4281661
Lorrain, Canada	4281662
Lorrain, Canada	4281663
South Lorrain, Canada	4275044
South Lorrain, Canada	4280136
South Lorrain, Canada	4280137
South Lorrain, Canada	4280140
South Lorrain, Canada	4280141
South Lorrain, Canada	4280142
South Lorrain, Canada	4280143
South Lorrain, Canada	4280158
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South Lorrain, Canada	4281637
South Lorrain, Canada	4281639
South Lorrain, Canada	4281640
South Lorrain, Canada	4281664
Eldridge, Canada	4280135
Eldridge, Canada	4286015
Eldridge, Canada	4286016
Lorrain, Canada	PIN 61390-0213(LT)
Bucke, Canada	PIN 61357-0142(LT)
Bucke, Canada	PIN 61358-0001(LT)
Bucke, Canada	PIN 61358-0002(LT)
Bucke, Canada	PIN 61358-0003(LT)
Bucke, Canada	PIN 61358-0004(LT)
Bucke, Canada	PIN 61358-0005(LT)
Bucke, Canada	PIN 61358-0006(LT)
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Bucke, Canada	PIN 61358-0020(LT)
Bucke, Canada	PIN 61358-0021(LT)
Bucke, Canada	PIN 61358-0022(LT)
Bucke, Canada	PIN 61358-0023(LT)



Bucke, Canada	PIN 61358-0024(LT)
Bucke, Canada	PIN 61358-0131(LT)
Bucke, Canada	PIN 61358-0132(LT)
Bucke, Canada	PIN 61358-0133(LT)
Bucke, Canada	PIN 61358-0134(LT)
Bucke, Canada	PIN 61358-0135(LT)
Bucke, Canada	PIN 61358-0136(LT)
Bucke, Canada	PIN 61358-0137(LT)
Bucke, Canada	PIN 61358-0138(LT)
Bucke, Canada	PIN 61358-0139(LT)
Bucke, Canada	PIN 61358-0140(LT)
Bucke, Canada	PIN 61358-0141(LT)
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Bucke, Canada	PIN 61358-0143(LT)
Bucke, Canada	PIN 61358-0144(LT)
Bucke, Canada	PIN 61358-0145(LT)
Bucke, Canada	PIN 61358-0146(LT)
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Bucke, Canada	PIN 61358-0153(LT)
Bucke, Canada	PIN 61358-0154(LT)
Bucke, Canada	PIN 61358-0155(LT)
Bucke, Canada	PIN 61358-0156(LT)
Bucke, Canada	PIN 61358-0157(LT)
Bucke, Canada	PIN 61358-0158(LT)
Bucke, Canada	PIN 61358-0159(LT)
Bucke, Canada	PIN 61358-0160(LT)
Bucke, Canada	PIN 61358-0161(LT)
Bucke, Canada	PIN 61358-0184(LT)
Bucke, Canada	PIN 61358-0198(LT)

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## Execution page

Executed as a deed

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Signed, sealed and delivered by **First Cobalt Corp.** by:

---

Signature of President & CEO

---

Signature of Vice President Exploration

---

Name of President & CEO (print)

---

Name of Vice President Exploration (print)

---

Signed, sealed and delivered by **Cobalt One Limited** by:

---

Signature of director

---

Signature of director/secretary

---

Name of director (print)

---

Name of director/secretary (print)

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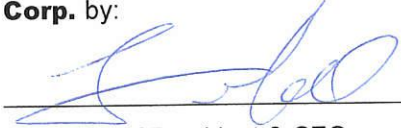
## Execution page

Executed as a deed

---

Signed, sealed and delivered by **First Cobalt**

**Corp.** by:




Signature of President & CEO



Signature of Vice President Exploration



Name of President & CEO (print)



Name of Vice President Exploration (print)

---

Signed, sealed and delivered by **Cobalt One**


**Limited** by:



Signature of director

Jason Bontempo

Name of director (print)



Signature of director/secretary

Name of director/secretary (print)

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## Attachment A — Timetable

Event	Target date
Release of Agreed Announcements	14 July 2017
Draft of all Bidder Information to be provided to C-One, subject only to C-One comments and verification	28 July 2017
Regulator's Draft provided to ASIC	By 11 August 2017
First Court Hearing	1 September 2017
Scheme Meeting	13 October 2017
Second Court Hearing	23 October 2017
Effective Date	24 October 2017
Scheme Record Date	27 October 2017
Implementation Date	3 November 2017

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## Scheme of arrangement

Cobalt One Limited

Each person registered as a holder of fully paid ordinary shares in C-One as at the Scheme Record Date (other than Excluded Shareholders)

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Date:

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## Parties

- 1 **Cobalt One Limited** ABN 50 127 411 796 of Level 1, 35 Richardson Street, West Perth, Western Australia, 6005 (**C-One**)
- 2 Each person registered as a holder of fully paid ordinary shares in C-One as at the Scheme Record Date (other than Excluded Shareholders) (**Scheme Shareholders**)

The parties agree

---

## 1 Defined terms and interpretation

### 1.1 Defined terms

A term or expression starting with a capital letter which is defined in the dictionary in Schedule 1 has the meaning given to it in the dictionary.

### 1.2 Interpretation

The interpretation clause in Schedule 1 sets out rules of interpretation for this deed.

---

## 2 Preliminary matters

- (a) C-One is an Australian public company limited by shares, and has been admitted to the official list of ASX. C-One Shares are quoted for trading on the ASX.
- (b) As at the date of this document, there were 576,377,602 C-One Shares and 104,750,000 C-One Options on issue.
- (c) Bidder is a TSX-V and OTC listed Canadian company.
- (d) If this Scheme becomes Effective:
  - (i) all the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder and C-One will enter the name of Bidder in the Share Register in respect of all the Scheme Shares; and
  - (ii) Bidder will issue, or cause to be issued, 0.145 New Bidder Shares in the form of CDIs or New Bidder Shares for every 1 Scheme Share held by that Scheme Shareholder (**Scheme Consideration**) in accordance with this Scheme and the Deed Poll; and
  - (iii) Bidder will ensure that the New Bidder Shares or CDIs to be issued as Scheme Consideration will be validly issued, fully paid and rank equally with the Bidder's other issued common shares or CDIs from their date of issue.
- (e) Bidder and C-One have entered into the Scheme Implementation Deed in respect of (among other things) the implementation of this Scheme.
- (f) This Scheme attributes actions to Bidder but does not itself impose any obligations on Bidder to perform those actions. By executing the Deed Poll, Bidder has agreed

to perform the actions attributed to it under this Scheme. By executing the Deed Poll, Bidder agrees to procure that it performs its obligations under the Deed Poll, including issue of the Scheme Consideration in accordance with the terms of this Scheme.

---

## 3 Conditions

### 3.1 Conditions precedent

This Scheme is conditional on, and will not become Effective until and unless, the following conditions precedent are satisfied:

- (a) all the conditions in clause 3.1 of the Scheme Implementation Deed (other than the condition in clause 3.1(a) of the Scheme Implementation Deed relating to Court approval of this Scheme) are satisfied or waived in accordance with the terms of the Scheme Implementation Deed by 8:00am on the Second Court Date;
- (b) neither the Scheme Implementation Deed nor the Deed Poll is terminated in accordance with their terms before 8.00am on the Second Court Date;
- (c) this Scheme is approved by the Court under section 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act as are acceptable to C-One and Bidder;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme as are acceptable to C-One and Bidder are satisfied; and
- (e) the order of the Court made under section 411(4)(b) of the Corporations Act approving this Scheme comes into effect pursuant to section 411(10) of the Corporations Act.

### 3.2 Certificates

- (a) Each of C-One and Bidder will provide a certificate to the Court at the Second Court Hearing confirming (in respect of matters within their knowledge) whether or not the conditions precedent in clause 3.1 of the Scheme Implementation Deed (other than the condition precedent in clause 3.1(a)) have been satisfied or waived in accordance with clause 3 of the Scheme Implementation Deed.
- (b) The certificates given by the C-One and Bidder constitute conclusive evidence that the conditions precedent in clause 3.1 of the Scheme Implementation Deed (other than the condition precedent in clause 3.1(a)) have been satisfied or waived.

---

## 4 Implementation of this Scheme

### 4.1 Lodgement of Court orders with ASIC

For the purposes of section 411(10) of the Corporations Act, C-One will lodge with ASIC an office copy of the order made by the Court under section 411(4)(b) of the Corporations Act approving this Scheme before 5:00pm on the Business Day following the day on which such office copy is received by C-One or such later date as C-One and Bidder agree in writing.

## 4.2 Transfer of Scheme Shares

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5.2, the Scheme Shares, together with all rights and entitlements attaching to them as at the Implementation Date, will be transferred to Bidder, without the need for any further act by any Scheme Shareholder (other than acts performed by C-One as attorney and agent for Scheme Shareholders under clause 8.5), by:
  - (i) Bidder duly completing and executing the Scheme Transfer (as transferee) and delivering it to C-One; and
  - (ii) C-One duly executing the Scheme Transfer (as transferor), attending to the stamping of the Scheme Transfer (if required) and delivering it for registration; and
- (b) immediately following receipt of the Scheme Transfer in accordance with clause (a), C-One must enter, or procure the entry of, the name of Bidder in the Share Register in respect of all the Scheme Shares.

---

## 5 Scheme Consideration

### 5.1 Entitlement to Scheme Consideration

Subject to the terms of this Scheme, each Scheme Shareholder (other than Ineligible Foreign Holders) will be entitled to receive 0.145 New Bidder Shares in the form of CDIs or New Bidder Shares for every 1 Scheme Share held by that Scheme Shareholder on the Scheme Record Date.

### 5.2 Provision of Scheme Consideration

Bidder will provide the Scheme Consideration by issuing, or causing to be issued, the Scheme Consideration to each Shareholder (other than Ineligible Foreign Holders) prior to 12:00pm on the Implementation Date in accordance with the Scheme.

### 5.3 Joint holders

In the case of Scheme Shares held in joint names:

- (a) any Scheme Consideration will be issued to the joint holders; and
- (b) any other document required to be sent under this Scheme will be forwarded to the holder whose name appears first in the Share Register as at the Scheme Record Date.

### 5.4 Fractional Entitlements

Where the calculation of a total number of New Bidder Shares to be issued to (or in respect of) a particular Scheme Shareholder would result in a fractional entitlement to a New Bidder Share, then, any such fractional entitlement:

- (a) of 0.5 or more will be rounded up to the nearest whole number; and
- (b) of less than 0.5 will be rounded down to the nearest whole number.

## 5.5 Shareholder splitting or division

If Bidder is of the reasonable opinion that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.4 or each of whom holds less than or equal to the number of Shares required to classify as a Small Shareholder) have, before the Scheme Record Date, been party to shareholder splitting or division in an attempt to obtain unfair advantage by reference to such rounding, Bidder may give notice to those Scheme Shareholders:

- (a) setting out their names and Registered Addresses;
- (b) stating that opinion; and
- (c) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them

and, after such notice is given, the Scheme Shareholder specifically identified in the notice as the deemed holder of all the specified Scheme Shares will, for the purposes of other provisions of this Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and Registered Addresses are set out in the notice will, for the purposes of the other provisions of this Scheme, be taken to hold no Scheme Shares. Bidder, in complying with the other provisions of the Scheme relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to other Scheme Shareholders named under the notice under the terms of this Scheme.

## 5.6 Ineligible Foreign Holders

Bidder will be under no obligation under this Scheme to issue, and will not issue any CDIs or New Bidder Shares to Ineligible Foreign Holders, and instead:

- (a) all the CDIs or New Bidder Shares which would otherwise be required to be issued to any Ineligible Foreign Holder under the Scheme, if they were eligible to receive them, will be issued to the Nominee;
- (b) Bidder will procure that, as soon as reasonably practicable (an in any event not more than 30 Business Days after the Implementation Date), the Nominee sells on ASX or TSXV all of the CDIs or New Bidder Shares issued to the Nominee pursuant to clause 5.6(a) in such manner, at such price and on such other terms as the Nominee determines in good faith (and at the risk of the Ineligible Foreign Holders), and remits to Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
- (c) Bidder will pay to each Ineligible Foreign Holder such proportion of the Proceeds as the number of CDIs or New Bidder Shares which would have been issued to that Ineligible Foreign Holder (if they were eligible to receive CDIs or New Bidder Shares) represents as a portion of all CDIs or New Bidder Shares which would have been issued to all Ineligible Foreign Holders (if they were eligible to receive CDIs or New Bidder Shares) in full satisfaction of the Bidder's obligations to those Ineligible Foreign Holders under the Scheme in respect of the Scheme Consideration;
- (d) Bidder will pay the relevant fraction of the Proceeds to each Ineligible Foreign Holder by either:

- For personal use only
- (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Holder by prepaid post to that Ineligible Foreign Holder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Holder; or
  - (ii) making a deposit in an account with any ADI (as defined in the *Banking Act 1959* (Cth)) in Australia notified by that Ineligible Foreign Holder to C-One (or the Share Registry) and recorded in or for the purposes of the Share Register at the Scheme Record Date,

for the relevant amount, with that amount being denominated in Australian dollars; and

- (e) each Ineligible Foreign Holder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Ineligible Foreign Holders under the Corporations Act.

## 5.7 Small Shareholders

Each Small Shareholder may elect to either:

- (a) be allotted its entitlement to CDIs in accordance with clause 5.2; or
- (b) have the CDIs to which it is entitled issued to the Nominee in the form of CDIs or Bidder Shares, in which case:
  - (i) Bidder will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date) the Nominee sells on ASX or TSXV all of the CDIs or New Bidder Shares issued to the Nominee pursuant to clause 5.7(b) in such manner, at such price and on such terms as the Nominee determines in good faith (and at the risk of the Small Shareholder), and remits to the Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
  - (ii) Bidder will pay to each Small Shareholder such fraction of the Proceeds as is equal to the number of CDIs or New Bidder Shares which would have been issued to that Small Shareholder divided by the total number of Bidder Shares issued to Nominee under clause 5.7(b)(i) promptly after the last sale of Bidder Shares by the Nominee, in full satisfaction of the Bidder's obligations to those Small Shareholders under the Scheme in respect of the Scheme Consideration;
  - (iii) Bidder will pay the relevant fraction of the Proceeds to each Small Shareholder by either:
    - (A) dispatching or procuring the dispatch, to that Small Shareholder by prepaid post to that Small Shareholder's Registered Address (at the Record Date), a cheque in the name of that Small Shareholder; or
    - (B) making a deposit in an account with any ADI (as defined by the *Banking Act 1959* (Cth)) in Australia notified by that Small Shareholder to the Bidder (or the Share Registry) and recorded in or for the purposes of the Share Register at the Record Date,

for the relevant amount, with that amount being denominated in Australian dollars; and

- (iv) for the purposes of clause 5.7(b), each Small Shareholder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Small Shareholders under the Corporations Act).

---

## 6 Dealings in C-One Shares

### 6.1 Determination of Scheme Shareholders

To establish the identity of the Scheme Shareholders, dealings in C-One Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHES, the transferee is registered in the Share Register as the holder of the relevant C-One Shares at or before the Scheme Record Date; and
- (b) in all other cases, registrable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at or before the Scheme Record Date at the place where the Share Register is kept,

and C-One will not accept for registration, nor recognise for any purpose (except a transfer pursuant to this Scheme), any transfer or transmission application or other request received after the Scheme Record Date or received prior to the Scheme Record Date, but not in registrable or actionable form.

### 6.2 Share Register

- (a) C-One must register registrable transmission applications or transfers of C-One Shares in accordance with clause 6.1(b) at or before the Scheme Record Date, provided that nothing in this clause 6.2(a) requires C-One to register a transfer that would result in a C-One Shareholder holding a parcel of C-One Shares that is less than a 'marketable parcel' (as defined in the operating rules of ASX).
- (b) If this Scheme becomes Effective, a Scheme Shareholder (and any person claiming through that holder) must not dispose of, or purport or agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and C-One will be entitled to disregard any such disposal, purported disposal or agreement.
- (c) For the purpose of determining entitlements to the Scheme Consideration, C-One must maintain the Share Register in accordance with the provisions of this clause 6.2 until the Scheme Consideration has been provided to the Scheme Shareholders. The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (d) All statements of holding for C-One Shares (other than statements of holding in favour of Bidder or any Ineligible Foreign Holder) will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from that date, each entry current at that date on the Share Register (other than entries in respect of any Ineligible Shareholder) will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the C-One Shares relating to that entry.
- (e) As soon as possible after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, C-One will ensure that details of the

names, Registered Addresses and holdings of C-One Shares for each Scheme Shareholder as shown in the Share Register as at the Scheme Record Date are available to Bidder in the form Bidder reasonably requires.

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## 7 Quotation of C-One Shares

- (a) C-One will apply to ASX to suspend trading on the ASX in C-One Shares with effect from the close of trading on the Effective Date.
- (b) C-One will apply:
  - (i) for termination of the official quotation of C-One Shares on the ASX; and
  - (ii) to have itself removed from the official list of ASX;

with effect on and from the close of trading on the trading day immediately following the Implementation Date.

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## 8 General Scheme provisions

### 8.1 Consent to amendments to this Scheme

If the Court proposes to approve this Scheme subject to any alterations or conditions:

- (a) C-One may by its counsel consent on behalf of all persons concerned to those alterations or conditions to which Bidder has consented; and
- (b) each Scheme Shareholder agrees to any such alterations or conditions which counsel for C-One has consented to.

### 8.2 Scheme Shareholders' agreements and warranties

- (a) Each Scheme Shareholder:
  - (i) agrees to the transfer of their C-One Shares together with all rights and entitlements attaching to those shares in accordance with this Scheme;
  - (ii) agrees to the variation, cancellation or modification of the rights attached to their C-One Shares constituted by or resulting from this Scheme; and
  - (iii) acknowledges that this Scheme binds C-One and all Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting).
- (b) Each Scheme Shareholder is taken to have warranted to C-One and Bidder on the Scheme Implementation Date, and appointed and authorised C-One as its attorney and agent to warrant to Bidder on the Scheme Implementation Date, that:
  - (i) all their Scheme Shares (including any rights and entitlements attaching to those shares) which are transferred under this Scheme will, at the date of transfer, be fully paid and free from all:
    - (A) mortgages, charges, liens, encumbrances, pledges, security interests and interests of third parties of any kind, whether legal or otherwise; and

- (B) restrictions on transfer of any kind ; and
- (ii) they have full power and capacity to transfer their Scheme Shares to C-One together with any rights attaching to those shares.

### **8.3 Title to and rights in Scheme Shares**

- (a) To the extent permitted by law, the Scheme Shares transferred under this Scheme will be transferred free from all mortgages, charges, liens, encumbrances and interests of third parties, of any kind, whether legal or otherwise.
- (b) Upon the Scheme becoming Effective, Bidder will be beneficially entitled to the Scheme Shares to be transferred to it under this Scheme pending registration by C-One of Bidder in the Share Register as the holder of the Scheme Shares.

### **8.4 Appointment of sole proxy**

Upon the Scheme becoming Effective and until C-One registers Bidder as the holder of all Scheme Shares in the Share Register:

- (a) each Scheme Shareholder is deemed to have appointed Bidder as attorney and agent (and directed Bidder in each such capacity) to appoint any director, officer, secretary or agent nominated by Bidder as its sole proxy and, where applicable or appropriate, corporate representative to attend shareholders' meetings, exercise the votes attaching to the Scheme Shares registered in their name and sign any shareholders' resolution whether in person, by proxy or by corporate representative;
- (b) no Scheme Shareholder may itself attend or vote at any shareholders' meetings or sign any shareholders' resolutions, whether in person, by proxy or by corporate representative (other than pursuant to clause 8.4(a));
- (c) each Scheme Shareholder must take all other actions in the capacity of a registered holder of Scheme Shares as Bidder reasonably directs; and
- (d) each Scheme Shareholder acknowledges and agrees that in exercising the powers conferred by clause 8.4(a), Bidder and any director, officer, secretary or agent nominated by Bidder may act in the best interests of Bidder as the intended registered holder of the Scheme Shares.

### **8.5 Authority given to C-One**

On the Effective Date, each Scheme Shareholder, without the need for any further act, irrevocably appoints C-One and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of:

- (a) enforcing the Deed Poll against Bidder; and
- (b) executing any document, or doing or taking any other act, necessary, desirable or expedient to give effect to this Scheme and the transactions contemplated by it, including executing the Scheme Transfer,

and C-One accepts such appointment. C-One, as attorney and agent of each Scheme Shareholder, may sub-delegate its functions, authorities or powers under this clause 8.5 to all or any of its directors, officers or employees (jointly, severally or jointly and severally).



## 8.6 Binding effect of this Scheme

This Scheme binds C-One and all of the Scheme Shareholders (including those who did not attend the Scheme Meeting and those who did not vote, or voted against this Scheme, at the Scheme Meeting) and, to the extent of any inconsistency, overrides the constitution of C-One.

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## 9 General

### 9.1 Stamp duty

Bidder procures to:

- (a) pay all stamp duty (if any) and any related fines and penalties payable on, or in connection with, the transfer by the Scheme Shareholders of the Scheme Shares to Bidder pursuant to this Scheme or the Deed Poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 9.1(a).

### 9.2 Consent

Each Scheme Shareholder consents to C-One doing all things necessary or incidental to give full effect to the implementation of this Scheme and the transactions contemplated by it.

### 9.3 Notices

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to C-One, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at C-One's registered office or at the office of the Share Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a C-One Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### 9.4 Governing law and jurisdiction

- (a) This Scheme is governed by the laws in force in Western Australia.
- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this Scheme. The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

### 9.5 Further action

C-One must do all things and execute all documents necessary to give full effect to this Scheme and the transactions contemplated by it.

#### **9.6 No liability when acting in good faith**

Neither the C-One or Bidder, or any of their respective directors, officers or secretaries, will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

## 1 Dictionary

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market operated by it known as the “Australian Securities Exchange”.

**Bidder** means First Cobalt Corp. of Suite 201, 140 Yonge Street, Toronto, ON M5C 1X6.

**Bidder Share** means fully paid common share in the capital of Bidder.

**Business Day** has the meaning given in the Listing Rules.

**C-One Share** means fully paid ordinary shares in the capital of C-One.

**C-One Shareholder** means a holder of one or more C-One Shares, as shown in the member of members maintained by (or on behalf of) C-One in accordance with the Corporations Act.

**CDIs** means Bidder CHESS Depository Interests.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited and ASX Clear Pty Limited.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Court** means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by C-One and Bidder.

**Deed Poll** means the deed poll to be entered into by Bidder pursuant to clause 5.2(i) of the Scheme Implementation Deed under which Bidder covenants in favour of Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of the Scheme.

**Effective** means the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to this Scheme.

**Effective Date** means the date on which this Scheme becomes Effective.

**End Date** means the date 6 months from the date of execution of this deed or such later date as agreed by C-One and Bidder

**First Court Date:** means the first day on which an application made to the Court for an order under section 411(1) of the Corporations Act directing C-One to convene the Scheme Meeting is heard, with such hearing being the **First Court Hearing**.

**Government Agency** means any foreign or Australian government or governmental semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state, or any other federal, state, provincial, local or other government, whether foreign or Australian (including the ASX and TSXV as applicable).

**Implementation Date** means the fifth Business Day after the Scheme Record Date or such other date as the parties to the Scheme Implementation Deed agree in writing.

**Ineligible Foreign Holders** means a Scheme Shareholder whose address in the register of C-One's Shareholders is in a jurisdiction outside Australia and its external territories, New Zealand, the British Virgin Islands, Gibraltar and Canada, except where C-One and Bidder are reasonably satisfied that the issue of New Bidder Shares in that jurisdiction under the Share Scheme would be neither prohibited by law nor unduly onerous.

**Listing Rules** means the official listing rules of ASX.

**New Bidder Shares** means a fully paid common share in the capital of the Bidder to be issued under the Scheme.

**Nominee:** means the person chosen by the C-One and Bidder and (if necessary) approved by ASIC (or any other applicable regulatory authority in Canada) to sell the Bidder Shares that are attributable to Ineligible Foreign Holders and Small Shareholders under the terms of this Scheme (or any nominee of such person).

**Registered Address** means, in relation to a Scheme Shareholder, the address shown in the Share Register as at the Scheme Record Date.

**Scheme** means this scheme of arrangement subject to any alterations or conditions made or required by the Court under section 411(6) of the Corporations Act.

**Scheme Consideration** means the consideration to be provided by the Bidder to each Scheme Shareholder for the transfer to C-One of each Scheme Share, as determined in accordance with clause 4.2(a) of the Scheme Implementation Deed.

**Scheme Implementation Deed** means the scheme implementation deed dated on or about 13 July 2017 between Bidder and C-One relating to (among other things) the implementation of this Scheme.

**Scheme Meeting** means the meeting of C-One Shareholders (other than Excluded Shareholders) ordered by the Court to be convened at the First Court Hearing.

**Scheme Record Date** means 7:00pm on the third Business Day after the Effective Date.

**Scheme Share** means a C-One Share held by a Scheme Shareholder as at the Scheme Record Date.

**Scheme Shareholder** means a Scheme Shareholder (other than an Excluded Shareholder) as at the Scheme Record Date.

**Scheme Transfer** means one or more proper instruments of transfer in respect of the Scheme Shares for the purposes of section 1071B of the Corporations Act, which may be or include a master transfer of all or part of the Scheme Shares.

**Second Court Date** means the first day on which an application made to the Court for an order under section 411(4)(b) of the Corporations Act approving this Scheme is heard, with such hearing being the **Second Court Hearing**.

**Share Register** means the register of C-One Shareholders maintained in accordance with the Corporations Act.

**Share Registry** means Advanced Share Registry Limited ABN 14 127 175 946.

**Small Shareholder** means a Scheme Shareholder who holds 675 Bidder Shares or less as at 7.00pm on the Scheme Record Date.

**TSX-V** means the TSV Venture Exchange.

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## 2 Interpretation

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

- (a) Headings are for convenience only and do not affect the interpretation of this Scheme.
- (b) The singular includes the plural and vice versa.
- (c) Words that are gender neutral or gender specific include each gender.
- (d) Where a word or phrase is given a particular meaning, other parts of speech and grammatical forms of that word or phrase have corresponding meanings.
- (e) The words “include”, “including” and similar expressions are not words of limitation and do not limit what else might be included.
- (f) In determining the time of day, where relevant to this Scheme, the time of day is the time in Perth, Western Australia.
- (g) A reference to:
  - (i) a person includes a natural person, estate of a natural person, partnership, joint venture, government agency, association, corporation or other body corporate or entity (as that term is defined in section 64A of the Corporations Act);
  - (ii) a thing (including a chose in action or other right) includes a part of that thing;
  - (iii) a party includes its successors and permitted assigns;
  - (iv) a document includes all amendments or supplements to that document;
  - (v) a clause, term, party, schedule or attachment is a reference to a clause or term of, or a party, schedule or attachment to, this Scheme (as applicable);
  - (vi) this Scheme includes all schedules to it;
  - (vii) a law includes a constitutional provision, treaty, decree, convention, statute, regulation, ordinance, by-law, judgment, rule of common law or equity or a Listing Rule and is a reference to that law as amended, consolidated or replaced;
  - (viii) an agreement (other than this Scheme) includes an undertaking or legally enforceable arrangement or understanding (whether or not in writing);
  - (ix) a time period includes the date referred to as that on which the period begins and the date referred to as that on which the period ends; and

(x) a monetary amount is in Australian dollars.

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## Deed poll

**First Cobalt Corp.**

In favour of each person registered as a holder of fully paid ordinary shares in C-One as at the Scheme Record Date (other than Excluded Shareholders)

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Date:

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## Parties

- 1 **First Cobalt Corp.** of Suite 201, 140 Yonge Street, Toronto, ON M5C 1X6 (**Bidder**)
  - 2 In favour of each person registered as a holder of fully paid ordinary shares in C-One as at the Scheme Record Date (other than Excluded Shareholders) (**Scheme Shareholders**)
- 

## Background

- A Bidder and C-One have entered into the Scheme Implementation Deed, under which the Scheme Shareholders will be entitled to receive 0.145 New Bidder Shares in the form of CDIs or New Bidder Shares for every 1 Scheme Share by that Scheme Shareholder (**Scheme Consideration**).
- B In the Scheme Implementation Deed, Bidder agreed to enter into this deed poll.
- C Bidder enters into this deed poll for the purpose of covenanting in favour of the Scheme Shareholders to provide the Scheme Consideration in accordance with the terms of the Scheme.

The parties agree

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## 1 Defined terms and interpretation

### 1.1 Defined terms

Unless the context otherwise requires, terms defined in the Scheme have the same meaning when used in this deed poll.

### 1.2 Interpretation

Clause 2 of Schedule 1 of the Scheme applies to the interpretation of this deed poll, except that references to 'Scheme' are to be read as references to 'deed poll'.

### 1.3 Nature of deed poll

Bidder acknowledges and agrees that:

- (a) this deed poll may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and
- (b) under the Scheme, each Scheme Shareholder irrevocably appoints C-One and each of its directors, officers and secretaries (jointly and each of them severally) as its agent and attorney to enforce this deed poll.

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## 2 Conditions

### 2.1 Conditions

The deed poll and the obligations of Bidder under this deed poll are subject to the Scheme becoming Effective.

### 2.2 Termination

The obligations of Bidder under this deed poll to the Scheme Shareholders will automatically terminate and the terms of this deed poll will be of no further force or effect if:

- (a) the Scheme Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective by the End Date.

### 2.3 Consequences of termination

If this deed poll is terminated under clause 2.2, then, in addition and without prejudice to any other available rights, powers or remedies available to Bidder or the Scheme Shareholders (as applicable):

- (a) Bidder is released from its obligations to further perform this deed poll except those obligations contained in clause 7.1; and
- (b) each Scheme Shareholder retains the rights, powers or remedies it has against Bidder in respect of any breach of this deed poll which occurs before it was terminated.

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## 3 Scheme obligations

### 3.1 Undertaking to provide Scheme Consideration

Subject to clause 2, Bidder undertakes in favour of each Scheme Shareholder:

- (a) to acquire the C-One Shares on issue at the Record Date, in accordance with the provisions of the Scheme Implementation Deed;
- (b) to issue, or cause to be issue, the Scheme Consideration to each Scheme Shareholder prior to 12:00pm on the Implementation Date subject to and in accordance with the terms of the Scheme (other than to Ineligible Foreign Holders who will be dealt with in accordance with clause 3.5 and those Small Shareholders who elect to receive cash proceeds instead of CDIs in accordance with clause 3.6); and
- (c) all other actions attributed to it under the Scheme,

subject to and in accordance with the provisions of the Scheme.

### 3.2 Satisfaction of obligation to provide Scheme Consideration

The obligation of Bidder to provide the Scheme Consideration referred to in clause 3.1(b) will be satisfied by Bidder:

- (a) on the Implementation Date, passing a resolution of directors and doing all other things necessary to validly issue to Scheme Shareholders (other than Ineligible Foreign Holders) and CHESS Depository Nominees Pty Limited (ACN 071 346 506)(CDN), Scheme Consideration in the form of New Bidder Shares or CDIs and entering in the register of members of Bidder the name and registered address of Scheme Shareholders (other than Ineligible Foreign Holders) and CDN, in relation to all the New Bidder Shares or CDIs issued to Scheme Shareholders (other than Ineligible Foreign Holders) and CDN in accordance with the Scheme Implementation Deed; valid issue of New Bidder Shares to CDN will be held on trust and that number of New Bidder Shares will enable CDN to issue the Scheme Consideration due to those Scheme Shareholders who will receive CDIs and Small Shareholders who elect to receive cash proceeds instead of CDIs);
- (b) on the Implementation Date, procuring that CDN:
  - (i) issues to each Scheme Shareholder the number of CDIs to which it is entitled under the Scheme; and
  - (ii) enters (or procures to the entry of) the name of each such Scheme Shareholder in the records maintained by CDN as the holder of the CDIs issued to that Scheme Shareholder on the Implementation Date;
- (c) on the Implementation Date, passing a resolution of directors and doing all other things necessary to validly issue to the Nominee all the New Bidder Shares required to be issued to the Nominee under the Scheme rather than to an Ineligible Foreign Holder or a Small Shareholder who elects to receive cash proceeds instead of CDIs, and entering the name and registered address of the Nominee in the register of members of Bidder as the holder of those New Bidder Shares;
- (d) within 5 Business Days after the Implementation Date, dispatching by pre-paid post to Scheme Shareholders who will receive New Bidder Shares and CDN a certificate or uncertificated holding statement representing the number of New Bidder Shares issued to that entity as the registered holder of those New Bidder Shares;
- (e) on the Implementation Date, if required by C-One, executing a valid share transfer form or forms (which may be a master transfer) effecting the transfer of the Scheme Shares from the Scheme Shareholders to Bidder and must deliver such executed share transfer form or forms to C-One for registration; and
- (f) procuring, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date) that the Nominee sell any New Bidder Shares issued to it and remit the proceeds to the relevant Ineligible Foreign Holders and Small Shareholders, in accordance with the Scheme Implementation Deed.

### 3.3 Shares to rank equally

Bidder covenants in favour of each Scheme Shareholder that the New Bidder Shares which are validly issued in accordance with the Scheme will:

- (a) rank equally with all existing Bidder Shares (if any); and
- (b) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest.

### 3.4 CDIs to rank equally

Bidder covenants in favour of each Scheme Shareholder that the CDIs which are validly issued in accordance with the Scheme will:

- (a) rank equally with all other CDIs to be issued pursuant to the Scheme; and
- (b) be issued fully paid and free from any mortgage, charge, lien, encumbrance or other security interest.

### 3.5 Ineligible Foreign Holders

Bidder will be under no obligation under the Scheme to issue, and will not issue any CDIs or New Bidder Shares to Ineligible Foreign Holders, and instead:

- (a) all the CDIs or New Bidder Shares which would otherwise be required to be issued to any Ineligible Foreign Holder under the Scheme, if they were eligible to receive them, will be issued to the Nominee;
- (b) Bidder will procure that, as soon as reasonably practicable (an in any event not more than 30 Business Days after the Implementation Date), the Nominee sells on ASX or TSXV all of the CDIs or New Bidder Shares issued to the Nominee pursuant to clause 3.5(a) in such manner, at such price and on such other terms as the Nominee determines in good faith (and at the risk of the Ineligible Foreign Holders), and remits to Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
- (c) Bidder will pay to each Ineligible Foreign Holder such proportion of the Proceeds as the number of CDIs or New Bidder Shares which would have been issued to that Ineligible Foreign Holder (if they were eligible to receive CDIs or New Bidder Shares) represents as a portion of all CDIs or New Bidder Shares which would have been issued to all Ineligible Foreign Holders (if they were eligible to receive CDIs or New Bidder Shares) in full satisfaction of the Bidder's obligations to those Ineligible Foreign Holders under the Scheme in respect of the Scheme Consideration;
- (d) Bidder will pay the relevant proportion of the Proceeds to each Ineligible Foreign Holder by either:
  - (i) dispatching, or procuring the dispatch, to that Ineligible Foreign Holder by prepaid post to that Ineligible Foreign Holder's Registered Address (at the Record Date), a cheque in the name of that Ineligible Foreign Holder; or
  - (ii) making a deposit in an account with any ADI (as defined in the Banking Act 1959 (Cth)) in Australia notified by that Ineligible Foreign Holder to C-One (or the Share Registry) and recorded in or for the purposes of the Share Register at the Scheme Record Date,  
  
for the relevant amount, with that amount being denominated in Australian dollars; and
- (e) each Ineligible Foreign Holder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Ineligible Foreign Holders under the Corporations Act.

### 3.6 Small Shareholders

Scheme Shareholders who are entitled to receive 675 or less CDIs (or such other number as may be agreed between Bidder and C-One in writing) (**Small Shareholder**) under the Scheme will be given the option to have the Scheme Consideration to which it is entitled issued to the Nominee in the form of CDIs or New Bidder Shares, in which case:

- (a) Bidder will procure that, as soon as reasonably practicable (and in any event not more than 30 Business Days after the Implementation Date) the Nominee sells on ASX or TSXV all of the CDIs and/or New Bidder Shares issued to the Nominee in such manner, at such price and on such terms as the Nominee determines in good faith (and at the risk of the Small Shareholder), and remits to the Bidder the proceeds of sale (after deducting any applicable brokerage and other selling costs, taxes and charges) (**Proceeds**);
- (b) Bidder will pay to each Small Shareholder such proportion of the Proceeds as the number of CDIs or New Bidder Shares which would have been issued to that Small Shareholder divided by the total number of CDIs and/or New Bidder Shares issued to the Nominee promptly after the last sale of CDIs and/or New Bidder Shares by the Nominee in full satisfaction of the Bidder's obligations to those Small Shareholders under the Scheme in respect of the Scheme Consideration;
- (c) Bidder will pay the relevant fraction of the Proceeds to each Small Shareholder by either:
  - (i) dispatching or procuring the dispatch, to that Small Shareholder by prepaid post to that Small Shareholder's Registered Address (at the Record Date), a cheque in the name of that Small Shareholder; or
  - (ii) making a deposit in an account with any ADI (as defined by the Banking Act 1959 (Cth)) in Australia notified by that Small Shareholder to the Bidder (or the Share Registry) and recorded in or for the purposes of the Share Register at the Record Date,for the relevant amount, with that amount being denominated in Australian dollars; and
- (d) each Small Shareholder appoints C-One as its agent to receive on its behalf any financial services guide or other notices (including any updates of those documents) that the Nominee is required to provide to Small Shareholders under the Corporations Act).

### 3.7 Joint holders

In the case of C-One Shares held by Scheme Shareholders in joint names:

- (a) any entry in the register of members of Bidder required to be made must record the names and registered addresses of the joint holders; and
- (b) any certificates or uncertificated holding statement for CDIs must be issued to Scheme Shareholders in the names of the joint holders and must be forward to the holder whose name first appears in C-One's share register at the Record Date.

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## 4 Warranties

Bidder represents and warrants that:

- For personal use only
- (a) it is a corporation validly existing under the laws of its place of incorporation;
  - (b) it has the corporate power to enter into and perform its obligations under this deed poll and to carry out the transactions contemplated by this deed poll;
  - (c) it has taken all necessary corporate action to authorise its entry into this deed poll and has taken or will take all necessary corporate action to authorise the performance by it of this deed poll and to carry out the transactions contemplated by this deed poll;
  - (d) each of the New Bidder Shares to be issued pursuant to the Scheme Implementation Deed will be validly issued, fully paid and free from any mortgage, charge, lien, encumbrance or other security interest and will rank equally in all respects with all existing Bidder Shares then on issue (other than in respect of any dividend already declared and not yet paid by Bidder, where the record date for entitlement to that dividend occurred prior to the Implementation Date).
  - (e) each of the CDIs to be issued pursuant to the Scheme will be validly issued, fully paid and free from any mortgage, charge, lien, encumbrance or other security interest and will rank equally in all respects with all other CDIs to be issued pursuant to the Scheme
  - (f) this deed poll is valid and binding on it and is enforceable against it in accordance with its terms; and
  - (g) this deed poll does not conflict with, or result in the breach of or default under, any provision of its constitution, or any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound.
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## 5 Continuing obligations

This deed poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Bidder has fully performed its obligations under this deed poll; or
  - (b) the earlier termination of this deed poll under clause 2.2.
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## 6 Further assurances

Bidder will do all things and execute all documents necessary to give full effect to this deed poll and the transactions contemplated by it.

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## 7 General

### 7.1 Stamp duty

Bidder must:

- (a) pay all stamp duty (if any) and any related fines and penalties payable on or in connection with the transfer by the Scheme Shareholders of the Scheme Shares pursuant to the Scheme and this deed poll; and
- (b) indemnify each Scheme Shareholder against any liability arising from failure to comply with clause 7.1(a).

## 7.2 Notices

- (a) Any notice or other communication, including consent, approval request and demand, to Bidder in connection with this deed poll must be:
- (i) in legible writing in English;
  - (ii) signed by the person making the communication or that person's duly authorised agent; and
  - (iii) addressed to Bidder in accordance with the details set out below (or any alternative details nominated by Bidder by Notice).

### Bidder

Attention: Trent Mell

Address: Suite 201, 140 Yonge Street, Toronto, ON M5C 1X6

Email: tmell@firstcobalt.com

With a copy to: wmoncrieff@jacmac.com.au

Bidder irrevocably appoints Jackson McDonald (**Agent**) as its agent for the service of process in Australia in relation to any matter arising out of this deed.

- (b) Any notice or other communication given in accordance with clause 7.2(a) will be deemed to have been duly given and received by one of the following methods and at the time set out below:
- (i) if delivered by hand, on delivery to the nominated address;
  - (ii) if sent by pre-paid post to the nominated address in the same country, at 9:00am (addressee's time) on the third Business Day after the date of posting;
  - (iii) if sent by pre-paid post to the nominated address in another country, at 9:00am (addressee's time) on the fifth Business Day after the posting;
  - (iv) if sent by fax:
    - (A) at the time indicated by the sending party's transmission equipment as the time that the fax was sent in its entirety; or
    - (B) if the recipient party informs the sending party within 4 hours after that time that the fax transmission was illegible or incomplete, then the Notice will not be regarded as given or received. When calculating this 4 hour period, only time within a business hours period is to be included; and
  - (v) if sent by email:
    - (A) when the sender receives an automated message confirming delivery; or
    - (B) four hours after the time sent (as recorded on the device from which the email was sent), provided that the sender does not receive an automated message that the email has not been delivered,



whichever happens first.

- (c) Any notice that, pursuant to clause 7.2(b), would be deemed to be given:
  - (i) other than on a Business Day or after 5:00pm on a Business Day is regarded as given at 9:00am on the following Business Day; and
  - (ii) before 9:00am on a Business Day is regarded as given at 9:00am on that Business Day,

where references to time are to time in the place the recipient is located.

- (d) A Notice must not be given by electronic means of communication (other than fax and email as permitted in clause 6.2).

### **7.3 Cumulative rights**

The rights, powers and remedies of Bidder and the Scheme Shareholders under this deed poll are cumulative with and do not exclude the rights, powers or remedies provided by law independently of this deed poll.

### **7.4 Liability for Expenses**

Bidder is solely responsible for, and must indemnify each Scheme Shareholder against, and must pay each Scheme Shareholder on demand the amount of, any duty that is payable and any related fines, interest and penalties in respect of or in connection with this deed poll, the performance of this deed poll and each transaction effected by or made or any instrument effected under this deed poll or the Scheme.

### **7.5 Waiver**

- (a) Bidder may not rely on the words or conduct of any Scheme Shareholder as a waiver of any right unless the waiver is in writing and signed by the Scheme Shareholder granting the waiver. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.
- (b) No Scheme Shareholder may rely on words or conduct of Bidder as a waiver of any right unless the waiver is in writing and signed by Bidder. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given.
- (c) Failure to exercise or enforce, a delay in exercising or enforcing or the partial exercise or enforcement of any right, power or remedy provided by law or under this deed poll by any party will not in any way preclude, or operate as a waiver of, any exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this deed poll.

### **7.6 Variation**

A provision of this deed poll may not be varied unless: the variation is agreed to by C-One in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme, in which event Bidder must enter into a further deed poll in favour of the Scheme Shareholders giving effect to the variation.

### **7.7 Governing law and jurisdiction**

- (a) This deed poll is governed by the laws in force in Western Australia, Australia.

- (b) The parties irrevocably submit to the non-exclusive jurisdiction of courts exercising jurisdiction in Western Australia and courts competent to determine appeals from those courts in respect of any proceedings arising out of or in connection with this deed poll.
- (c) The parties irrevocably waive any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

#### **7.8 Assignment**

- (a) The rights created by this deed poll are personal to Bidder and each Scheme Shareholder and must not be dealt with at law or in equity without the prior written consent of Bidder.
- (b) Any purported dealing in contravention of clause 7.8(a) is invalid.

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### **8 Further actions and documents**

Bidder must, promptly do all further acts and execute and deliver all further documents (in such form and content reasonably satisfactory to C-One) required by law or reasonably requested by C-One to give full effect to the deed poll and the transactions contemplated by this deed poll.

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### **9 Consent**

Bidder consents to C-One producing this deed poll to the Court.

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### **10 Severance and enforceability**

Any provision, or the application of any provision, of this deed poll that is void, illegal or unenforceable in any jurisdiction does not affect the validity, legality or enforceability of that provision in any other jurisdiction or of the remaining provisions of this deed poll in that or any other jurisdiction.

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## Execution page

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Executed as a deed poll by First Cobalt Corp.  
by:

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Signature of director

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Signature of director/secretary

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Name of director (print)

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Name of director/secretary (print)

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## Attachment D — Option consideration

Class	Total number of C-One Options	Consideration
<b>Performance B options</b>	25,000,000 exercisable at \$0.06 and expiring 9 February 2020	In respect of any C-One Options not exercised before the Scheme Record Date, New Bidder Shares or CDIs calculated in accordance with the formula below, divided by 2.
<b>Class A options</b>	8,500,000 exercisable at \$0.02 and expiring 5 April 2020	In respect of any C-One Options not exercised before the Scheme Record Date, New Bidder Shares or CDIs calculated in accordance with the formula:
<b>Class D options</b>	16,000,000 exercisable at \$0.03 and expiring 30 November 2019	
<b>Performance A options</b>	25,000,000 exercisable at \$0.03 and expiring 9 February 2020	$(0.145 \text{ New Bidder Shares} \times Y) - ((X / 0.145) \times (0.145 \text{ New Bidder Shares} \times Y))$ , rounded down to the nearest whole number, where:  Y is the number of C-One Options held by the C-One Optionholder on the Scheme Record Date; and  X is the exercise price of the C-One Option held.
<b>Class E options</b>	15,000,000 exercisable at \$0.08 and expiring 10 February 2020	At the election of the Class E option holder, the consideration outlined in the formula above, or Bidder options exercisable at \$0.55 and expiring 10 February 2020 at the ratio of 0.145 Bidder options for every one Class E option held.
<b>Director Performance Options</b>	15,000,000 exercisable at \$0.001 and expiring 15 June 2020	In respect of any Director Performance Option not exercised before the Scheme Record Date and subject to any required TSX regulatory approval, Bidder options exercisable at \$0.0069 and expiring 15 June 2020 at the ratio of 0.145 Bidder options for every Director Performance Option held. For the avoidance of doubt, there are no hurdles attached to the new Bidder options. If any required TSX regulatory approval is not obtained, 0.145 New Bidder Shares or CDIs per Director Performance Option

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**Attachment E — Restricted Securities**

<b>Securities</b>	<b>Total number on issue</b>	<b>Location of holders</b>	<b>Date Escrow Period ends</b>
Performance shares issued pursuant to Ophiolite agreement	115,000,000	Various holders in Australia, NZ and Canada	09/02/2018
Ordinary shares to be issued as consideration for refinery acquisition	50,000,000	Gibraltar	24 months from date of issue
Ordinary shares to be issued as consideration for refinery acquisition	50,000,000	Gibraltar	12 months from date of issue
Performance A Options	25,000,000	Various holders in Australia, NZ and Canada	09/02/2018
Performance B Options	25,000,000	Various holders in Australia, NZ and Canada	09/02/2018

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