UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported)**: December 1, 2024**

GRYPHON DIGITAL MINING, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-39096	**83-2242651**
(Commission File Number)	(IRS Employer Identification No.)
1180 N. Town Center Drive, Suite 100 **Las Vegas, NV**	**89144**
(Address of Principal Executive Offices)	(Zip Code)

(702) 945-2700
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

□ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

□ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

□ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

□ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	**Trading Symbol**	**Name of Each Exchange on Which Registered**
Common Stock, par value $0.0001 per share	GRYP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-1 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. □

Item 1.01 Entry into a Material Definitive Agreement

Captus Acquisition

Gryphon Digital Mining, Inc. (the "Company") and 2670786 Alberta Ltd., a Canadian corporation and a wholly-owned subsidiary of the Company (the "Purchaser"), entered into a Share and Unit Purchase Agreement (the "Captus Agreement"), dated as of January 8, 2024, with BTG Energy Corp., a Canadian corporation ("BTG Energy"), BTG Power Corp., a Canadian corporation ("BTG Power") and West Lake Energy Corp., a Canadian corporation ("West Lake," and together with BTG Energy and BTG Power, the "Vendors"). Pursuant to the Captus Agreement, the Purchaser will acquire from the Vendors all of the issued and outstanding shares or units, as applicable, of (i) Captus Generation Ltd. ("Captus GP") and BowArk Energy Ltd., each a Canadian corporation, and (ii) Captus General Limited Partnership, a Canadian limited partnership.

The aggregate consideration payable by the Purchaser to the Vendors is CAD $24.0 million (the "Cash Consideration"), subject to adjustment in accordance with the terms of the Captus Agreement. In November 2024, the Company paid a cash deposit of CAD $200,000 to Captus GP for the benefit of the Vendors (the "LOI Cash Deposit"). Within two business days of the date of the Captus Agreement, the Purchaser will pay a cash deposit of CAD $1.0 million to Captus GP for the benefit of the Vendors (the "Signing Cash Deposit," and together with the LOI Cash Deposit, the "Cash Deposits"). The Cash Deposits may be applied towards the payment of the Cash Consideration in accordance with the terms of the Captus Agreement, and the remainder of the Cash Consideration will be paid by the Purchaser upon closing.

The transaction remains subject to certain conditions, including the transfer and assignment of certain agreements from the Vendors to the Purchaser. Pending approval by the Alberta Energy Regulator, BTG Energy and West Lake will hold certain well, pipeline and facility licenses in trust for an agreed fee.

In connection with the Captus Agreement, on January 8, 2025, as a material inducement to their agreeing to become employees of the Company, the Company granted a restricted stock award to each of Harry Andersen, Paul Connolly, Mark Taylor and Steve Giacomin (collectively, the "Restricted Stock Awards"). The Restricted Stock Awards are intended to constitute "employment inducement awards" under the Nasdaq Stock Market Rules.

The number of restricted shares granted to each individual is specified in the table below:

Name	Number of Restricted Shares
Harry Andersen	1,972,907
Paul Connolly	851,206
Mark Taylor	851,206
Steve Giacomin	407,981

Each of the Restricted Stock Awards vests in three equal installments on the first three anniversaries of the grant date subject to the grantee's continued engagement with the Company through each applicable vesting date, provided however, that the Restricted Stock Awards will accelerate and vest immediately upon the grantee's death, disability, termination by the Company without "cause" (as defined in each Restricted Stock Award agreement), or the consummation of a change in control of the Company.

The Restricted Stock Awards are entitled to receive all cash dividends and other distributions paid on the underlying shares during the period of restriction, but the Company may retain custody of all such distributions until such time, if ever, that the underlying shares on which such distributions are paid become vested.

As a condition of the Restricted Stock Awards, each grantee agrees to vote shares subject to each award that are subject to a vesting restriction in favor of all proposals recommended by the Board at any annual or special meeting of the Company's stockholders. The Restricted Stock Awards were issued pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended.

The foregoing description of the Captus Agreement and the Restricted Stock Awards does not purport to be complete and is qualified in its entirety by reference to the full text of the Captus Agreement and the form of Restricted Stock Award, which are filed as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K, respectively, and are incorporated herein by reference. The foregoing summary has been included to provide investors and security holders with information regarding the terms of the Captus Agreement and the Restricted Stock Awards and is qualified in its entirety by the terms and conditions of the Captus Agreement and Restricted Stock Awards. It is not intended to provide any other factual information about the Company, the parties to the Captus Agreement or their respective subsidiaries and affiliates. The Captus Agreement contains representations, warranties and covenants by each of the parties to the Captus Agreement, which were made only for purposes of the Captus Agreement and as of specified dates. The representations, warranties and covenants in the Captus Agreement were made solely for the benefit of the parties to the Captus Agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Captus Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the Company or any of its subsidiaries or the parties to the Captus Agreement. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Captus Agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures.

Erikson National Energy Agreement

On December 9, 2024, Gryphon Digital Mining, Inc. (the "Company" or "Gryphon") entered into an asset purchase and sale agreement (the "Purchase Agreement") with Erikson National Energy Inc. ("Erikson"), a Canadian corporation under the laws of the Province of Alberta. Erikson commenced proposal proceedings under the Bankruptcy and Insolvency Act (Canada) ("BIA") on October 1, 2024 by filing a Notice of Intention to Make a Proposal, pursuant to section 50.4 of the BIA, and KSV Restructuring Inc. was named as proposal trustee. Pursuant to an order of the Court of King's Bench of Alberta (the "Court") granted on October 21, 2024, the Court approved a sale and investment solicitation process ("SISP") in respect of the sale of the assets and properties of Erikson. As part of the SISP, Gryphon and Erikson entered into the Court-approved Purchase Agreement pursuant to which Gryphon agreed to purchase substantially all of Erikson's assets for a purchase price of CAD $2,000,000, subject to certain adjustments as provided for in the Purchase Agreement. Pursuant to the Purchase Agreement, the Company will acquire all of Erikson's natural gas and oil wells, facilities and pipelines, which are currently shut in. The assets are located in northeast British Columbia and span the Fort St. John, Stoddart, Roseland, Fireweed, Buick Creek, Laprise and Wildboy areas. The representations and warranties provided by the parties are standard for a transaction of this nature.

The transaction remains subject to certain conditions, which conditions include obtaining the mineral rights formerly held by Erikson, obtaining approval for the well, facility and pipeline license transfers from the British Columbia Energy Regulator, completion of Gryphon's due diligence, and the granting of a sale approval and vesting order by the Court, all of which must be satisfied or waived by the Company by January 31, 2025, which date may be extended at the Company's option to March 8, 2025 (in either case, the "Outside Date"). No assurance can be given that the transactions contemplated by the Purchase Agreement will close.

The Court also granted an amended interim financing order approving Gryphon as a debtor in possession ("DIP") lender to Erikson. As part of the transaction, Gryphon is providing DIP interim financing to Erikson to cover its operating expenses and legal and professional fees during the period between December 9, 2024 and the applicable Outside Date. Upon closing, Gryphon may offset some or all of the interim financing provided against the purchase price.

The foregoing description of the Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, which is filed as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference. The foregoing summary has been included to provide investors and security holders with information regarding the terms of the Purchase Agreement and is qualified in its entirety by the terms and conditions of the Purchase Agreement. It is not intended to provide any other factual information about the Company, Erikson or their respective subsidiaries and affiliates. The Purchase Agreement contains representations, warranties and covenants by each of the parties to the Purchase Agreement, which were made only for purposes of the Purchase Agreement and as of specified dates. The representations, warranties and covenants in the Purchase Agreement were made solely for the benefit of the parties to the Purchase Agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Purchase Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the Company, Erikson or any of their subsidiaries or assets. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Purchase Agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures.

New Colocation Agreements

As previously disclosed, the Company determined not to renew its agreement with Coinmint, LLC ("Coinmint") for colocation services at Cointmint's facility in Massena, New York, and the agreement expired on January 1, 2025.

The Company entered into a Co-Location Mining Services Agreement (the "Blockfusion Agreement"), dated as of December 1, 2024, with Blockfusion USA, Inc. ("Blockfusion") for hosting 4,969 of its bitcoin miners at Blockfusion's facility in Niagara Falls, New York. Pursuant to the Blockfusion Agreement, the Company is entitled to 12 MW of power at a cost of $156,000 per month, as well as certain other fees set forth in the agreement. At signing, the Company paid an initial $156,000 facility fee. In addition, the Company will be required to (i) by January 31, 2025, maintain a cash deposit or (ii) by January 27, 2025, an irrevocable standby letter of credit with Blockfusion's energy provider, in each case in the amount of $1,200,000. The Blockfusion Agreement has a term of twelve months and automatically renews for subsequent one-month terms, until terminated on thirty days' notice.

On January 3, 2025, the Company entered into a Master Co-Location Agreement (the "Mawson Agreement") with Mawson Hosting LLC ("Mawson") for hosting the remaining 635 of our bitcoin miners at Mawson's facility in Midland Pennsylvania, with the right to host up to 5,880 miners. Pursuant to the Mawson Agreement, the Company is entitled to 20 MW of power at a cost of approximately $23.50 per MW/hour paid monthly with a minimum fee of approximately $165,521 per month, as well as certain other fees set forth in the agreement. The Mawson Agreement has an initial term of one year and may be terminated on sixty days' notice.

The foregoing descriptions of the Blockfusion Agreement and the Mawson Agreement do not purport to be complete and are qualified in their entirety by reference to the full text of the Blockfusion Agreement and the Mawson Agreement, which are filed as Exhibit 10.3 and Exhibit 10.4, respectively to this Current Report on Form 8-K and are incorporated herein by reference.

Item 3.02 Unregistered Sale of Equity Securities

The information in Item 1.01 above under the caption "*Captus Acquisition*" is incorporated by reference as if set forth in this Item 3.02.

Item 7.01 Regulation FD Disclosure

On January 10, 2025, the Company issued a press release announcing the Captus Agreement (the "Press Release").

On January 10, 2025, the Company published an updated investor presentation to its website (the "Investor Presentation"). The Company may use the Investor Presentation, possibly with modifications, in presentations from time to time thereafter to current and potential investors, analysts, lenders, business partners, acquisition candidates, customers, employees and others with an interest in the Company and its business.

A copy of the Press Release and Investor Presentation are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

Set forth below is a list of Exhibits included as part of this Current Report.

2.1*	Asset Purchase and Sale Agreement, dated as of December 9, 2024, between the Company and Erikson National Energy Inc.
10.1*	Share and Unit Purchase Agreement, dated January 8, 2025, between the Company and BTG Energy Corp., BTG Power Corp., West Lake Energy Corp. and 2670786 Alberta Ltd.
10.2	Form of Restricted Stock Grant
10.3^	Co-Location Mining Services Agreement, dated December 1, 2024, between the Company and Blockfusion USA, Inc.
10.4*	Master Co-Location Agreement, dated January 3, 2025, between the Company and Mawson Hosting LLC
99.1	Press Release, dated January 10, 2025
99.2	Investor Presentation, dated January 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Commission upon request.

^ Certain confidential portions of this exhibit have been redacted from the publicly filed document because such portions are (i) not material and (ii) would be competitively harmful if publicly disclosed.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GRYPHON DIGITAL MINING, INC.

Date: January 10, 2025

By: /s/ Steve Gutterman
Name: Steve Gutterman
Title: Chief Executive Officer

Exhibit 2.1

Execution Version

ERIKSON NATIONAL ENERGY INC.

- and -

GRYPHON DIGITAL MINING, INC.

ASSET PURCHASE AND SALE AGREEMENT

December 9, 2024

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SCHEDULES

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is dated as of December 9, 2024,

BETWEEN:

ERIKSON NATIONAL ENERGY INC., a corporation existing under the laws of the Province of Alberta (herein referred to as the "**Vendor**")

- and -

GRYPHON DIGITAL MINING, INC., a corporation existing under the laws of the State of Delaware (herein referred to as the "**Purchaser**")

WHEREAS:

A. on October 1, 2024, the Vendor filed a Notice of Intention to Make a Proposal (the "**NOI**"), pursuant to section 50.4 of the *Bankruptcy and Insolvency Act,* with KSV Restructuring Inc. ("**KSV**") named as proposal trustee (the "**NOI Proceedings**");

B. on October 21, 2024, the Vendor received an order of the Court (the "**Initial Order**") approving a sale and investment solicitation process in respect of the sale of its assets and properties (the "**SISP**");

C. on October 21, 2024, the Vendor received an order of the Court (the "**Interim Financing Order**") approving certain debtor in possession financing by Third Eye Capital Corporation, as agent for one or more investment vehicles managed, advised, or operated by Third Eye Asset Management Inc. or its Affiliates ("**Third Eye Capital**");

D. on November 21, 2024, the Vendor received an order of the Court (the "**Second Interim Financing Order**") approving certain amendments to the debtor in possession financing by Third Eye Capital;

E. the Vendor has retained the services of Sayer Energy Advisors (the "**Sales Advisor**") to act as the sale advisor for the purposes of its sale and investment solicitation process;

F. certain of the Vendor's mineral leases have been cancelled or suspended and the Vendor is in discussions with the Governmental Authorities regarding the reinstatement of such mineral leases;

G. subject to receipt of Court Approval, the Purchaser has agreed to purchase and acquire and the Vendor has agreed to sell, transfer and assign to the Purchaser, all of the Vendor's Interest in and to the Assets, on the terms and conditions set forth herein.

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement:

(a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:

(i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and

(ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities which were abandoned or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Petroleum Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

(b) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;

(c) "**Agency Agreement**" means the agency agreement to be dated as of December 9, 2024, between the Purchaser and Third Eye Capital;

(d) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;

(e) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;

(f) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and, subject to Closing, vesting all of the Vendor's Interest in and to the Assets in the Purchaser free and clear of all Claims (other than Permitted Encumbrances) and interests, such order to be based on the template sale approval and vesting order of the Court together with such modifications and amendments to such form as may be approved by both the Vendor and the Purchaser, acting reasonably;

(g) "**Assets**" means the Tangibles, and the Miscellaneous Interests and specifically excludes: (i) any employees or contractors and their respective contracts; and (ii) any obligation, whether existing or cancelled, in relation to the purchase from Tidewater Midstream and Infrastructure Ltd. of any interest in any interprovincial pipelines;

(h) "**Assumed Contracts**" means the contracts referenced in subsection (i) of the definition of Miscellaneous Interests, which contracts shall be assigned by the Vendor and assumed by the Purchaser in accordance with the terms of this Agreement, the relevant contracts and/or the Approval and Vesting Order, and/or other order of the Court in form and substance satisfactory to the Parties;

(i) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Assets following Closing (including for greater certainty any municipal or property taxes that accrue commencing on the Closing Date), along with Environmental Liabilities, Abandonment and Reclamation Obligations and Cure Costs;

(j) "**BCER**" means the British Columbia Energy Regulator, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;

(k) "**BC Minister of Finance**" means the British Columbia Minister of Finance, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;

(l) "**BC Ministry**" means the British Columbia Ministry of Energy, Mines and Low Carbon Innovation, or any successor thereto having jurisdiction over the Assets or certain of them or the operation thereof;

(m) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta or City of New York in the State of New York;

(n) "**Claim**" means any caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing:

(i) any encumbrances or charges created by the Initial Order or any other order of the Court in the NOI Proceedings;

(ii) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (*British Columbia*) or any other personal property registry system;

(iii) any liens or claims of lien under the *Builders' Lien Act* (British Columbia);

(iv) any linear or non-linear municipal property tax claims under the *Local Government Act* (British Columbia), the *Community Charter* (British Columbia), or otherwise;

(v) any outstanding amounts owing to the BCER; and

(vi) those claims which may be specifically identified in Schedule "C" to the Approval and Vesting Order, as applicable;

(o) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Assets and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

(p) "**Closing Date**" means the date on which Closing occurs, being the date which is five Business Days following the date upon which all conditions in Sections 11.1, 11.2 and 11.3 have been satisfied or waived (other than such conditions which are to be satisfied on the Closing Date), or such other date as the Parties may agree in writing; provided, however, that the Closing Date shall not be later than the Outside Date;

(q) "**Closing Payment**" has the meaning ascribed to that term in Section 3.3;

(r) "**Conditions Certificates**" has the meaning ascribed to that term in Section 11.5;

(s) "**Confidentiality Agreement**" means the confidentiality agreement between the Vendor and the Purchaser and executed prior to the date hereof in respect of the evaluation by the Purchaser of potential transactions involving the assets of the Vendor;

(t) "**Consequential Damages**" has the meaning ascribed to that term in Section 14.6;

(u) "**Court**" means the Court of King's Bench of Alberta, Judicial Centre of Calgary;

(v) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Assets, and such Approval and Vesting Order having become a Final Order;

(w) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, required to be paid to remedy all of the Vendor's monetary defaults under such Assumed Contract or required to secure a counterparty's or any other necessary Person's consent to the assignment of such Assumed Contract pursuant to its terms (including any deposits or other forms of security required by any Governmental Authority) or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract pursuant to its terms or Applicable Laws;

(x) "**Due Diligence Information**" means all information made available (by the Vendor, the Sales Advisor or otherwise) for the Purchaser's review in paper or electronic form in relation to the Vendor, its Affiliates and/or the Assets;

(y) "**Environment**" means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans);

(z) "**Environmental Laws**" means all Applicable Laws relating to pollution or protection of human health or the Environment (including ambient air, water, surface water, groundwater, land surface, soil, or subsurface) or natural resources, including Applicable Laws relating to the storage, transfer, transportation, investigation, cleanup, treatment, or use of, or release or threatened release into the Environment of, any Hazardous Substances;

(aa) "**Environmental Liabilities**" means all past, present and future Losses and Liabilities, Legal Proceedings and other duties and obligations, whether arising under contract, Applicable Laws or otherwise, arising from, relating to or associated with:

(i) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;

(ii) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of Petroleum Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;

(iii) compliance with or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;

(iv) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or

(v) the protection, reclamation, remediation or restoration of the Environment;

that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith;

(bb) "**Facilities**" means the Vendor's Interest in and to all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing, storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, in the Whitemap Area, including those facilities and pipelines identified in Schedule A-3 and Schedule A-4 under the headings entitled "Facilities" and "Pipelines", respectively, and as applicable;

(cc) "**Final Order**" means an order of the Court that has not been vacated, stayed, set aside, amended, reversed, annulled or modified, as to which no appeal or application for leave to appeal therefrom has been filed and the applicable appeal period with respect thereto shall have expired without the filing of any appeal or application for leave to appeal, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of with no further right of appeal and all opportunities for rehearing, reargument, petition for certiorari and appeal being exhausted or having expired without any appeal, motion or petition having been filed and remaining pending, any requests for rehearing have been denied, and no order having been entered and remaining pending staying, enjoining, setting aside, annulling, reversing, remanding, or superseding the same, and all conditions to effectiveness prescribed therein or otherwise by Applicable Law or order having been satisfied;

(dd) "**General Conveyance, Assignment and Assumption Agreement**" means an agreement providing for the assignment by the Vendor of the Vendor's Interest in and to the Assets, free and clear of all Claims (other than Permitted Encumbrances), substantially in the form attached hereto as Schedule B, and the assumption by the Purchaser of the Assumed Liabilities, substantially in the form attached hereto as Schedule B;

(ee) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Assets or this Transaction, including for greater certainty the BCER, the BC Ministry, and the BC Minister of Finance;

(ff) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;

(gg) "**Hazardous Substances**" means any substance, material or waste defined, regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, radioactive materials, flammable substances, explosives, Petroleum Substances and products of Petroleum Substances, polychlorinated biphenyls, chlorinated solvents and asbestos;

(hh) "**Initial Order**" has the meaning ascribed to that term in the recitals hereto;

(ii) "**Interim Advances**" means, the Vendor's operating expenses and legal and professional fees as set out and described in the Thirteen Week Cash Flow Schedule;

(jj) "**Interim Financing Order**" has the meaning ascribed to that term in the recitals hereto;

(kk) "**Interim Financing Participation**" means the Purchaser's obligation to participate in the funding of the NOI Proceedings pursuant to the Agency Agreement and the Second A&R Financing Term Sheet;

(ll) "**Interim Financing Participation Period**" means the period from December 9, 2024 to January 31, 2025, subject to an option exercisable by the Purchaser in writing at any time prior to January 31, 2025, to extend such period to March 31, 2025;

(mm) "**KSV**" has the meaning ascribed to that term in the recitals hereto;

(nn) "**Lands**" means the Vendor's Interest in the lands located in the Whitemap Area including the lands set out and described in Schedule A-1 under the heading entitled "Lands Schedule/Mineral Property Report", and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in the Title Documents as to Petroleum Substances and geological formations);

(oo) "**Leased Substances**" means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);

(pp) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

(qq) "**Licence Transfers**" means the transfer from the Vendor to the Purchaser of any permits, approvals, licences and authorizations granted by the BCER or any other Governmental Authority in relation to the construction, installation, ownership, use or operation of the Wells or the Facilities, as applicable;

(rr) "**Losses and Liabilities**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, claim, Legal Proceeding by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

(ss) "**LTAs**" has the meaning set forth in Section 2.3(a);

(tt) "**Miscellaneous Interests**" means, subject to any and all limitations and exclusions provided for in this definition, the Vendor's Interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:

(i) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);

(ii) all warranties, guarantees and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers and contractors under the Assets, and claims against other Third Parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;

(iii) all subsisting rights to carry out operations relating to the Lands, the Tangibles or the Wells, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles or the Wells;

(iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;

(v) all records, books, documents, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to geological or geophysical matters and, including plats, surveys, maps, cross-sections, production records, electric logs, cuttings, cores, core data, pressure data, decline and production curves, well files, and related matters, division of interest records, lease files, title opinions, abstracts of title, title curative documents, lease operating statements and all other accounting information, marketing reports, statements, gas balancing information, and all other documents relating to customers, sales information, supplier lists, records, literature and correspondence, physical maps, geologic or geophysical interpretation, electronic and physical project files; and

(vi) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

provided that unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by the Vendor to an assignee;

(uu) "**NOI**" has the meaning ascribed to that term in the recitals hereto;

(vv) "**NOI Proceedings**" has the meaning ascribed to that term in the recitals hereto;

(ww) "**Notice Period**" has the meaning ascribed to that term in Section 8.2(b);

(xx) "**Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent);

(yy) "**Outside Date**" means, subject to Section 2.8, January 31, 2025, or such other date as the Parties may agree;

(zz) "**Outstanding ROFR Assets**" has the meaning set forth in Section 10.2(e)(ii);

(aaa) "**Outstanding ROFRs**" has the meaning set forth in Section 10.2(e);

(bbb) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;

(ccc) "**Permitted Encumbrances**" means:

(i) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;

(ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;

(iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;

(iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;

(v) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;

(vi) agreements for the sale, processing, transmission or transportation of Petroleum Substances entered into by the Vendor subsequent to the date of this Agreement;

(vii) any obligation of the Vendor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;

(viii) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;

(ix) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;

(x) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;

(xi) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;

(xii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority; and

(xiii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof;

(ddd) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;

(eee) "**Petroleum and Natural Gas Rights**" means the Vendor's former interest, immediately prior to such rights being cancelled or suspended by the BC Ministry on or about July 24, 2024, in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands, including the interests set out and described in Schedule A-1 under the heading entitled "Lands Schedule/Mineral Property Report";

(fff) "**Petroleum Substances**" means any of crude oil, petroleum, natural gas, natural gas liquids, coal bed methane and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur;

(ggg) "**Proposal Trustee**" means KSV, in its capacity as the proposal trustee of the Vendor and not in its personal or corporate capacity;

(hhh) "**Proposal Trustee's Certificate**" means the certificate, substantially in the form attached as Schedule "A" to the Approval and Vesting Order, to be delivered by the Proposal Trustee to the Vendor and the Purchaser on Closing and thereafter filed by the Proposal Trustee with the Court certifying that it has received the Conditions Certificates;

(iii) "**Proposal Trustee's Solicitors**" means the law firm of Fasken, Martineau Dumoulin LLP, or such other firm or firms of solicitors as are retained or engaged by the Proposal Trustee from time to time and notice of which is provided to the Purchaser;

(jjj) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

(kkk) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;

(lll) "**Purchaser's Solicitors**" means Cassels Brock & Blackwell LLP, or such other firm or firms of solicitors as are retained or engaged by the Purchaser from time to time and notice of which is provided to the Vendor;

(mmm) "**Representative**" means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates and, with respect to the Vendor, includes the Sales Advisor and the Proposal Trustee;

(nnn) "**ROFR**" means a right of first refusal, right of first offer or other pre-emptive or preferential right of purchase or similar right to acquire the Assets or certain of them that may become operative by virtue of this Agreement or the completion of the Transaction;

(ooo) "**Sales Advisor**" has the meaning ascribed to that term in the recitals hereto;

(ppp) "**Second A&R Financing Term Sheet**" means the second amended and restated interim financing term sheet to be dated as of December 9, 2024, between the Corporation and Third Eye Capital;

(qqq) "**Second Interim Financing Order**" has the meaning ascribed to that term in the recitals hereto;

(rrr) "**Second Amended Interim Financing Order**" means, an amendment to the Second Interim Financing Order, whereby the Purchaser will fund the Vendor's Interim Advances during the Interim Financing Participation Period, in accordance with the terms and conditions of the Agency Agreement and the Second A&R Financing Term Sheet;

(sss) "**SISP**" has the meaning ascribed to that term in the recitals hereto;

(ttt) "**Specific Conveyances**" means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the Vendor's Interest in and to the Assets to the Purchaser and to novate the Purchaser in the place and stead of the Vendor, as applicable, with respect to the Assets (excluding the Licence Transfers);

(uuu) "**Tangibles**" means the Vendor's Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable or inject the Leased Substances or any of them;

(vvv) "**Third Eye Capital**" has the meaning ascribed to that term in the recitals hereto;

(www) "**Third Party**" means any Person who is not a Party or an Affiliate of a Party;

(xxx) "**Third Party Claim**" means any Legal Proceeding by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible pursuant to this Agreement;

(yyy) "**Thirteen Week Cash Flow Schedule**" means, the thirteen week cash flow schedule prepared by Third Eye Capital detailing the Vendor's operating expenses as set out and described in Schedule F;

(zzz) "**Title Documents**" means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands;

(aaaa) "**Transaction**" means the transaction for the purchase and sale of the Vendor's Interest in and to the Assets, together with all other transactions contemplated in this Agreement, all as contemplated in this Agreement;

(bbbb) "**Transfer Taxes**" means all transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Assets, including GST and any applicable provincial sales tax; and which, for certainty, shall not include freehold mineral taxes;

(cccc) "**Unscheduled Assets**" has the meaning ascribed to that term in Section 2.4(a);

(dddd) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;

(eeee) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, the entire right, title and interest, if any, of the Vendor, as applicable, in, to and/or under such asset, undertaking or property;

(ffff) "**Vendor's Solicitors**" means the law firm of Bennett Jones LLP, or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser;

(gggg) "**Wells**" means the Vendor's Interest in and to the wells included in the Whitemap Area, including the wells listed in Schedule A-2 under the heading entitled "Wells";

(hhhh) "**Whitemap Area**" means the entire area on the map attached as Schedule B; and

(iiii) "**Wildboy Area**" means the area shown on Schedule B under the heading "Wildboy Area".

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

(a) All references to monetary amounts are to the lawful currency of Canada.

(b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

(c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".

(d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.

(e) The headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof.

(f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.

(g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.

(h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.

(i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

(j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.

(k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule A	Assets Listing A-1 - Lands A-2 - Wells A-3 - Facilities A-4 - Pipelines
Schedule B	Whitemap Area
Schedule C	Form of General Conveyance, Assignment and Assumption Agreement
Schedule D	Forms of Conditions Certificates
Schedule E	Assumed Contracts
Schedule F	Thirteen Week Cash Flow Schedule

1.4 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2
PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, the Vendor's Interest in and to the Assets.

2.2 Transfer of Property and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all Assumed Liabilities. Without limiting the provisions of this Agreement relating to the General Conveyance, Assignment and Assumption Agreement (and such agreement itself), or any other provisions of this Agreement relating to sale, transfer, assignment, conveyance or delivery, the Assets shall be sold, assigned, transferred, conveyed, and delivered by the Vendor to the Purchaser by way of the Licence Transfers, the Specific Conveyances and other appropriate instruments of transfer, bills of sale, endorsements, assignments, and deeds, in recordable form, or by way of an Order of the Court, as appropriate, and free and clear of any and all Claims other than Permitted Encumbrances, as applicable.

2.3 Licence Transfers

(a) Within forty (40) days of the date hereof, the Vendor shall electronically submit applications to the BCER for the Licence Transfers, in a form and content acceptable to Purchaser, acting reasonably, with instructions that such Licence Transfers shall not take effect until the BCER is in receipt of written confirmation from the Parties that Closing has occurred ("**LTAs**"), and confirm that such submission has been made to the Purchaser, and in addition the Vendor shall cause to be provided any information and documentation along with such LTAs to the BCER which are required to be provided by the transferor in connection with the foregoing. The Purchaser shall accept or ratify such LTAs without delay, provided that, if the Purchaser in good faith determines or believes that any of the LTAs are not complete and accurate, or the BCER refuses to process any such LTAs because of some defect therein, the Parties shall cooperate to duly complete or to correct such incomplete or inaccurate LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such LTAs and the Purchaser shall accept or ratify such re-submitted LTAs without delay. Each Party shall be responsible for its own costs relating to LTAs hereunder. The Purchaser shall provide any information and documentation in respect of such LTAs to the BCER which are required to be provided by the transferee in connection with the foregoing. Following submission of the LTAs, the Purchaser shall use reasonable commercial efforts to obtain the approval from the BCER of the LTAs and registration of the Licence Transfers, subject to the specific requirements of this Section 2.3.

(b) If the BCER denies any of the LTAs because of misdescription or other minor deficiencies contained therein, the Vendor shall, within two Business Days of such denial, correct the LTA(s) and amend and re-submit the LTA(s), and the Purchaser shall accept or ratify such re-submitted LTAs without delay.

(c) In the event that the Purchaser has applied, or prior to the Closing Date applies, to the BCER for a discretionary waiver from the BCER's security requirements in respect of the Transaction, then Vendor shall provide such information and documentation to the BCER regarding the Assets as may reasonably be required in connection with the BCER's review of such discretionary waiver application made by the Purchaser (but only to the extent such information and documentation has not already been made available by the Vendor or its Representatives to the Purchaser or its Representatives); provided that the Purchaser agrees it shall have primary carriage of, and be solely responsible at is own cost for submitting and liaising with the BCER in respect of, such application.

(d) Each Party shall on a timely and continuing basis keep the other Party fully apprised and informed regarding all communications the Purchaser may have with the BCER in connection with the Transaction, including all communications respecting LTAs, and without limiting the generality of the foregoing the Purchaser shall provide copies to the Vendor of all related correspondence from the Purchaser to the BCER, and the Purchaser shall request that the BCER provide copies to the Vendor of all related correspondence from the BCER to the Purchaser.

(e) If Closing does not occur by the Outside Date, Vendor shall forthwith terminate any pending LTAs.

(f) Within three (3) Business Days of Closing, the Parties shall provide a joint written notification to the BCER that Closing has occurred and direct the BCER to complete the LTAs.

2.4 Whitemap Area

(a) The Parties acknowledge that although Vendor has prepared, and Purchaser has reviewed, the Schedules attached hereto, they recognize that there may be unintended omissions or misdescriptions. As such, the Parties acknowledge and agree that it is their intention that, in addition to those Assets included and specified in the Schedules hereto, the Assets shall include Vendor's entire interest in and to all Tangibles and Miscellaneous Interests (as those terms are defined herein) which fall within the Whitemap Area, any of such additional unscheduled Assets, being the "**Unscheduled Assets**", and that the Purchase Price includes consideration for such Unscheduled Assets. The Parties acknowledge that the Schedules are incomplete. During the due diligence investigation period provided for in Section 11.2(d)(iv), the Purchaser and the Vendor shall use commercially reasonable efforts to finalize a complete listing of the Vendor's Wells, Facilities and Pipelines and revise Schedule A and attach a completed listing of the Assumed Contracts in Schedule E.

(b) To the extent that any Unscheduled Assets are identified by either Party after the Closing Date or to the extent that any Assets are undeliverable by the Vendor or were erroneously included on the Schedules, the Parties shall use all reasonable efforts to replace the affected Schedules attached hereto with corrected Schedules, which corrected Schedules shall be deemed to be the applicable Schedule as of the date hereof, and to take such additional steps as are necessary to specifically convey Vendor's interest in such Unscheduled Assets to Purchaser.

(c) The Parties further acknowledge that all liabilities and obligations associated with the Unscheduled Assets shall likewise be assumed by Purchaser in accordance with the terms hereof applicable to the Assets.

2.5 Specific Conveyances

(a) Within a reasonable time following its receipt of the Title Documents from Vendor, Purchaser shall prepare and provide for the Vendor's review all Specific Conveyances. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, the Purchaser shall register and/or distribute (as applicable), all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to the Purchaser.

(b) As soon as practicable, and in any event within ten (10) days following Closing, the Vendor shall deliver or cause to be delivered to the Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession or control of the Vendor or of which the Vendor gains possession or control prior to Closing.

(c) Notwithstanding Sections 2.5(a) and 2.5(b), requests for the transfers from the Vendor to the Purchaser of registered Crown leases or licences, related surface rights and any other Title Documents which are administered by a Governmental Authority shall be submitted by the Vendor and accepted by the Purchaser as soon as is practicable after receipt of acceptable LTA terms and conditions from the BCER. with instructions that such transfers shall take effect upon receipt of written confirmation from the Parties that Closing has occurred.

2.6 Post-Closing Maintenance of Assets

(a) Following Closing, if and to the extent that Purchaser must be novated into, recognized as a party to, or otherwise accepted as assignee or transferee of Vendor's interest in the Assets or certain of them, including any Title Documents and Assumed Contracts, the following provisions shall apply with respect to the applicable Assets until such novation, recognition or acceptance has occurred:

(i) the Purchaser shall use reasonable commercial efforts to obtain, as may be required by the terms of any Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Purchaser shall be responsible for and shall pay all such Cure Costs, which shall be paid directly to the counterparty as and when required in conjunction with the assignment of the Assumed Contracts, and which Cure Costs shall form part of the Purchase Price for the Assets;

(ii) to the extent permitted by any applicable Assumed Contract:

(A) the Purchaser will pay, perform and discharge the duties and obligations accruing after Closing under such Assumed Contract, on behalf of the Vendor, until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser; and

(B) the Vendor shall use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Assumed Contract, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Assumed Contract to the Purchaser, or such Assumed Contract expires or otherwise terminates; and

(iii) the Vendor shall not have any liability as a consequence of the Vendor taking any action or causing anything to be done under this Section 2.6(a), and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor and its Representatives against, all costs and expenses reasonably incurred by the Vendor, its Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.6(a); and

(iv) nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Assumed Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.

(b) Both before and after Closing, the Purchaser shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties under the Assumed Contracts or Applicable Laws to permit the transfer of the Assets, including the Assumed Contracts, to the Purchaser.

(c) Where Vendor is the operator, the Vendor shall transfer operatorship of the Assets to the Purchaser pursuant to the terms and conditions of such transfer under the Title Documents. Nothing in this Agreement shall transfer or be deemed to transfer operatorship, or shall be interpreted as any assurance by the Vendor that the Purchaser will be able to serve as operator with respect to any of the Assets in which interests are held by Third Parties.

2.7 Assumed Liabilities

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities. For greater certainty, the Purchaser acknowledges and agrees that the Environmental Liabilities and Abandonment and Reclamation Obligations in respect of the Assets are future costs and obligations associated with the ownership of the Assets that are tied and connected to the ownership of the Assets such that they are inextricably linked and embedded with the Assets.

2.8 Outside Date Extension

The Parties agree that if the period during which the Purchaser has agreed to provide financing under the Agency Agreement or the Second A&R Term Sheet, each as amended from time to time, is extended, then the Parties shall agree to extend the Outside Date to align with such extended financing period.

ARTICLE 3
PURCHASE PRICE

3.1 Purchase Price

The consideration payable by the Purchaser for the Assets shall be the sum of $2,000,000 (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Section 3.3 and shall not be subject to any adjustment (and for greater certainty, Cure Costs shall be satisfied in accordance with Section 2.6(a)(i)). The Purchaser and the Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Assets as of the Closing Date, having due regard to the Environmental Liabilities connected to and embedded in the Assets that depress the value of the Assets. The Vendor shall be responsible for paying any applicable provincial sales taxes in respect of the assets from sale proceeds received from the Purchaser under this Agreement. The effective date of the Transaction shall be the Closing Date and subject to Section 10.2, there shall be no adjustments to the Purchase Price.

3.2 Allocation of Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

(a) to the Tangibles located in the Wildboy Area, 90%;

(b) to the Tangibles located outside of the Wildboy Area, 10%, less $10.00; and

(c) to the Miscellaneous Interests, $10.00.

3.3 Satisfaction of Purchase Price

At Closing, the Purchaser shall pay the Purchase Price (other than Cure Costs, which are payable in accordance with Section 2.6(a)(i)) along with any additional amounts owing in respect of applicable GST (the "**Closing Payment**") to the Vendor by electronic wire transfer. During the due diligence investigation period provided for in Section 11.2(d)(iv),, the Parties shall work collaboratively to determine whether a joint election under section 167 of the *Excise Tax Act* (Canada) is available with respect to the purchase and sale of the Assets and, if such election is available, the Parties shall make such election and the Purchaser shall file such election in the manner and within the time prescribed by the *Excise Tax Act* (Canada).

ARTICLE 4
TRANSFER TAXES

4.1 Transfer Taxes

The Parties agree that:

(a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes (excluding any provincial sales taxes) pertaining to the Purchaser's acquisition of the Assets; and

(b) the Purchaser shall indemnify the Vendor and its Affiliates for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority, but excluding any provincial sales taxes) that any of them are required to pay or for which any of them may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes, other than as a result of a failure by the Vendor or its Affiliates to timely remit any amounts on account of Transfer Taxes paid by the Purchaser hereunder.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser that:

(a) it is a corporation duly continued and validly subsisting under the laws of the Province of Alberta and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) except for: (i) Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Vendor of the Transaction;

(c) it is not a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who is a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada) (or a partnership that is not a "Canadian partnership" within the meaning of such term under the *Income Tax Act* (Canada));

(d) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of it and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(e) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and

(f) with respect to the GST imposed under the GST Legislation, the Vendor is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and its GST registration number is 726368681RT0001.

5.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

(a) it is a corporation duly formed and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;

(c) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;

(d) to the knowledge of Purchaser, except for: (i) Court Approval; and (ii) the Licence Transfers and any consents, approvals or waivers that are required in connection with the assignment of an Assumed Contract; the execution, delivery and performance of this Agreement by it does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;

(e) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(f) on Closing, the Purchaser shall not be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);

(g) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by, the Purchaser;

(h) to the knowledge of the Purchaser, the Purchaser meets all or, by Closing will meet all, eligibility requirements of Governmental Authorities to purchase and accept a transfer of the Assets, including without limiting the generality of the foregoing, the eligibility requirements of the BCER;

(i) with respect to the GST imposed under the GST Legislation, by Closing the Purchaser shall be registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and, upon registration under the GST Legislation, the Purchaser shall provide its GST registration number to the Vendor;

(j) the Purchaser is a WTO investor within the meaning of the *Investment Canada Act* (Canada);

(k) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price, the Cure Costs, the Transfer Taxes, the Interim Financing Participation, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto; and

(l) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Assets and to satisfy the security required by the Assumed Contracts.

5.3 Enforcement of Representations and Warranties

(a) The representations and warranties of each Party contained in this Agreement shall survive until Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of the representations and warranties contained in this Article 5 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.

(b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

(c) The Parties expressly acknowledge and agree that the provisions of this Section 5.3 and the limit on each Party's liability set out in this Section 5.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 6
"AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND WARRANTIES

6.1 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that:

(a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Assets and to be satisfied as to the condition of the Assets prior to entering into this Agreement with the Vendor;

(b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Due Diligence Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;

(c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Assets that:

(i) the Purchaser has inspected the Assets and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Assets as the Purchaser has determined appropriate;

(ii) neither the Vendor nor its Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Assets and/or the offering or sale of the Assets;

(iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Assets, including the Due Diligence Information made available to the Purchaser by the Vendor, its respective Affiliates or their respective Representatives;

(iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Assets and the facts and circumstances related thereto;

(v) any information provided or to be provided by or on behalf of the Vendor with respect to the Assets, including all Due Diligence Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;

(vi) without limiting the generality of the foregoing, the Vendor is not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to disclose to the Purchaser, any information known to it relating to the Assets except as may be required by any Applicable Law; and

(vii) neither the Vendor, its Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Assets, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

6.2 "As Is, Where Is", No Additional Representations

(a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Assets on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that, except as expressly set forth in this Agreement, the Vendor, its Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Assets. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, its Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:

(i) the title and interest of the Vendor in and to the Assets;

(ii) whether any ROFRs are exercisable by a Third Party in connection with the completion of the Transactions;

(iii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;

(iv) the income to be derived from the Assets, if any;

(v) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;

(vi) the rates of production of Petroleum Substances from the Lands;

(vii) the quality, condition, marketability, profitability, fitness for a particular purpose or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles or any personal property);

(viii) the suitability of the Assets for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;

(ix) the compliance of or by the Assets or its operation with any Applicable Law (including Environmental Laws);

(x) the validity or enforceability of the Assumed Contracts or the ability to assign any of the Assumed Contracts;

(xi) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Assets contemplated by this Agreement or to operate the Assets or any portion thereof;

(xii) the manner or quality of the construction or materials, if any, incorporated into the Assets;

(xiii) the manner, quality, state of repair or lack of repair of the Assets;

(xiv) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Assets or any structures or improvements situated thereon;

(xv) whether the Assets are located in a seismic hazards zone or a flood hazard zone;

(xvi) the presence of pests and any damage to the Assets and/or its improvements that may have occurred as a result;

(xvii) the nature and quantum of the Assumed Liabilities; or

(xviii) any other matter with respect to the Assets.

(b) The Purchaser acknowledges that the release and disclaimer described in this Article 6 is intended to be very broad and, except for its express rights under this Agreement, the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.

(c) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor, its Affiliates and their respective Representatives in respect of the Assets and any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta), the *Sale of Goods Act* (British Columbia) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

ARTICLE 7
RISK AND COSTS AND INSURANCE

7.1 Risk and Costs

Except as otherwise provided for in this Agreement, the Assets will be at the sole risk and responsibility of the Vendor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser.

7.2 Insurance

Any property, liability and other insurance maintained by the Vendor in relation to the Assets, to the extent applicable, shall not be transferred at Closing, but shall remain the responsibility of the Vendor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Assets in respect of the period from and after 12:01 a.m. on the Closing Date.

ARTICLE 8
INDEMNIFICATION

8.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor, its Affiliates and their respective Representatives for; and

(b) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates and/or their respective Representatives related to or in connection with the Assets and the Assumed Liabilities, including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Assets during the period following the Closing Date; (ii) all Losses and Liabilities arising or accruing on or after the Closing Date under any Assumed Contract, including any and all Cure Costs; and (iii) any other Losses and Liabilities for which the Purchaser has otherwise agreed to indemnify the Vendor pursuant to this Agreement, including pursuant to Section 9.2. The Purchaser's indemnity obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely pursuant to Section 14.4.

8.2 Third Party Claims

(a) If the Vendor, its Affiliates or any of their respective Representatives receives written notice of the commencement or assertion of any Third Party Claim for which the Purchaser is liable pursuant to this Agreement (or has otherwise agreed to indemnify the Vendor, its Affiliates or their respective Representatives against), the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may be sustained by the Vendor, its Affiliates or their respective Representatives, respectively, and a reference to the provisions of this Agreement, or other applicable document, upon which such claim is based.

(b) The Purchaser may assume the carriage and control of the defence of any Third Party Claim by giving notice to that effect to the Vendor, not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor, its Affiliates and/or their respective Representatives, under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor, its Affiliates and/or their respective Representatives, pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor, its Affiliates and/or their respective Representatives, with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser thereafter pursues the defence or settlement of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to assume the carriage and control of the defence of a Third Party Claim pursuant to this Section 8.2(b), then the Vendor shall, or shall cause its Affiliates and/or their respective Representatives to, cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.

(c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to assume the carriage and control of the defence of such Third Party Claim in accordance with Section 8.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to pursue the defence or settlement of such Third Party Claim actively and diligently, the Vendor, its Affiliates and/or their respective Representatives, may, at their option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor, its Affiliates and/or their Representatives with respect to such Third Party Claim.

8.3 Failure to Give Timely Notice

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 8 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

8.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

8.5 Third Party Beneficiary

The Vendor's Representatives and the Vendor's Affiliates, and their respective Affiliates and all of their respective Representatives are intended third party beneficiaries of this Article 8 and shall have the right, power and authority to enforce the provisions hereof as though they were each a party hereto. The Purchaser further agrees to execute such agreements as may be reasonably requested by such Persons in connection with these provisions that are consistent with this Article 8 or that are reasonably necessary to give further effect thereto.

ARTICLE 9
ENVIRONMENTAL MATTERS

9.1 Acknowledgements Regarding Environmental Condition

The Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. The Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor, its Affiliates or any of their respective Representatives as to the environmental condition of the Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof.

9.2 Assumption of Environmental Liabilities

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor, its Affiliates and their respective Representatives for; and

(b) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and their respective Representatives from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates or their respective Representatives as a result of any matter or thing arising out of, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, the Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between the Vendor (on one hand) and the Purchaser (on the other hand) including whether occurring or accruing prior to, on or after the Closing Date, and hereby releases the Vendor, its Affiliates and their respective Representatives from any claims the Purchaser may have against the Vendor with respect to all such Environmental Liabilities and Abandonment and Reclamation Obligations. Without restricting the generality of the foregoing, the Purchaser shall be responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations (including whether occurring or accruing prior to, on or after the Closing Date) in respect of all Wells and Tangibles.

ARTICLE 10
COVENANTS

10.1 Conduct of Business Until Closing

(a) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Assets as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Assets to the Purchaser following Closing in accordance herewith.

(b) The access to the Assets to be afforded to the Purchaser and its Representatives pursuant to this Section 10.1 will be subject to the Assumed Contracts and all of the Vendor's site entry protocols, health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:

(i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor, its Affiliates or their respective Representatives may suffer, sustain, pay or incur; and

(ii) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and their respective Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor, its Affiliates or their respective Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 10.1.

10.2 ROFRs

(a) The Purchaser acknowledges that it shall be responsible for conducting such separate investigation of the Assets as the Purchaser has determined is appropriate with respect to the identification of ROFRs applicable to the Assets as soon as is reasonably practicable after the date hereof. The Purchaser shall indemnify Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates or their respective Representatives as a result of any failure by the Purchaser to identify ROFRs applicable to the Assets or any Third Party Claim relating to the allocation of the value of a ROFR to be determined by the Purchaser in accordance with Section 10.2(b)(i), as applicable.

(b) If the Purchaser has identified any ROFRs pursuant to Section 10.2(a):

(i) promptly following the identification of Assets which are the subject of ROFRs, the Purchaser shall prepare and provide the Vendor with ROFR notices to be issued in respect of such ROFRs, which shall include the Purchaser's bona fide allocation of the amount of the Purchase Price attributable to each of such Assets which are subject to a ROFR;

(ii) the Vendor shall courier ROFR notices to the Third Parties holding such ROFRs promptly following the receipt of the same from the Purchaser; and

(iii) to the extent the Purchaser is not copied directly on a response from a Third Party ROFR holder, the Vendor shall notify the Purchaser in writing forthwith upon each Third Party exercising or waiving such a ROFR.

(c) If any such Third Party elects to exercise such a ROFR, then:

(i) the definition of Assets shall be deemed to be amended to exclude those Assets in respect of which the ROFR has been exercised;

(ii) such Assets shall not be conveyed to the Purchaser;

(iii) any proceeds received by the Vendor from a Third Party in respect of the sale and conveyance of any Assets which are subject to such a ROFR shall be deemed to not constitute Assets for the purposes of this Agreement; and

(iv) the Purchase Price shall be subject to reduction in the event of the exercise of any such ROFR by a Third Party, such reduction to be the amount received by the Vendor in connection with the exercise of such ROFR by such Third Party.

(d) In the event that a Third Party exercises a ROFR and is then unable or unwilling to enter into a conveyance agreement with the Vendor for the relevant Assets, the Purchaser agrees to accept a conveyance of such Assets under the same terms and conditions as this Agreement to whatever extent possible.

(e) Closing shall not be delayed even though certain of the ROFRs are outstanding and capable of exercise by the holders thereof as of the Closing Date (such ROFRs being referred to as "**Outstanding ROFRs**"). In such case, the following procedures shall apply:

(i) the Parties shall proceed with Closing (for greater certainty without any reduction in the Purchase Price for the Outstanding ROFRs, and without variation of any other terms or conditions of this Agreement);

(ii) the Purchaser shall have (as of the Closing Date) prepared all Specific Conveyances and other closing documentation required for the sale of the Assets subject to the Outstanding ROFRs (the "**Outstanding ROFR Assets**");

(iii) if an Outstanding ROFR is exercised by a Third Party, the Vendor will promptly notify the Purchaser thereof in writing, the Specific Conveyances and other closing documentation related to such Outstanding ROFR Assets will be of no force or effect and shall be destroyed by the Purchaser, and the provisions of Section 10.2(c) shall apply to the Assets which are the subject of the Outstanding ROFR being exercised by the Third Party, *mutatis mutandis*; and

(iv) if after Closing an Outstanding ROFR is extinguished by lapse of time, waiver or otherwise (other than as a result of being exercised), the Vendor will promptly notify the Purchaser thereof in writing and promptly deliver copies of the Specific Conveyances and closing documentation previously prepared to the Purchaser, and such documentation shall be effective and the sale of such Outstanding ROFR Assets to Purchaser pursuant hereto shall be deemed to have closed on the Closing Date.

10.3 Document Review

Prior to Closing, the Vendor shall provide Purchaser with reasonable access to the Title Documents and other Miscellaneous Interests in the possession or under the control of Vendor for the purpose of verifying the continued validity and effect of the Title Documents, the identification of Assets the subject of ROFRs, the preparation of Specific Conveyances and other matters related to this Agreement and the Transaction.

10.4 Due Diligence

Following execution of this Agreement, the Purchaser shall use commercially reasonable efforts to complete the due diligence investigation provided for in Section 11.2(d)(iv).

ARTICLE 11
CONDITIONS

11.1 Mutual Conditions

The respective obligations of the Parties to complete the purchase and sale of the Assets are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) the Court shall have granted the Approval and Vesting Order and the Approval and Vesting Order shall be a Final Order;

(b) the Court shall have granted the Second Amended Interim Financing Order, in form and substance satisfactory to the Purchaser, acting reasonably;

(c) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Assets; and

(d) the Closing is not otherwise prohibited by Applicable Law;

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of the Vendor and the Purchaser.

11.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) all representations and warranties of the Vendor contained in Section 5.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;

(b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement;

(c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 12.2;

(d) the following shall have been obtained to the satisfaction of the Purchaser, in the Purchaser's sole and absolute discretion:

(i) the Petroleum and Natural Gas Rights shall have been transferred by the BC Ministry pursuant to section 117.1 of the *Petroleum and Natural Gas Act* (British Columbia) to the Purchaser without any adjustment to the Purchase Price;

(ii) the LTAs have been approved by the BCER with any conditions satisfactory to the Purchaser, and subject to receiving notification from the Parties that Closing has occurred in accordance with Section 2.3;

(iii) the transfer of the Crown permits and related surface rights to the Purchaser, subject to receiving notification from the Parties that Closing has occurred in accordance with Section 2.5(c); and

(iv) completion by the Purchaser of all due diligence typical for a transaction of this scope and nature, including a site visit and all environmental, title and regulatory due diligence by January 31, 2025, and, following such date, this shall no longer be a condition to Closing.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

11.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the sale of the Assets is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) all representations and warranties of the Purchaser contained in Section 5.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;

(b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;

(c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 12.3; and

(d) the Vendor has not lost its ability to convey the Assets due to the appointment of a receiver or a receiver-manager, an order of the Court or otherwise pursuant to the NOI Proceedings, provided such order or other action is pursuant to the NOI Proceedings or is not at the voluntary initiative of the Vendor.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

11.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 11.1, 11.2 and 11.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on the Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

11.5 Proposal Trustee's Certificate

When the conditions to Closing set out in Sections 11.1, 11.2 and 11.3 have been satisfied and/or waived by the each of the Vendor and the Purchaser, as applicable, the Vendor and the Purchaser will each deliver to the Proposal Trustee written confirmation: (a) that such conditions of Closing, as applicable, have been satisfied and/or waived; and (b) of the amount of the Transfer Taxes to be paid on Closing (in each case, to the extent applicable), in substantially the form of Schedule C (the "**Conditions Certificates**"). Upon receipt by the Proposal Trustee of: (i) confirmation that payment of the balance of the Purchase Price to be paid on Closing has been received by the Vendor; (ii) confirmation of payment of applicable Transfer Taxes to be paid on Closing (or evidence of an agreement to pay all Transfer Taxes by the Purchaser to any relevant Governmental Authorities or counterparty); and (iii) each of the Conditions Certificates, the Proposal Trustee shall: (A) issue forthwith its Proposal Trustee's Certificate concurrently to the Vendor and the Purchaser, at which time the Closing will be deemed to have occurred; and (B) file as soon as practicable a copy of the Proposal Trustee's Certificate with the Court (and shall provide a true copy of such filed certificate to the Vendor and the Purchaser). In the case of (A) and (B), above, the Proposal Trustee will be relying exclusively on the basis of the Conditions Certificates and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 12
CLOSING

12.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

12.2 Deliveries on Closing by the Vendor

The Vendor shall deliver (or cause to be delivered) to the Purchaser on or before the Closing Date:

(a) a Court certified copy of the Approval and Vesting Order;

(b) a certificate of the Vendor confirming the accuracy of the matters provided for in Sections 11.2(a) and 11.2(b);

(c) the General Conveyance, Assignment and Assumption Agreement duly executed by the Vendor; and

(d) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

12.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

(a) payment of the Closing Payment in accordance with Section 3.3;

(b) payment of all Transfer Taxes payable on Closing to the Vendor or the Vendor's Solicitors (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);

(c) a certificate of the Purchaser confirming the accuracy of the matters provided for in Sections 11.3(a) and 11.3(b);

(d) the General Conveyance, Assignment and Assumption Agreement duly executed by the Purchaser; and

(e) any other deeds, conveyances, assurances, transfers, assignments, instruments, documents, resolutions and certificates as are referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

ARTICLE 13
TERMINATION

13.1 Grounds for Termination

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

(a) by the mutual written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require either the consent of the Proposal Trustee or the approval of the Court;

(b) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;

(c) by the Purchaser, upon written notice to the Vendor (A) any time after the Outside Date, if the Court Approval has not been obtained, or (B) any time after the Outside Date, if the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;

(d) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 11.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice;

(e) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if (A) the Court Approval has not been obtained, or (B) the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the breach of this Agreement by the Vendor; or

(f) by either Party if the condition set forth in Section 11.1(b) has not been satisfied by December 9, 2024, or such other date as the Parties may agree in writing.

13.2 Effect of Termination

Upon termination of this Agreement, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. Notwithstanding any termination of this Agreement as permitted under Section 13.1, or as otherwise provided for in this Agreement, the provisions of Sections 14.1 (Public Announcements), 14.5 (Governing Law), 14.6 (Consequential Damages), 14.13 (Costs and Expenses) and 14.17 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination.

ARTICLE 14
GENERAL

14.1 Public Announcements

(a) Subject to Section 14.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, including filing a copy of this Agreement in any public registry, filing system or depository, including, in order to comply, the disclosing Party shall provide the other Parties with an advance copy of any such press release, redacted document or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or file such other public disclosure without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, the disclosing Party shall be permitted to proceed with such press release or file such other public disclosure without the prior written consent of the other Party, if the other Party has not responded within forty-eight (48) hours of the initial consent request.

(b) Notwithstanding Section 14.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:

(i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of the Transaction;

(ii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approval and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

14.2 Liability of the Proposal Trustee

The Purchaser acknowledges that KSV is acting solely in its capacity as the proposal trustee of the Vendor and not in its personal or corporate capacity. Under no circumstances shall the Proposal Trustee or any of their Representatives have any liability pursuant to this Agreement, or in relation to the Transaction whether such liability be in contract, tort or otherwise.

14.3 Dissolution of Vendor

The Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to cause the dissolution or wind-up of the Vendor subsequent to the Closing Date, or otherwise cause or allow the Vendor to cease operations in any manner or at any time subsequent to the Closing Date as the Vendor may determine in its sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing.

14.4 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Section 2.3 (Licence Transfers), Section 2.5 (Specific Conveyances), Section 2.6 (Post-Closing Maintenance of Assets), Section 5.3 (Enforcement of Representations and Warranties), Section 10.2 (ROFRs) and Article 4 (Transfer Taxes), Article 6 ("As Is, Where Is" and No Additional Representations and Warranties), Article 8 (Indemnification), Article 9 (Environmental Matters) and Article 14 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein or otherwise in accordance with Applicable Laws.

14.5 Governing Law

(a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties consent to the jurisdiction and venue of the courts of Alberta for the resolution of any such dispute arising under this Agreement.

(b) Notwithstanding Section 14.5(a), any and all documents or orders that may be filed, made or entered in the NOI Proceedings, and the rights and obligations of the Parties thereunder, including all matters of construction, validity and performance thereunder, shall in all respects be governed by, and interpreted, construed and determined in accordance with the laws of the Province of Alberta. The Parties consent to the jurisdiction and venue of the Court, as applicable, for the resolution of any such disputes, regardless of whether such disputes arose under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.15 shall be deemed effective service of process on such Party.

14.6 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arise out of, or relate to this Agreement or the Transaction, other than Consequential Damages for which the Purchaser is liable as a result of a Third Party Claim (which liability shall be subject to and recoverable under Article 8 (Indemnification)). For greater certainty, the Parties agree that none of the Parties, their respective Affiliates or their respective Representatives shall be liable for any lost profits whatsoever, whether such lost profits are considered to be direct, consequential or indirect losses, and regardless of whether such lost profits were foreseeable by the Parties at any time or whether such lost profits were the direct and natural result of a Party's breach of its obligations under this Agreement.

14.7 Right to Contact Governmental Authorities and Stakeholders

Notwithstanding any provision to the contrary in the Confidentiality Agreement, the Purchaser shall be entitled to disclose the Transaction and take any further steps it reasonably requires to advance the Transaction or satisfy any conditions set forth in Section 11.2 with any applicable Governmental Authorities, First Nation or other Third Party stakeholders in its discretion, acting reasonably. The Vendor shall provide such assistance as is reasonably required by Purchaser.

14.8 Further Assurances

Each of the Parties from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

14.9 Assignment

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

14.10 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

14.11 Amendment

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

14.12 Time of the Essence

Time is of the essence in this Agreement.

14.13 Costs and Expenses

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction. Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

14.14 Entire Agreement

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement, and binding upon the Parties, as if such agreement were signed directly by the Parties) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

14.15 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) in the case of the Vendor:

Erikson National Energy Inc.
1900, 717 – 7th Avenue SW
Calgary, Alberta T2P 0Z3

Attention: Peter Neelands
Email:

With a copy, which shall not constitute notice, to the Vendor's Solicitors:

Bennett Jones LLP
4500, 855 - 2nd Avenue S.W.
Calgary, AB T2P 4K7

Attention: Keely Cameron; Kristos Iatridis
Email:

(b) In the case of the Purchaser:

Gryphon Digital Mining, Inc.
Attention: Steve Gutterman
Email:

With a copy, which shall not constitute notice, to the Purchaser's Solicitors:

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4 Canada

Attention: Alex Pizale, Chris McLelland
Email:

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. **Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.**

14.16 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

14.17 Third Party Beneficiaries

Except as otherwise provided for in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns and, except as otherwise provided for in this Agreement, no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. The Purchaser acknowledges to the Vendor, its Affiliates and their respective Representatives their direct rights against the Purchaser under this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives, its Affiliates and their respective Representatives.

14.18 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

14.19 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

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IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

ERIKSON NATIONAL ENERGY INC.

Per: /s/ Peter Neelands

Name: Peter Neelands
Title: Director

GRYPHON DIGITAL MINING, INC.

Per: /s/ Steve Gutterman

Name: Steve Gutterman
Title: Chief Executive Officer

Exhibit 10.1

Execution Version

SHARE AND UNIT PURCHASE AGREEMENT

among

BTG ENERGY CORP.

and

BTG POWER CORP.

and

WEST LAKE ENERGY CORP.

and

2670786 ALBERTA LTD.

and

GRYPHON DIGITAL MINING, INC.

dated as of

January 8, 2025

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SHARE AND UNIT PURCHASE AGREEMENT

This Share and Unit Purchase Agreement (this "Agreement") is entered into as of January 8, 2025,

AMONG:

BTG ENERGY CORP., a corporation existing
under the laws of the Province of Alberta

("BTG Energy")

AND:

BTG POWER CORP., a corporation existing
under the laws of the Province of Alberta

("BTG Power")

AND:

WEST LAKE ENERGY CORP., a corporation existing
under the laws of the Province of Alberta ("West Lake", and together with BTG Power and BTG Energy, the "Vendors")

AND:

2670786 ALBERTA LTD., a corporation existing
under the laws of the Province of Alberta (the "Purchaser")

AND:

GRYPHON DIGITAL MINING, INC., a corporation existing under the laws of the State of Delaware ("Gryphon" or the "Parent", and together with the Purchaser and Vendors, the "Parties", and each a "Party")

WHEREAS:

A. BTG Power is the registered and beneficial owner of all of the issued and outstanding shares in the capital of BowArk (the "BTG Power Purchased Shares").

B. BTG Energy is the registered and beneficial owner of 80 Common Shares in the capital of Captus GP (the "BTG Energy Purchased Shares") and 80 Limited Partner Units in the capital of Captus LP (the "BTG Energy Purchased Units" and together with the BTG Energy Purchased Shares, the "BTG Energy Purchased Interests").

C. West Lake is the registered and beneficial owner of 20 Common Shares in the capital of Captus GP (the "West Lake Purchased Shares") and 20 Limited Partner Units in the capital of Captus LP (the "West Lake Purchased Units" and together with the BTG Energy Purchased Shares, the "West Lake Purchased Interests").

D. BTG Power wishes to sell to the Purchaser, and the Purchaser wishes to purchase from BTG Power, the BTG Power Purchased Shares, subject to the terms and conditions set forth herein.

E. BTG Energy wishes to sell to the Purchaser, and the Purchaser wishes to purchase from BTG Energy, the BTG Energy Purchased Interests, subject to the terms and conditions set forth herein.

F. West Lake wishes to sell to the Purchaser, and the Purchaser wishes to purchase from West Lake, the West Lake Purchased Interests, subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. The following terms have the meanings specified or referred to in this Section 1.01:

(a) "Abandonment and Reclamation Obligations" means all past, present and future duties and obligations, whether arising under contracts, the Law or otherwise, arising from or in connection with the closure, abandonment, decommissioning, dismantling and removal, as applicable, of any of the Assets (including any real property) and all structures, foundations, buildings, facilities, pipelines, equipment and other physical assets used in connection with the ownership and/or operation of the Assets (including any real property) and the business, together with the restoration, remediation and reclamation of the surface and subsurface of any lands on or in which any of the foregoing are or were located and any other lands which are or were used to gain access thereto, together with all associated liabilities.

(b) "Aboriginal Claim" means any written claims, assertions or demands, whether proven or unproven, made by any Indigenous Community in respect of aboriginal rights, aboriginal title, treaty rights or any other aboriginal interest in or to all or any portion of the Assets but excluding any claim that the operations of the Projects are on the traditional lands of any Indigenous Community.

(c) "Accounts Receivable" means all trade and other receivables of the Target Entities as of the Calculation Time, determined on a gross basis in accordance with ASPE consistently applied, excluding: (a) Related Party Receivables; and (b) receivables due or unpaid more than 60 days after the original due date or 90 days after the original invoice date.

(d) "Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.

(e) "AEP" means Alberta Environment and Protected Areas.

(f) "AER" means the Alberta Energy Regulator.

(g) "AER Licenses" means the BTG Energy AER Licenses and the West Lake AER License.

(h) "AESO" means the Alberta Electric System Operator.

(i) "Affiliate" when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term "controlled" has a corresponding meaning; *provided that*, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person.

(j) "Articles" means the original or restated articles of incorporation, articles of amendment, articles of continuance, articles of amalgamation, articles of arrangement, articles of reorganization, articles of dissolution, articles of revival, articles of constitution, letters patent, supplemental letters patent, a special act, memorandum and articles of association or any other instrument by which a corporation is incorporated.

(k) "ASPE" means generally accepted accounting principles as set forth in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with Accounting Standards for Private Enterprises/International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

(l) "Assessment" has the meaning set forth in Section 6.09(d).

(m) "Assets" means all the assets, real and personal, tangible and intangible of the Target Entities, including the Power Generation Assets and the Oil and Gas Assets.

(n) "ATB Consent" means, in respect of the Transactions, ATB Financial as administrative agent, providing its consent to the Transactions on behalf of itself and the other lenders under the amended and restated credit agreement dated March 6, 2024 among BTG Energy Corp., as borrower, and ATB Financial, as administrative agent, and ATB Financial, as sole lead arranger.

(o) "AUC" means the Alberta Utilities Commission.

(p) "Balance Sheet" has the meaning set forth in the definition of "Financial Statements" in this Section 1.01.

(q) "Balance Sheet Date" has the meaning set forth in the definition of "Financial Statements" in this Section 1.01.

(r) "Benefit Plan" means all employee benefit plans, agreements, programs, policies, practices, material undertakings and arrangements (whether oral or written, formal or informal, funded or unfunded) maintained for, available to or otherwise relating to any employees, directors or officers or former employees, directors or officers of the Target Entities, or any spouses, dependents or survivors of any employee or former employee of any Target Entity, or in respect of which such Target Entity is a party to or bound by or is obligated to contribute or in any way liable, whether or not insured or whether or not subject to any Law, including bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance and termination pay, hospitalization, health and other medical benefits including medical or dental treatment or expenses, life and other insurance including accident insurance, vision, legal, long-term and short-term disability, salary continuation, vacation, supplemental unemployment benefits, education assistance, equity or equity-based compensation, change of control benefits, profit-sharing, mortgage assistance, employee loan, employee assistance and pension, retirement and supplemental retirement plans (including any defined benefit or defined contribution Pension Plan and any group registered retirement savings plan), and supplemental pension, except that the term "Benefit Plans" shall not include any statutory plans with which the Target Entities are required to comply, including the Canada Pension Plan, Québec Pension Plan and plans administered under applicable provincial health tax, workers' compensation, workplace health and safety and employment insurance legislation.

(s) "Books and Records" means: (a) each of the Target Entities' respective books of account, accounting records and other financial data and information, including copies of filed Tax Returns and Assessments for each of the financial years of the Target Entities commencing after the Tax year ended seven years before the date of this Agreement; (b) the corporate records of the Target Entity; (c) all sales and purchase records, lists of suppliers and customers, credit and pricing information, formulae, business, engineering and consulting reports and research and development information of, or relating to, the Target Entities or their respective businesses; and (d) all other books, documents, files, records, telephone call recordings, correspondence, data and information, financial or otherwise, that are in the possession or under the control of the Target Entities, the Vendors or an Affiliate thereof, including all data and information stored electronically or on computer related media.

(t) "BowArk" means BowArk Energy Ltd., an Alberta corporation.

(u) "BowArk Agreement" means the share purchase agreement dated November 28, 2023, among Brad Sparkes and Algonquin Power Corporation (CKJ) Inc., as sellers, BTG Power, as buyer, and BowArk, as the corporation.

(v) "BowArk Assignment" has the meaning set forth in Section 2.03(a)(i)(B).

(w) "BowArk Insurance Policies" has the meaning set forth in Section 3.19.

(x) "BowArk Material Contracts" has the meaning set forth in Section 3.09(a).

(y) "BowArk Real Property" means the real property leased by BowArk from Captus GP pursuant to the Ground Lease and the Queenstown Lands.

(z) "BTG Energy" has the meaning set forth in the preamble.

(aa) "BTG Energy AER Licenses" has the meaning set out in Section 9.01.

(bb) "BTG Energy Cash Consideration" has the meaning set forth in Section 2.02(e)(ii).

(cc) "BTG Energy's Knowledge" or any other similar knowledge qualification, means the actual knowledge or awareness, as the case may be, of Tom Buchanan, Gable Gross, and Harry Andersen. For the avoidance of doubt, knowledge or awareness does not include the knowledge of any Third Party or constructive knowledge and does not impose any obligation to make inquiry of any other Person, including Third Parties or the files and records of any Third Party or Governmental Authority.

(dd) "BTG Energy LTA" has the meaning set forth in Section 9.02.

(ee) "BTG Energy Purchased Interests" has the meaning set forth in the recitals.

(ff) "BTG Energy Purchased Shares" has the meaning set forth in the recitals.

(gg) "BTG Energy Purchased Units" has the meaning set forth in the recitals.

(hh) "BTG Power" has the meaning set forth in the preamble.

(ii) "BTG Power Cash Consideration" has the meaning set forth in Section 2.02(e)(i).

(jj) "BTG Power's Knowledge" or any other similar knowledge qualification, means the actual knowledge or awareness, as the case may be, of Tom Buchanan, Gable Gross and Harry Andersen. For the avoidance of doubt, knowledge or awareness does not include the knowledge of any Third Party or constructive knowledge and does not impose any obligation to make inquiry of any other Person, including Third Parties or the files and records of any Third Party or Governmental Authority.

(kk) "BTG Power Purchased Shares" has the meaning set forth in the recitals.

(ll) "Business Day" means any day except Saturday, Sunday or any other day on which banks located in Calgary, Alberta and Las Vegas, Nevada are authorized or required by Law to be closed for business.

(mm) "Calculation Time" means 11:59 p.m. (Calgary time) time on the day immediately preceding the Closing Date.

(nn) "Captus Entities" means Captus GP and Captus LP.

(oo) "Captus GP" means Captus Generation Ltd., an Alberta corporation.

(pp) "Captus Insurance Policies" has the meaning set forth in Section 4.20.

(qq) "Captus LP" means Captus Generation Limited Partnership, an Alberta limited partnership.

(rr) "Captus Material Contracts" has the meaning set forth in Section 4.10.

(ss) "Captus Real Property" means the real property identified in Certificate of Title Nos.

(i) 231 394 314 for the land located at N1/2 of SW-24-004-29 W4M,

(ii) 231 394 314 +1 for Plan 1855HE,

(iii) 231 394 314 +2 for the land located at S-23-004-29 W4M,

(iv) 231 394 314 +3 for the land located at NW-24-004-29 W4M,

(v) 231 394 314 +4 for Plan 0710666, Block 1, Lot 1,

(vi) 231 394 314 +5 for the land located at NW-23-004-29 W4M, and

(vii) 231 394 314 +6, for the land located at NE-23-004-29 W4M.

(tt) "Captus USA" means the Unanimous Shareholders Agreement related to Captus GP dated as of November 7, 2023, as the same may be amended, supplemented or restated from time to time.

(uu) "Cash and Securities" means: (a) cash, excluding restricted cash; (b) money in bank accounts plus uncleared deposits less outstanding cheques; (c) guaranteed income certificates, certificates of deposit, banker's acceptances and similar instruments issued by a Canadian financial institution; and (d) marketable securities of the Target Entities, determined in accordance with ASPE consistently applied, the whole calculated as of the Calculation Time.

(vv) "Cash Consideration" has the meaning set forth in Section 2.02(a).

(ww) "Cash Deposits" means the LOI Cash Deposit and the Signing Cash Deposit.

(xx) "CCS Project" means the carbon capture and sequestration project on the Lands which includes emissions capture by removal of CO_2 from natural gas streams, natural gas compression and injection into Wells, and transportation and injection of sequestered CO_2 into depleted oil and gas reservoirs.

(yy) "CFPOA" has the meaning set forth in Section 3.31(a)(ii).

(zz) "Closing" has the meaning set forth in Section 2.04.

(aaa) "Closing Date" means April 9, 2025, provided however that if by such date either of the conditions set out in Section 7.02(e) or Section 7.04(c) have not yet been satisfied or waived by the Purchaser or BTG Energy, respectively, the date of the Closing Date shall be automatically extended for a further period of ninety days from such original date, or to such other date as may be agreed to in writing by the Parties.

(bbb) "Closing Date Tax Year" has the meaning set forth in Section 6.09(a).

(ccc) "Closing Working Capital" means: (a) the Current Assets of the Target Entities; less (b) the Current Liabilities of the Target Entities, determined as of the Calculation Time.

(ddd) "Closing Working Capital Statement" has the meaning set forth in Section 2.06(a).

(eee) "CO_2" means carbon dioxide.

(fff) "Confidentiality Agreement" means the Confidentiality Agreement between Gryphon and Captus GP dated as of November 5, 2024.

(ggg) "Contracts" means any legally binding agreement, contract, lease, deed, mortgage, note, commitment, undertaking, indenture, joint venture and all other agreements and commitments, whether written or oral.

(hhh) "Corporate IP" means, with respect to any Person, all Intellectual Property that is owned or held for use such Person.

(iii) "Current Assets" means consolidated Cash and Securities, Accounts Receivable, amounts spent or paid by BTG Energy or BTG Power under the Operational Budget and prepaid expenses and deposits of the Target Entities as of the Calculation Time, determined in accordance with ASPE consistently applied the whole calculated as of the Calculation Time, but does not include: (a) the portion of any prepaid expense of which the Purchaser will not receive the benefit following the Closing; and (b) deferred Tax assets.

(jjj) "Current Liabilities" means the consolidated trade and other payables, accrued Taxes other than amounts that have been paid by BTG Energy or BTG Power pursuant to the Operational Budget; and other accrued charges of the Target Entities, determined in accordance with ASPE consistently applied the whole calculated as of the Calculation Time, but does not include: (a) income Taxes payable; (b) deferred Tax liabilities; (c) the current portion of long term debt, determined in accordance with ASPE consistently applied; and (d) asset retirement obligations.

(kkk) "Data Room Information" means the information and documents contained in the virtual data room hosted by Firmex titled "Captus Generation – Phase 1 Deal" as of the day prior to the date of this Agreement.

(lll) "Direct Claim" has the meaning set forth in Section 8.05(c).

(mmm) "Directive 067" means Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals as published and amended from time to time by the AER.

(nnn) "Disclosure Schedules" means the schedules attached to this Agreement delivered by the Vendors to the Purchaser concurrently with the execution and delivery of this Agreement.

(ooo) "Disposal" means any disposal by any means, including dumping, incineration, spraying, pumping, injecting, depositing or burying.

(ppp) "Disputed Amounts" has the meaning set forth in Section 2.06(e).

(qqq) "Dollars" or "$" means the lawful currency of Canada.

(rrr) "Drywood 415s Substation" means the AltaLink Management Ltd. substation located at SW23-004-29W4 providing interconnectivity to the AESO's transmission system.

(sss) "Drywood Expansion Project" means the construction or addition of one or more power generating units: (a) on the Queenstown Lands; or (b) that are interconnected to the Drywood 415s Substation (including any T-tap interconnection to the 138kV or 69kV lines which are also connected to the Drywood 415s Substation). For greater certainty, there shall only be one Drywood Expansion Project.

(ttt) "Encumbrances" means any security interest, mortgage, charge, pledge, hypothec, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant, option, adverse claim or other encumbrance of any kind which in substance secure payment or performance of an obligation.

(uuu) "Environment" means the air, surface water, ground water, body of water, any land (including surface land and sub-surface strata), soil or underground space, all living organisms and the interacting natural systems that include components of the air, land, water and inorganic matters and living organisms, and the environment or natural environment as defined in any Environmental Law, and "Environmental" shall have a corresponding meaning.

(vvv) "Environmental Law" means any and all Laws relating to the protection of the Environment including those relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, Release or Disposal of any Hazardous Substance.

(www) "Environmental Liabilities" means all past, present and future Losses, whether arising under contract, tort based on negligence or strict liability, Law (now or in the future) or otherwise, arising from, associated with or related to: (a) any Abandonment and Reclamation Obligations; (b) any damage to, contamination of or other adverse situations pertaining to the Environment and/or Environmental damage or contamination to or of property (including with respect to any release or other emission of any greenhouse gas or other substance that has directly or indirectly any effect on the Environment (whether through climate, whether or otherwise)), howsoever and by whomsoever caused, and regardless of whether such damage, contamination or other adverse situations occur or arise in whole or in part prior to, on or subsequent to the Closing; (c) the presence, collection, accumulation, use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, management, Release or threatened Release, emission, discharge or Disposal of Hazardous Substance; (d) compliance with or liability under or the consequences of any non-compliance with or liability under, or violation or breach of, any Environmental Law; or (e) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations, as required by Law.

(xxx) "Environmental Notice" means any written directive, letter or other written communication from any Governmental Authority relating to non-compliance or potential non-compliance with or breach of or potential breach of any Environmental Law or Environmental Permit.

(yyy) "Environmental Permit" means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made by any Governmental Authority under any Environmental Law.

(zzz) "Estimated Closing Working Capital" has the meaning set forth in Section 2.06(a).

(aaaa) "Estimated Closing Working Capital Statement" has the meaning set forth in Section 2.06(a).

(bbbb) "Excise Tax Act" has the meaning set forth in Section 3.27(p).

(cccc) "FACFOA" has the meaning set forth in Section 3.31(a)(ii).

(dddd) "FCPA" has the meaning set forth in Section 3.31(a)(ii).

(eeee) "Financial Statements" means the respective unaudited management prepared financial statements of the respective Target Entity, as follows:

(i) for BowArk, for the fiscal period ended December 31, 2024 (the "BowArk Balance Sheet Date"), consisting of a balance sheet (the most recent of which is herein the "BowArk Balance Sheet"), statement of earnings (loss) and retained earnings, statement of cash flows and the related notes thereto; and

(ii) for Captus GP and Captus LP, the fiscal period ended November 30, 2024 (the "Captus GP Balance Sheet Date" and the "Captus LP Balance Sheet Date", as applicable, and collectively, the "Captus Entities Balance Date Date"), consisting in each case of a balance sheet (the most recent of which is herein the "Captus GP Balance Sheet and the Captus LP Balance Sheet, and collectively, the "Captus Entities Balance Sheet"), statement of earnings (loss) and retained earnings, statement of cash flows.

(ffff) "Governmental Authority" means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; (e) any stock or securities exchange; and (f) any public utility authority.

(gggg) "Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.

(hhhh) "Ground Lease" means the ground lease dated March 30, 2007 between Palmer Ranch (1984) Ltd. and BowArk Energy Ltd.

(iiii) "Gryphon" means Gryphon Digital Mining, Inc.

(jjjj) "Gryphon Shares" means the issued and outstanding shares in the capital of Gryphon Digital Mining, Inc.

(kkkk) "GST/HST" means all taxes levied under Part IX of the *Excise Tax Act* (Canada).

(llll) "Hazardous Substance" means, collectively, petroleum, any petroleum product, any radioactive material (including radon gas), explosive or flammable materials, asbestos in any form, urea-formaldehyde foam insulation, and polychlorinated biphenyls, any pollutant, contaminant, waste, hazardous substance, hazardous material, hazardous waste, toxic substance, dangerous substance, dangerous good, restricted hazardous waste, toxic substance or a source of contamination, as defined or identified in any Environmental Law.

(mmmm) "Indemnified Party" has the meaning set forth in Section 8.05.

(nnnn) "Indemnifying Party" has the meaning set forth in Section 8.05.

(oooo) "Independent Accountant" has the meaning set forth in Section 2.06(e).

(pppp) "Independent Contractor" means: (a) any individual who is not, or was not (with respect to former Independent Contractors), an employee, officer or director of the Target Entity, or any such individual's personal services company, and which individual or personal services company receives or received remuneration from the Target Entity under a Contract for services; and (b) any individual who is an employee, officer or director of the Target Entity, but who in the past was an individual who was not an employee, officer or director of the Target Entity or any such individual's personal services company, and which individual or personal services company received remuneration from the Target Entity under a Contract for services.

(qqqq) "Indigenous Communities" means any Indian or Indian Band (as those terms are defined in the *Indian Act* (Canada)), First Nation person or people, Inuit person or people, Métis person or people, aboriginal person or people, native person or people, indigenous person or people, and any person or group representing, or purporting to represent, any of the foregoing.

(rrrr) "Intellectual Property" means all intellectual property and industrial property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, under the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trade-marks, service marks, trade names, brand names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) all business names, corporate names, telephone numbers and other communication addresses owned or used by the Target Entities; (c) internet domain names, whether or not trade-marks, registered in any top-level domain by any authorized private registrar or Governmental Authority, web addresses, web pages, websites and related content, accounts with *X*®, *Facebook*® and other social media companies and the content found thereon and related thereto, and URLs; (d) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer and moral rights, and all registrations, applications for registration and renewals of such copyrights; (e) all industrial designs and applications for registration of industrial designs and industrial design rights, design patents and industrial design registrations owned or used by the Target Entities; (f) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; and (g) patents (including all patent registrations, reissues, divisional applications or analogous rights, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications and other patent rights and any other Governmental Authority issued indicia of invention ownership (including inventor's certificates and patent utility models).

(ssss) "Interconnection Assets" is defined and described in Section 1.01(ssss) of the Disclosure Schedules.

(tttt) "kV" means kilovolt.

(uuuu) "Lands" means (a) all the lands and formations listed in Section 1.01(i) of the Disclosure Schedules (subject to any limitations set out in such schedule); and (b) all lands pooled or unitized therewith and includes the Petroleum Substances within, upon or under those lands.

(vvvv) "Law" means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

(wwww) "Leases" means all leases, subleases, permits and licences (and any replacements, renewals or extensions thereof or leases or other instruments derived therefrom or issued in substitution therefor), by virtue of which the holder thereof is granted certain rights with respect to the Petroleum Substances within, upon or under the Lands or any lands pooled or unitized therewith or by virtue of which the holder thereof is deemed to be entitled to a share of Petroleum Substances removed from the Lands or any lands pooled or unitized therewith.

(xxxx) "Liabilities" has the meaning set forth in Section 3.07.

(yyyy) "LOI Cash Deposit" means the deposit of $200,000 in cash paid to Captus GP for the benefit of the Vendors on or about November 14, 2024.

(zzzz) "Losses" means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, Taxes, costs or expenses of whatever kind, including legal fees, disbursements and charges on a substantial indemnity basis and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided that* "Losses" shall not include punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party.

(aaaaa) "Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to the business, results of operations, condition (financial or otherwise) or assets of the Target Entities taken as a whole; *provided that*: (i) "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (A) general economic or political conditions; (B) conditions generally affecting the industries in which any Target Entity operates; (C) any changes in financial or securities markets in general; (D) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (E) general outbreaks of illness (excluding, however, the COVID-19 pandemic); (F) any action required or permitted by this Agreement, except under Section 3.05; (G) any changes in applicable Laws or accounting rules or principles, including ASPE; or (H) the public announcement, pendency or completion of the transactions contemplated by this Agreement; and (ii) any event, occurrence, fact, condition or change referred to in clauses (A) through (E) shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Target Entities compared to other participants in the industries in which the Target Entities conducts their respective businesses.

(bbbbb) "Mineral Rights" means (a) rights in, or rights to explore or drill for, and/or to recover, produce, save, take, use, market, sequester, or store Petroleum Substances; (b) rights to a share of production of Petroleum Substances therefrom; (c) fee simple interests, working interests, carried working interests, pooled interests, unit interests, royalty and overriding royalty interests, revenue interests, net profit interests, and similar interests in Petroleum Substances or the proceeds of the sale of Petroleum Substances accruing to Captus GP or Captus LP or to payments calculated by reference thereto; (d) any existing contractual right to earn any of the foregoing in paragraphs (a), (b) and (c) of this definition under a farmin or similar arrangement; and rights to acquire any of the foregoing in paragraphs (a), (b), (c) and (d) of this definition, but, in each case, only insofar as the foregoing relate to the Lands and only insofar as such rights are granted by the Leases including as set out in Section 1.01(bbbbb) of the Disclosure Schedule.

(ccccc) "Miscellaneous Interests" means all property, assets and rights pertaining directly to the Mineral Rights, the Wells or the Tangible Assets, excluding the Mineral Rights, Wells or the Tangible Assets themselves, including any and all of the following: (a) all contracts and agreements, including, without limitation, the Title and Operating Documents; (b) all files, records, data and information, including lease files, land files, authorizations for expenditures, abstracts, title opinions and reports, environmental assessments and reports, schematics, diagrams, drawings, design basis memoranda, engineering and design, and equipment automation information; (c) all rights to, and rights to enter upon, use, cross or occupy the Lands or any lands pooled or unitized therewith, any lands which are or may be used to gain access to or otherwise used for or in connection with the Assets, including, without limitation, easements, rights of way and other similar rights or interests; (e) the Permits; and (f) the wellbores of the Wells.

(ddddd) "MW" means megawatt.

(eeeee) "Obligations" has the meaning set forth in Section 12.12.

(fffff) "OFAC" has the meaning set forth in Section 3.31(a)(iv).

(ggggg) "Oil and Gas Assets" means the Mineral Rights, and to the extent related to the Mineral Rights, the Tangible Assets and the Miscellaneous Interests.

(hhhhh) "Operating and Maintenance Agreement" means the operating and maintenance agreement dated November 7, 2023 among BTG Energy Corp., Pincher Creek Energy Centre Limited Partnership and Pincher Creek Energy Centre Corp.

(iiiii) "Operational Budget" means the budget in the aggregate amount of $340,000.00 and is attached hereto as Schedule "A"; the amounts under which BTG Energy or BTG Power will pay during the period from the date hereof to and including the Closing Date (up to the aggregate amount) to fund the on-going operations of the Target Entities;

(jjjjj) "Ordinary Course", when used in relation to the conduct of the business of a Target Entity, means any transaction that constitutes an ordinary day-to-day business activity of such Target Entity's conducted in a manner consistent with such Target Entity's past practice and includes activities taken and amounts spent under the Operational Budget.

(kkkkk) "Parent" has the meaning set forth in the preamble.

(lllll) "Pension Plan" means a "registered pension plan" as that term is defined in section 248(1) of the *Tax Act*.

(mmmmm) "Permits" means all permits, licences, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities, including for greater certainty those relating to the construction, installation, ownership, use or operation of the Assets or the Projects.

(nnnnn) "Permitted Encumbrances" means: (a) statutory Encumbrances for current Taxes, special assessments or other governmental charges not yet due and payable or delinquent and for which appropriate accruals have been established in the Financial Statements in accordance with ASPE; (b) statutory liens and deposits or pledges made in connection with, or to secure payment of, worker's compensation, employment insurance, Canada Pension Plan and Québec Pension Plan programs mandated under Law and for which appropriate accruals have been established in accordance with ASPE; (c) restrictions on the transfer of securities arising under Law or under the Articles; (d) the rights of counterparties under the Contracts; (e) undetermined or inchoate Encumbrances imposed or permitted by Law and incurred in the Ordinary Course and in the operation of the surface rights or the Real Property, such as builder's liens, mechanics' liens, construction liens, materialmen's liens and other liens, privileges or other charges of a similar nature that relate to obligations not due or delinquent; (f) easements, rights of way, servitudes and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;(g) any reservations or exceptions contained in or implied by statute in the original dispositions from the Crown and grants made by the Crown of any land or interest reserved therein; (h) security given in the Ordinary Course to a public utility or any municipality or governmental or public authority in connection with the operation of the Target Entities' respective businesses or the Real Property; (i) all encroachments, overlaps, overhangs, unrecorded servitudes and easements, variations in area or measurement, rights of parties in possession, lack of access or any other matters not of record that would be disclosed by an accurate survey or physical inspection of the Real Property and that do not materially interfere with or affect the value or operation of the Target Entities' respective businesses as currently carried on at such Real Property; (j) all permits, servitudes and easements (including conservation easements and public trust easements, rights-of-way, road use agreements, covenants, conditions, restrictions, reservations, licences, other surface agreements and other matters of record) and zoning by-laws and restrictions, ordinances and other restrictions as to the use of real property; *provided that* they are not of such a nature as to have a Material Adverse Effect on the value or use of the Real Property subject thereto or the operation of the Target Entities' respective businesses as currently carried on at such Real Property; and (k) Encumbrances listed in Section 1.01(iv) of the Disclosure Schedules; (l) provisions for penalties and forfeitures under any of the Title and Operating Documents which will arise if Vendor or any of the Target Entities elects, after the relevant time, not to participate in operations on the Lands or any lands pooled or unitized therewith to which the penalty or forfeiture will apply; (m) the terms and conditions of the Title and Operating Documents; (n) all Encumbrances, obligations, duties, terms and conditions identified or set forth in a schedule hereto or specifically consented to or approved in writing by Purchaser prior to the date of this Agreement or deemed approved or accepted by Purchaser in accordance with any provision of this Agreement; (o) Encumbrances arising by, through or under the Purchaser; and (p) any security interest held by any Third Party encumbering the assets of the Captus Entities or BowArk in respect of which Purchaser has specifically identified and requested, not less than ten (10) Business Days prior to Closing, and Vendor delivers to Purchaser at or prior to Closing, a consent, release and discharge or no interest letter;

(ooooo) "Person" means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity.

(ppppp) "Personal Information" means any factual or subjective information, recorded or not, about an employee, Independent Contractor, contractor, agent, consultant, officer, director, executive, client, customer or supplier of the Target Entities who is a natural person or a natural person who is a shareholder of any of the Vendors, or about any other identifiable individual, including any record that can be manipulated, linked or matched by a reasonably foreseeable method to identify an individual, but does not include the name, title or business address or telephone number of an employee of the Target Entities.

(qqqqq) "Petroleum Substances" means crude oil, natural gas, natural gas liquids and other related hydrocarbons (including coal bed methane) and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including hydrogen sulphide and sulphur.

(rrrrr) "Pipeline Deficiencies" has the meaning set forth in Section 9.10.

(sssss) "Pipeline Records" means to the extent they relate to the pipelines comprising part of the Tangible Assets in respect of which a Vendor is the Permit holder and will be transferring such Permit to Captus GP in conjunction with Closing, those files, records, reports, assessments and documents that are required to comply with the AER's certification requirements for transfer of pipeline licenses.

(ttttt) "Power Generation Assets" means all assets relating to the Power Generation Project, including any power plant, substation, transmission line or Interconnection Assets, and to the extent that they related to the Power Generation Project, the Tangible Assets and the Miscellaneous Interests.

(uuuuu) "Power Generation Project" means the 200 MW power plant to be built on the Captus Real Property lands whereby natural gas will be converted into electricity by way of gas turbine thermal power generation and heat recovery steam generation, and includes the Drywood Expansion Project.

(vvvvv) "Pre-Closing Tax Period" means any Tax Period (or portion thereof) ending before the Closing Date including a Straddle Period and for greater certainty, the First Notional Fiscal Period.

(wwwww) "Prime Rate" means the annual rate of interest quoted from time to time by the main branch of the Alberta Treasury Branch in Calgary, Alberta as the reference rate then in effect for determining interest rates on Canadian dollar commercial loans make in Canada to customers of varying degrees of creditworthiness.

(xxxxx) "Projects" means, collectively:

(i) the Power Generation Project; and

(ii) the CCS Project.

(yyyyy) "Purchase Price" means the Cash Consideration.

(zzzzz) "Purchased Interests" means, collectively, the BTG Power Purchased Shares, the BTG Energy Purchased Interests and the West Lake Purchased Interests.

(aaaaaa) "Purchaser" has the meaning set forth in the preamble.

(bbbbbb) "Purchaser Indemnitees" has the meaning set forth in Section 8.02.

(cccccc) "QST" means all taxes levied under the *Act Respecting the Québec Sales Tax*.

(dddddd) "Queenstown Lands" has the meaning set forth in Section 1.01(dddddd) of the Disclosure Schedules.

(eeeeee) "Real Property" means the BowArk Real Property and the Captus Real Property.

(ffffff) "Related Party Receivables" means any receivable owing to any of the Target Entities by any of the Vendors or any of their respective Related Persons.

(gggggg) "Related Person", with respect to any Person, any Affiliate of such Person or any of their respective officers, directors, employees, trustees, or shareholders, or any Person with whom such Person is not dealing at arm's length (within the meaning of the Tax Act) or any spouse of any of the foregoing.

(hhhhhh) "Release" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandoning, disposing or allowing to escape or migrate of any Hazardous Substance into or through the Environment or as defined in any Environmental Law.

(iiiiii) "Remedial Order" means any Governmental Order issued, filed or imposed under any Environmental Law and includes any Governmental Order requiring any remediation or clean-up of any Hazardous Substance, or requiring that any Release or Disposal be reduced or eliminated.

(jjjjjj) "Representative" means, with respect to any Person, any, and all, directors, officers, employees, consultants, financial advisors, lawyers, accountants and other agents of such Person.

(kkkkkk) "Resolution Period" has the meaning set forth in Section 2.06(d).

(llllll) "Review Period" has the meaning set forth in Section 2.06(b).

(mmmmmm) "RW Insurance Policy" means that certain Representations and Warranties Insurance Policy, if any, insuring, and purchased by, Purchaser.

(nnnnnn) "SEMA" has the meaning set forth in Section 3.31(a)(ii).

(oooooo) "Sequestration Agreement" means the carbon sequestration evaluation agreement dated December 1, 2022 between His Majesty the King in Right of the Province of Alberta and West Lake.

(pppppp) "Signing Cash Deposit" means the deposit of $1,000,000.00.

(qqqqqq) "Statement of Objections" has the meaning set forth in Section 2.06(c).

(rrrrrr) "Straddle Period" means any Tax Period that includes but does not end at or before the Closing Date.

(ssssss) "Tangible Assets" means the: (a) pipelines and facilities listed in Section 1.01(iii) of the Disclosure Schedules and all other tangible depreciable property, apparatus, plant, equipment, machinery, field inventory and facilities currently used or intended for use in, or otherwise useful in exploiting, producing, processing, gathering, treating, measuring or injecting any Petroleum Substances from or within the Lands and located within or upon the Lands (or any lands pooled or unitized therewith), including all downhole casing for the Wells, gas plants, oil batteries, buildings, structures, fresh and produced water facilities, production equipment, production storage facilities, pipelines, flow lines, gathering lines and systems, pipeline connections, meters, generators, motors, compressors, treaters, scrubbers, dehydrators, separators, pumps, tanks, boilers, communication equipment and all salvageable equipment pertaining to any Wells and any of the foregoing related thereto.

(tttttt) "Target Entities" means, collectively, BowArk and the Captus Entities.

(uuuuuu) "Tax" or "Taxes" means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, land transfer, transfer, value added, alternative, or add on minimum tax including GST/HST, QST, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan and Québec Pension Plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.

(vvvvvv) "Tax Act" means the *Income Tax Act* (Canada).

(wwwwww) "Tax Period" means any period prescribed by any Governmental Authority for which a Tax Return is required to be filed or Tax is required to be paid.

(xxxxxx) "Tax Representations" has the meaning set forth in Section 8.01.

(yyyyyy) "Tax Return" means all reports, returns, information returns, claims for refunds, elections, designations, estimates, reports and other documents, including any schedule or attachments thereto, filed or required to be filed or supplied to any Governmental Authority in respect of Taxes and including any amendment thereof or attachment thereto.

(zzzzzz) "Third Party" has the meaning set forth in Section 8.05(a).

(aaaaaaa) "Third-Party Claim" has the meaning set forth in Section 8.05(a).

(bbbbbbb) "Title and Operating Documents" means, to the extent directly related to the Mineral Rights, the Power Generation Assets, the Miscellaneous Interests and the Tangible Assets, or any one of them, all agreements, instruments and documents that relate to the acquisition, ownership, operation or exploitation of the Mineral Rights, the Miscellaneous Interests or the Tangible Assets, including, without limitation: (a) the Leases; (b) the BowArk Material Contracts and Captus Material Contracts; (c) the Permits; (d) certificates of title; (e) operating agreements, royalty agreements, construction and/or ownership agreements, assignments, unit agreements, farmout or farmin agreements, option agreements, participation agreements, pooling agreements, sale and purchase agreements, trust declarations and asset exchange agreements and other similar agreements; and (f) any other documents and agreements granting, reserving or otherwise conferring rights to: (i) explore for, drill for, produce, take, use or market Petroleum Substances or generate electricity; (ii) share in the production of Petroleum Substances; (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced; and (iv) acquire any of the rights described in items (i) to (iii) of this definition; including those listed in Section 1.01(vi) of the Disclosure Schedules.

(ccccccc) "Transaction" means the purchase and sale of the Purchased Interests and the other ancillary transactions contemplated by this Agreement.

(ddddddd) "Transaction Documents" means this Agreement and those agreements and other documents set out as deliverables at Closing under Section 2.03 .

(eeeeeee) "Transportation, Sale and Handling Agreements" means agreements providing for the processing, compression, treatment, gathering, storage, transportation or sale of Petroleum Substances produced from the Lands or lands pooled or unitized therewith or obligations for processing, compression, treatment, gathering, storage, transportation or sale of Petroleum Substances on behalf of Third Parties.

(fffffff) "Vendors" has the meaning set forth in the preamble.

(gggggggg) "Vendors' Indemnitees" has the meaning set forth in Section 8.03.

(hhhhhhh) "Wells" means all wells located on the Lands or lands with which the Lands have been pooled or unitized, including all producing, shut-in, abandoned, suspended, capped, injection, disposal, reclamation exempt and reclamation certified wells and all wells listed in Section 1.01(vii) of the Disclosure Schedules.

(iiiiiii) "West Lake" has the meaning set forth in the preamble.

(jjjjjjj) "West Lake LTA" has the meaning set forth in Section 10.02.

(kkkkkkk) "West Lake Cash Consideration" has the meaning set forth in Section 2.02(e)(iii).

(lllllll) "West Lake's Knowledge" or any other similar knowledge qualification, means the actual knowledge or awareness, as the case may be, of Garrett Ulmer and Rob Cook. For the avoidance of doubt, knowledge or awareness does not include the knowledge of any Third Party or constructive knowledge and does not impose any obligation to make inquiry of any other Person, including Third Parties or the files and records of any Third Party or Governmental Authority.

(mmmmmmm) "West Lake Purchased Interests" has the meaning set forth in the recitals.

(nnnnnnn) "West Lake Purchased Shares" has the meaning set forth in the recitals.

(ooooooo) "West Lake Purchased Units" has the meaning set forth in the recitals.

ARTICLE II
PURCHASE AND SALE

Section 2.01 Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing,

(a) BTG Power shall sell to the Purchaser, and the Purchaser shall acquire from BTG Power, the BTG Power Purchased Shares;

(b) BTG Energy shall sell to the Purchaser, and the Purchaser shall acquire from BTG Power, the BTG Energy Purchased Interests; and

(c) West Lake shall sell to the Purchaser, and the Purchaser shall acquire from West Lake, the West Lake Purchased Interests,

each free and clear of all Encumbrances other than Permitted Encumbrances, for the respective consideration specified in Section 2.02.

Section 2.02 Purchase Price.

(a) The aggregate consideration payable by the Purchaser for the Purchased Interests shall be $24,000,000 (the "Cash Consideration"), as adjusted pursuant to Section 2.06 (the "Adjusted Purchase Price"), payable to the Vendors allocated as 37.5% to BTG Power, 47.5% to BTG Energy and 15% to West Lake.

(b) Within two Business Days of the date of this Agreement, Purchaser shall pay the Signing Cash Deposit to Captus GP, on behalf of the Vendors, as a deposit against the Purchase Price.

(c) If Closing does not occur on the Closing Date the Cash Deposits shall be dealt with in accordance with Section 11.02.

(d) If Closing occurs on the Closing Date, the Cash Deposits shall be released by Captus GP to the Vendors and applied towards the payment of the Adjusted Purchase Price. Any interest accrued on the Cash Deposits shall be paid by Captus GP to the Vendors prior to Closing (in the percentages set out above in Section 2.02(a)) but shall not adjust the Cash Consideration.

(e) The Cash Consideration payable by the Purchaser at the Closing shall be payable to the Vendors as follows:

(i) 37.5 % of the Cash Consideration (the "BTG Power Cash Consideration") to BTG Power for the BTG Power Purchased Shares;

(ii) 47.5% of the Cash Consideration (the "BTG Energy Cash Consideration") to BTG Energy for the BTG Energy Purchased Interests; and

(iii) 15% of the Cash Consideration (the "West Lake Cash Consideration") to West Lake for the West Lake Purchased Interests.

Section 2.03 Closing Deliveries.

(a) At the Closing, the Purchaser shall (and, in the case of Section 2.03(a)(iv)(D), Gryphon shall):

(i) deliver, or cause to deliver, to BTG Power (as directed by BTG Power):

(A) the BTG Power Cash Consideration, less 37.5% of the Cash Deposits, by wire transfer of immediately available funds to the accounts that have been designated in writing by BTG Power (with any adjustments to the BTG Power Cash Consideration to be payable pursuant Section 2.06);

(B) an assignment agreement dated as of the Closing Date between BTG Power and the Purchaser providing for the assignment and novation of the BowArk Agreement (the "BowArk Assignment") from BTG Power to Purchaser, duly executed by the Purchaser;

(ii) deliver, or cause to deliver, to BTG Energy (as directed by BTG Energy):

(A) the BTG Energy Cash Consideration, less 47.5% of the Cash Deposits, by wire transfer of immediately available funds to the accounts that have been designated in writing by BTG Energy (with any adjustments to the BTG Energy Cash Consideration to be payable pursuant to Section 2.06);

(iii) deliver, or cause to deliver, to West Lake (as directed by West Lake):

(A) the West Lake Cash Consideration, less 15% of the Cash Deposits, by wire transfer of immediately available funds to the accounts that have been designated in writing by West Lake (with any adjustments to the West Lake Cash Consideration to be payable pursuant to Section 2.06);

(iv) deliver to the Vendors:

(A) evidence, satisfactory to the Vendors, acting reasonably, that 3,906,605 Gryphon Shares, in aggregate, have been issued by Gryphon to Harry Andersen, Paul Connolly, Mark Taylor and Steve Giacomin within two Business Days of the signing of this Agreement, as an inducement to sign new employment agreements with one of the Target Entities, which Gryphon Shares will be (x) revocable if the Transactions do not close by the Closing Date, (y) subject to a 4-year vesting schedule, and (z) subject to voting proxy conditions in favour of Gryphon;

(B) evidence, satisfactory to the Vendors, that all approvals, consents and waivers that are listed in Section 5.02 of the Disclosure

Schedules have been received and executed counterparts thereof;

(C) a certificate, dated the Closing Date and signed by a duly authorized officer of the Purchaser certifying thereto are true and complete copies of all resolutions adopted by the board of directors of the Purchaser authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents, as applicable, and the consummation of the Transactions, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the Transactions;

(D) a certificate, dated the Closing Date and signed by a duly authorized officer of Gryphon certifying thereto are true and complete copies of all resolutions adopted by the board of directors of Gryphon authorizing the execution, delivery and performance of the Agreement and the other Transaction Documents, as applicable, and the consummation of the Transactions, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the Transactions;

(E) a bare trust and agency agreement with BTG Energy substantially in the form of Schedule "B" duly executed by Purchaser;

(F) a bare trust and agency agreement with West Lake substantially in the form of Schedule "C" duly executed by Purchaser; and

(G) such other documents or instruments as the Vendors may reasonably request and are reasonably necessary to consummate the Transactions.

(b) At the Closing,

(i) BTG Power shall deliver to the Purchaser (or as directed by the Purchaser):

(A) share certificates representing the BTG Power Purchased Shares, duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank;

(B) the BowArk Assignment, duly executed by BTG Power, Brad Sparkes and Algonquin Power Corporation;

(C) a certificate, dated the Closing Date and signed by a duly authorized officer of BTG Power, certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of BTG Power authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents, as applicable, and the consummation of the Transactions, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the Transactions; and

(D) evidence, satisfactory to the Purchaser, that BowArk exercised its option to renew the initial term of the Ground Lease.

(ii) BTG Energy shall deliver to the Purchaser (or as directed by the Purchaser):

(A) share and unit certificates representing the BTG Energy Purchased Shares and the BTG Energy Purchased Units duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank;

(B) a certificate, dated the Closing Date and signed by a duly authorized officer of BTG Energy, certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of BTG Energy authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents, as applicable, and the consummation of the Transactions, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the Transactions;

(C) a bare trust and agency agreement with Purchaser substantially in the form of Schedule "B" duly executed by BTG Energy;

(D) evidence, satisfactory to the Purchaser, acting reasonably, of the termination of the Captus USA executed by BTG Energy and Captus GP;

(E) evidence, satisfactory to the Purchaser, acting reasonably, of the termination of the Operating and Maintenance Agreement executed by BTG Energy and Captus GP;

(F) evidence, satisfactory to the Purchaser, acting reasonably, of a waiver of the obligation for consent to the change of control arising from the Transaction executed by Captus GP; and

(G) evidence, satisfactory to the Purchaser, acting reasonably, of the transfer and assignment of the Sequestration Agreement from West Lake to Captus GP.

(iii) West Lake shall deliver to the Purchaser (or as directed by the Purchaser):

(A) share and unit certificates representing the West Lake Purchased Shares and the West Lake Purchased Units, duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank;

(B) a certificate, dated the Closing Date and signed by a duly authorized officer of West Lake, certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of West Lake authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents, as applicable, and the consummation of the Transactions, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the Transactions;

(C) a bare trust and agency agreement with Purchaser substantially in the form of Schedule "C" duly executed by West Lake; and

(D) evidence, satisfactory to the Purchaser, acting reasonably, of the termination of the Captus USA executed by West Lake;

(iv) the Vendors shall deliver to the Purchaser (or as directed by the Purchaser):

(A) evidence, satisfactory to the Purchaser, that all approvals, consents and waivers that are listed in Section 3.05 and Section 4.06 of the Disclosure Schedules have been received and any executed counterparts thereof

(B) the written resignation of each director and officer of Target Entities and a release of all claims of such directors and officers against the Target Entities, in a form acceptable to the Purchaser, acting reasonably;

(C) the minute books and unit certificate books (or equivalent) of the Target Entities; and

(D) such other documents or instruments as the Purchaser may reasonably request and are reasonably necessary to consummate the Transactions.

Section 2.04 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the BTG Power Purchased Shares, BTG Energy Purchased Interests and West Lake Purchased Interests and other transactions contemplated herein shall take place at a closing (the "Closing") to be held virtually on the Closing Date, provided that the conditions set out in ARTICLE VII are satisfied or waived. The purchase and sale of the BTG Power Purchased Shares, the BTG Energy Purchased Interests and the West Lake Purchased Interests shall occur simultaneously.

Section 2.05 Withholding of Taxes. The Purchaser shall be permitted to deduct or withhold from all payments due to the Vendors, in accordance with the applicable Tax legislation, and shall, upon request, provide the Vendors with such written documentation regarding all such amounts deducted or withheld. Any amounts deducted pursuant to this Section 2.05 and remitted to the appropriate Governmental Authority shall be treated for all purposes as having been paid to the appropriate Vendor with respect to which such deduction or withholding was made.

Section 2.06 Purchase Price Adjustment. At least three Business Days before the Closing, the Vendors shall prepare and deliver to Purchaser a statement (the "Estimated Closing Working Capital Statement") setting forth its good faith estimate of Closing Working Capital (the "Estimated Closing Working Capital"). If the Estimated Closing Working Capital is less than $0, the Cash Consideration payable at Closing shall be reduced by the amount equal to $0 minus the Estimated Closing Working Capital.

(a) Within 45 days after Closing, the Purchaser shall prepare and deliver to the Vendors a statement (the "Closing Working Capital Statement") setting forth its calculation of Closing Working Capital.

(b) After receipt of the Closing Working Capital Statement, the Vendors shall have 15 days (the "Review Period") to review the Closing Working Capital Statement. During the Review Period, the Vendors shall have access to the Books and Records and working papers prepared by the Purchaser to the extent that they relate to the Closing Working Capital Statement; provided that such access shall be in a manner that does not interfere with the normal business operations of the Purchaser or the Target Entities.

(c) On or before the last day of the Review Period, the Vendors may object to the Closing Working Capital Statement by delivering to the Purchaser a written statement setting forth Vendors' disagreement therewith (the "Statement of Objections"). If the Vendors fail to deliver the Statement of Objections before the expiration of the Review Period, the Closing Working Capital Statement shall be deemed to have been accepted by the Vendors.

(d) If the Vendors deliver the Statement of Objections before the expiration of the Review Period, the Purchaser and the Vendors shall negotiate to resolve such objections within 10 days after the delivery of the Statement of Objections (the "Resolution Period"), and if the same are so resolved within the Resolution Period, the Closing Working Capital Statement with such changes as may have been agreed in writing by the Purchaser and the Vendors shall be final and binding.

(e) If the Vendors and the Purchaser fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (the "Disputed Amounts") shall be submitted for resolution to the office of an impartial nationally recognized firm of independent chartered professional accountants other than the Vendors' accountant or the Purchaser's accountant as mutually agreed (the "Independent Accountant") who, acting as an expert and not an arbitrator, shall resolve the Disputed Amounts only and make any adjustments to the Closing Working Capital Statement. The Parties agree that all adjustments shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute by the Parties and its decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Working Capital Statement and the Statement of Objections, respectively. The fees and expenses of the Independent Accountant shall be paid by (A) the Vendors and (B) the Purchaser based upon the percentage that the amount actually contested but not awarded to the Vendors or the Purchaser, respectively, bears to the aggregate amount actually contested by Vendors and Purchaser. The determination of the Independent Accountant shall be conclusive and binding upon the Parties hereto.

(f) Payment of Adjustment to Purchase Price.

(i) If the Closing Working Capital is:

(A) equal to the Estimated Closing Working Capital, then no further adjustment will be made to the Cash Consideration;

(B) less than the Estimated Closing Working Capital, then the Purchase Price shall be decreased by the amount of such shortfall and the Vendors shall pay to the Purchaser the amount of any such shortfall; and

(C) greater than the Estimated Closing Working Capital, then the Purchase Price shall be increased by the amount of such difference, and the Purchaser shall pay to the Vendors the amount of any such increase.

(ii) Except as otherwise provided herein, any payment if required pursuant to Section 2.06(f), shall be due within five Business Days of acceptance of the Closing Working Capital Statement (or if there are Disputed Amounts, then within five Business Days of the resolution described in Section 2.06(e)). Any amounts so required to be paid shall be paid by wire transfer of immediately available funds to such account as is directed by the Purchaser or the Vendors, as the case may be.

(iii) Any adjustment to the Cash Consideration shall be allocated as to 37.5% to BTG Power, 47.5% to BTG Energy and 15% to West Lake, unless otherwise directed by the Vendors.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF BTG POWER

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, BTG Power represents and warrants to the Purchaser that the statements contained in this ARTICLE III are true and correct as of the date hereof.

Section 3.01 Corporate Status and Authorization of BTG Power. BTG Power is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to BTG Power's Knowledge, the bankruptcy, insolvency, liquidation or winding up of BTG Power, BTG Power has the corporate power and capacity to enter into this Agreement and the other Transaction Documents, as may be applicable, to which BTG Power is a party, to carry out its obligations hereunder and thereunder and to consummate the Transactions. The execution and delivery by BTG Power of this Agreement and any other Transaction Documents to which BTG Power is a party, the performance by BTG Power of its obligations hereunder and thereunder and the consummation by BTG Power of the Transactions have been duly authorized by all requisite corporate action on the part of BTG Power. This Agreement has been duly executed and delivered by BTG Power, and (assuming due authorization, execution and delivery by the Purchaser, Gryphon, BTG Energy and West Lake), this Agreement constitutes a legal, valid and binding obligation of BTG Power enforceable against BTG Power in accordance with its terms. When each other Transaction Document to which BTG Power is or will be a party has been duly executed and delivered by BTG Power (assuming due authorization, execution and delivery by each other Party thereto), such Transaction Document will constitute a legal, valid and binding obligation of BTG Power enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable or other discretionary remedies and defences.

Section 3.02 Corporate Status of BowArk. BowArk is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to BTG Power's Knowledge, the bankruptcy, insolvency, liquidation or winding up of BowArk. BowArk has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. Section 3.02 of the Disclosure Schedules sets forth each jurisdiction in which BowArk is licensed or registered to carry on business, and BowArk is duly licensed or registered to carry on business and has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or registration necessary. All corporate actions taken by BowArk in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing.

Section 3.03 Capitalization.

(a) The authorized capital of BowArk consists of an unlimited number of common shares of which only the BTG Power Purchased Shares are issued and outstanding and constitute the BTG Power Purchased Shares to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All the BTG Power Purchased Shares have been duly authorized, are validly issued, fully paid and non-assessable, and BTG Power is the registered and beneficial owner of the BTG Power Purchased Shares, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the Transactions, the Purchaser shall own all the BTG Power Purchased Shares, free and clear of all Encumbrances other than Permitted Encumbrances.

(b) All the BTG Power Purchased Shares were issued in compliance with applicable Laws. None of the BTG Power Purchased Shares were issued in violation of any agreement, arrangement or commitment to which BTG Power or BowArk is a party or is subject to or in violation of any preemptive or similar rights of any Person.

(c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of BowArk or obligating BTG Power or BowArk to issue or sell any shares of, or any other interest in, BowArk. BowArk does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights. There are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the BTG Power Purchased Shares.

Section 3.04 No Subsidiaries. BowArk does not own, or have any interest in, any shares or have securities, or another ownership interest, in any other Person.

Section 3.05 No Conflicts; Consents. The execution, delivery and performance by BTG Power of this Agreement and the other Transaction Documents to which it or BowArk is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, unanimous shareholder agreements or other constating documents of BTG Power or BowArk; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to BTG Power or BowArk; (c) except as set forth in Section 3.05 of the Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which BTG Power or BowArk is a party or by which BTG Power or BowArk is bound or to which any of their respective Assets are subject (including any BowArk Material Contract) or any Permit affecting the Assets or business of BowArk; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any Assets of BowArk. Except as set forth the Disclosure Schedules, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to BTG Power or BowArk in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, except for such consents, approvals, Permits, Governmental Orders, declarations, filings or notices which, in the aggregate, would not have a Material Adverse Effect.

Section 3.06 Financial Statements.

(a) Complete copies of BowArk's Financial Statements have been delivered to the Purchaser. The Financial Statements have been prepared in accordance with ASPE applied on a consistent basis throughout the period involved.

(b) The Financial Statements of BowArk: (i) are based on the Books and Records of BowArk; and (ii) fairly, completely and accurately present in all material respects the Assets, Liabilities and financial position of BowArk as of the respective dates they were prepared and the results of the operations of BowArk for the periods covered thereby.

(c) BowArk maintains a standard system of accounting established and administered in accordance with ASPE.

Section 3.07 Undisclosed Liabilities. To BTG Power's Knowledge, BowArk has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise (collectively, the "Liabilities"), except: (a) those that are adequately reflected or reserved against in the BowArk Balance Sheet as of the BowArk Balance Sheet Date; and (b) those that have been incurred in the Ordinary Course consistent with past practice since the BowArk Balance Sheet Date and that are not, individually or in the aggregate, material in amount.

Section 3.08 Absence of Certain Changes, Events and Conditions. Since the BowArk Balance Sheet Date, and other than in the Ordinary Course consistent with past practice, there has not been, with respect to BowArk, any:

(a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) amendment of the Articles, by-laws, unanimous shareholder agreements or other constating documents of BowArk;

(c) split, consolidation or reclassification of any shares in BowArk;

(d) issuance, sale or other disposition of any shares in BowArk, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any shares in BowArk;

(e) declaration or payment of any dividends or distributions on or in respect of any shares in BowArk or redemption, retraction, purchase or acquisition of its shares;

(f) material change in any method of accounting or accounting practice of BowArk, except as required by ASPE or as disclosed in the notes to the Financial Statements;

(g) material change in BowArk's cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

(h) entry into any Contract that would constitute a BowArk Material Contract;

(i) incurrence, assumption or guarantee of any indebtedness for borrowed money except unsecured current obligations and Liabilities incurred in the Ordinary Course consistent with past practice;

(j) transfer, assignment, sale or other disposition of any of the Assets shown or reflected in the BowArk Balance Sheet or cancellation of any debts or entitlements;

(k) transfer, assignment or grant of any licence or sublicence of any material rights under or with respect to any of BowArk's Corporate IP or Corporate IP Agreements;

(l) material damage, destruction or loss (whether or not covered by insurance) to any of its material Assets;

(m) any capital investment in, or any loan to, any other Person;

(n) acceleration, termination, material modification to or cancellation of any BowArk Material Contract to which BowArk is a party or by which it is bound;

(o) any material capital expenditures;

(p) imposition of any Encumbrance upon any of the BTG Power Purchased Shares or Assets, tangible or intangible;

(q) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its Related Persons;

(r) entry into a new line of business or abandonment or discontinuance of existing lines of business;

(s) adoption of any amalgamation, arrangement, reorganization, liquidation or dissolution, or the commencement of any proceedings by BowArk or its creditors seeking to adjudicate BowArk as bankrupt or insolvent, making a proposal with respect to BowArk under any Law relating to bankruptcy, insolvency, reorganization, arrangement or compromise of debts or similar laws, appointment of a trustee, receiver, receiver-manager, agent, custodian or similar official for BowArk or for any substantial part of its Assets;

(t) purchase, lease or other acquisition of the right to own, use or lease any Assets for an amount in excess of $25,000.00, individually (in the case of a Lease, per annum) or $100,000.00 in the aggregate (in the case of a Lease, for the entire term of the Lease, not including any option term), except for purchases of inventory or supplies in the Ordinary Course consistent with past practice;

(u) acquisition by amalgamation or arrangement with, or by purchase of a substantial portion of the assets or shares of, or by any other manner, any business or any Person or any division thereof;

(v) action by BowArk to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset or attribute of BowArk; or

(w) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 3.09 BowArk Material Contracts.

(a) All Contracts that are material to the business of BowArk have been disclosed by BTG Power to Purchaser in Section 3.09 of the Disclosure Schedules, being "BowArk Material Contracts".

(b) Each BowArk Material Contract is a valid and binding obligation of BowArk and, to BTG Power's Knowledge, each other party thereto. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any BowArk Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each BowArk Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to the Purchaser.

Section 3.10 Title to Assets; Real Property; Leases.

(a) BowArk is the legal and beneficial owner or lessee of the BowArk Real Property, personal property and other assets reflected in BowArk's Financial Statements. Except as set forth in Section 3.10 of the Disclosure Schedules, there are no rights of first refusal or other pre-emptive rights of purchase that entitle any Person to acquire any of the assets of BowArk that will be triggered or accelerated by the transactions contemplated hereby.

(b) BowArk has good and marketable title in fee simple to, or a valid leasehold interest in, all BowArk Real Property and personal property and other assets reflected in BowArk's Financial Statements or acquired after the BowArk Balance Sheet Date, other than assets sold or otherwise disposed of in the Ordinary Course consistent with past practice since the BowArk Balance Sheet Date. All such Real Property, personal property and assets (including leasehold interests) are free from all Encumbrances except for Permitted Encumbrances.

(c) BowArk does not directly or indirectly own any legal or beneficial interest in any real property, other than the BowArk Real Property.

(d) With respect to the current use of the BowArk Real Property owned by BowArk:

(i) all licences, certificates, consents, approvals, rights, permits (including building and occupancy permits) and agreements required to enable the BowArk Real Property to be used in its current manner are being complied with in all material respects;

(ii) all applicable legal and contractual requirements with regard to the use, of the BowArk Real Property in its current manner, including all zoning, by-laws, environmental, flood hazard, fire safety, health, handicapped facilities, building and other laws, ordinances, codes, regulations, orders and requirements of any Governmental Authority are being complied with in all material respects.

(e) There are no agreements, options, contracts or commitments to sell, transfer or otherwise dispose of any of the BowArk Real Property or that would restrict the ability of BowArk to transfer any such BowArk Real Property directly or indirectly.

(f) With respect to the BowArk Real Property leased by BowArk:

(i) BTG Power has delivered or made available to the Purchaser true, complete and correct copies of any, and all, leases affecting such BowArk Real Property together with all amendments and restatements, renewals, extensions, supplements or modifications thereto.

(ii) BowArk is not a sublessor or grantor under any sublease, licence, occupancy agreement or other instrument granting to any other Person any right to the possession, lease, occupancy or enjoyment of any such leased BowArk Real Property.

(iii) To BTG Power's Knowledge, there is no existing condition that, but for the passage of time or the giving of notice, could result in default by BowArk under the terms of any of the leases affecting such leased BowArk Real Property.

(iv) There is no existing defect or condition affecting any such leased BowArk Real Property that is impairing the current use of such leased BowArk Real Property in connection with BowArk or its business.

(g) There are no Actions pending nor, to BTG Power's Knowledge, threatened against BowArk, the BowArk Real Property or any portion thereof or interest therein that would adversely affect the value of the BowArk Real Property.

Section 3.11 Tangible Assets. Section 3.11 of the Disclosure Schedules describes to BTG Power's Knowledge the interconnection of certain of BowArk's pipelines to the Nova Gas Transmission System.

Section 3.12 Title to Power Generation Assets.

(a) Except as disclosed in Section 3.12 of the Disclosure Schedules and except for Permitted Encumbrances, BTG Power does warrant that:

(i) the BowArk interest in and to the Power Generation Assets will at the Closing Date be free and clear of any and all liens, mortgages, security interest, pledges, options, production or other penalties, reductions in interest, conversion or other alteration, demands, burdens, adverse claims, royalties and other Encumbrances created by, through or under BowArk;

(ii) subject to the other representation and warranties made in this Agreement, the rents, covenants, conditions and stipulations in the Title and Operating Documents to which BowArk is a Party, BowArk is entitled to hold and enjoy the Power Generation Assets without any lawful interruption by any Person claiming, by, through or under BowArk;

(iii) the Power Generation Assets are not subject to reduction by virtue of the conversion or other alteration of the interest of, any third party claiming by, through or under BowArk; and

(iv) BowArk has not received written notice and is to BTG Power's Knowledge, there are no material defaults or purported defaults under any of the Title and Operating Documents to which BowArk is a party.

Section 3.13 Connectivity of Power Generation Assets. The Power Generation Assets are connected to a gas supply in accordance with standard oil and gas energy practices in Western Canada.

Section 3.14 Rights of First Refusal. The sale and purchase of all of the issued and outstanding BTG Power Purchased Shares and the resulting change in control of BowArk as contemplated by this Agreement does not give rise to any right of first refusal or other preferential right to acquire any of the Power Generation Assets in favour of any Person.

Section 3.15 Areas of Mutual Interest. There are no active area of mutual interest or area of exclusion provisions in any of the Title and Operating Documents to which BowArk is a party or other agreements or documents to which the Power Generation Assets are subject.

Section 3.16 Power Plant. The 6MW power plant located at LSD SW23-004-29 W4 is not operational and to BTG Power's Knowledge, was mothballed substantially in accordance with standard industry practices in place at the time.

Section 3.17 Intellectual Property.

(a) Section 3.17 of the Disclosure Schedules lists all Corporate IP of BowArk. BowArk owns or has adequate, valid and enforceable rights to use all Corporate IP, free and clear of all Encumbrances. BowArk is not bound by any outstanding judgment, injunction, order or decree restricting the use of the Corporate IP or restricting the licensing thereof to any person or entity. With respect to the registered Corporate IP listed in Section 3.17 of the Disclosure Schedules:

(i) all such Corporate IP is valid, subsisting and in full force and effect; and

(ii) BowArk has paid all maintenance fees and made all filings required to maintain BowArk's ownership thereof.

(b) BowArk's prior and current use of the Corporate IP has not and does not infringe, violate, dilute or misappropriate the Intellectual Property of any person or entity and there are no claims pending or threatened by any person or entity with respect to ownership, validity, enforceability, effectiveness or use of the Corporate IP. No person or entity is infringing, misappropriating, diluting or otherwise violating any of the Corporate IP, and neither BowArk nor any affiliate of BowArk has made or asserted any claim, demand or notice against any person or entity alleging any such infringement, misappropriation, dilution or other violation.

Section 3.18 Accounts Receivable. The Accounts Receivable reflected in the BowArk Balance Sheet and the Accounts Receivable arising after the date thereof: (a) have arisen from bona fide transactions entered into by BowArk involving the sale of goods or the rendering of services in the Ordinary Course consistent with past practice; and (b) constitute only valid, undisputed claims of BowArk not subject to claims of set-off or other defences or counter-claims other than normal cash discounts accrued in the Ordinary Course consistent with past practice.

Section 3.19 Insurance. Section 3.19 of the Disclosure Schedules sets forth a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workplace safety and insurance, workers' compensation, vehicle, directors' and officers' liability, fiduciary liability and other casualty and property insurance maintained by BTG Power or its Affiliates (including BowArk) and relating to the Assets, business, operations, employees, officers and directors of BowArk (collectively, the "BowArk Insurance Policies") and true and complete copies of each of the BowArk Insurance Policies have been made available to the Purchaser. The BowArk Insurance Policies are in full force and effect and shall remain in full force and effect until Closing at which time they will terminate and be of no further force and effect. All premiums due on the BowArk Insurance Policies have been paid in accordance with the payment terms of each BowArk Insurance Policy. The BowArk Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of BowArk. All such BowArk Insurance Policies: (a) are valid and binding in accordance with their terms; and (b) have not been subject to any lapse in coverage. Except as set forth in Section 3.19 of the Disclosure Schedules, there are no claims related to BowArk's business pending under any BowArk Insurance Policies.

Section 3.20 Legal Proceedings; Governmental Orders.

(a) Except as set forth in Section 3.20(a) of the Disclosure Schedules, there are no Actions pending or, to BTG Power's Knowledge, threatened: (a) against or by BowArk affecting any of its Assets (or by or against BTG Power or any Affiliate thereof and relating to BowArk); or (b) against or by BowArk, BTG Power or any Affiliate of BTG Power that challenges or seeks to prevent, enjoin or otherwise delay the Transactions. No event has occurred, or circumstances exist that may give rise to, or serve as a basis for, any such action.

(b) Except as set forth in Section 3.20(b) of the Disclosure Schedules, there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting BowArk or any of its Assets.

Section 3.21 Compliance with Laws. BowArk has complied, since November 28, 2023, and is now complying, with all Laws applicable to it or its business or Assets, in all material respects, except for any such non-compliance that may have arisen prior to November 28, 2023 and which may be on-going and of which BTG Power has no Knowledge.

Section 3.22 Permits. All material Permits reasonably required for BowArk to conduct its business as currently conducted by it have been obtained by it and to BTG Power's Knowledge are valid, in full force and effect in all material respects. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any such Permit set forth in Section 3.22 of the Disclosure Schedules.

Section 3.23 Environmental Matters.

(a) None of BowArk, its business or its Assets are the subject of any Remedial Order.

(b) BowArk has not received, in the past three years, any Environmental Notice alleging that BowArk is in violation of or has any Liability under any Environmental Law that is unresolved.

(c) BowArk has not entered into or agreed to any consent, settlement or other agreement, nor is BowArk subject to any Governmental Order in any judicial, administrative, arbitral or other forum relating to compliance with or Liabilities under any Environmental Law.

(d) To BTG Power's Knowledge, BowArk has not Released any Hazardous Substances at, on or under any part of the Real Property, except as would not reasonably be expected to result in a Liability under any Environmental Law.

(e) BowArk has made available to the Purchaser all written Environmental audits, assessments, reports and similar reviews in its possession and control.

(f) Section 3.23(f) of the Disclosure Schedules contains a complete list of all active above-ground storage tanks owned or operated by BowArk.

Section 3.24 Indigenous Communities.

(a) There are no Aboriginal Claims affecting BowArk.

(b) There are no Contracts between BowArk and any Indigenous Communities.

Section 3.25 Benefit Plans. BowArk does not, and has not during the past three years maintained, contributed to, nor does BowArk have any Liability with respect to, any Benefit Plans.

Section 3.26 Employment Matters. BowArk has no employees and has no obligations under any employment laws with respect to any person.

Section 3.27 Taxes.

(a) Since November 28, 2023 (i) BowArk has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by it in all applicable jurisdictions with all appropriate Governmental Authorities; and (ii) all such Tax Returns that have been filed by, or with respect to, BowArk are true, complete, and correct, and BowArk has reported all income and all other amounts and information required to be reported thereon, and disclosed all Taxes required to be paid for the periods covered thereby. All Taxes due and payable by BowArk for period from November 28, 2023 ending on or before Closing (whether or not shown due on any Tax Returns and whether or not assessed or reassessed by the appropriate Governmental Authority) have been paid and has duly and timely paid.

(b) There are no Encumbrances for Taxes for the period of November 28, 2023 to the date hereof on any of the assets of BowArk.

(c) Since November, 28, 2023, no Governmental Authority of a jurisdiction in which BowArk has not filed a Tax Return has made any claim (written or oral) that BowArk is or may be subject to Tax or required to file Tax Returns by that Governmental Authority in such jurisdiction. There is no basis for a claim that BowArk is subject to such Tax in a jurisdiction in which BowArk does not file Tax Returns.

(d) Since November 28, 2023, there are no matters under audit or appeal with any Governmental Authority relating to Taxes of BowArk.

(e) True copies of all Tax Returns prepared and filed by BowArk during the past year, together with any notices of assessment of BowArk during the past year, have been made available to the Purchaser on or before the date of this Agreement.

(f) Adequate provision has been made in accordance with ASPE in the Books and Records for all Taxes payable in respect of the BowArk's business or its Assets since November 28, 2023.

(g) Since November 28, 2023:

(i) BowArk has not received any notice (written or oral) from any Governmental Authority that it is taking steps to assess any additional Taxes against BowArk for any period for which Tax Returns have been filed and, to BTG Power's Knowledge, there are no actual or pending audit investigations or other Actions of, or against, BowArk by any Governmental Authority relating to Taxes and no Governmental Authority has given notice (written or oral) of any intention to assert any deficiency or claim for additional Taxes against BowArk and to BTG Power's Knowledge, there are no grounds that could prompt an assessment or reassessment for Taxes;

(ii) BowArk has not waived any statute of limitation in respect of Taxes or agreed to any extension of time within which: (i) to file any Tax return covering any Taxes for which BowArk is or may be liable; (ii) BowArk is required to pay or remit amounts on account of Taxes; or (iii) any Governmental Authority may assess or collect Taxes for which BowArk may be liable.

(h) Neither BTG Power nor BowArk is a non-resident of Canada within the meaning of the Tax Act.

(i) To BTG Power's Knowledge, for all transactions between BowArk and any Person not resident in Canada for purposes of the Tax Act with whom BowArk was not dealing at arm's length, BowArk has made or obtained records or documents that meet the requirements of sections 247(4)(a) to (c) of the Tax Act. There are no transactions to which section 247(2) or (3) of the Tax Act may reasonably be expected to apply.

(j) For the period since November 28, 2023, BowArk has duly and timely withheld or collected the proper amount of Taxes that are required by Law to be withheld or collected (including Taxes and other amounts required to be withheld by it in respect of any Person, including any employee, officer or director and any Person not resident in Canada for purposes of the Tax Act, and any amount on account of goods and services, harmonized, and provincial or territorial sales taxes) and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required to be remitted by BowArk.

(k) Except for the acquisition of control that will occur by virtue of the execution of this Agreement, for purposes of the Tax Act or any other applicable Tax Law, to BTG Power's Knowledge, no Person or group of Persons other than the BTG Power has ever acquired control of BowArk.

(l) None of section 78, 80, 80.01, 80.02, 80.03 or 80.04 of the Tax Act, or any equivalent provision of the Tax Law of any province, territory or any other jurisdiction, has applied or will apply to BowArk at any time up to and including the Closing Date in a manner that would give rise to incremental Tax liabilities or reduction in Tax attributes.

(m) Since November 28, 2023, BowArk has not claimed any reserve under any one or more of subparagraph 40(1)(a)(iii), or paragraph 20(1)(m) or 20(1)(n), of the Tax Act if any such amount could be included in its income for any period ending after the Closing Date.

(n) To BTG Power's Knowledge, BowArk has not acquired property or services from, or disposed of property to, a non-arm's length Person (within the meaning of the Tax Act) for consideration, the value of which is less than the fair market value of the property or services, as the case may be.

(o) The only reserves under the Tax Act or any equivalent provincial or territorial Law anticipated by BTG Power to be claimed by BowArk for the taxation year deemed under section 249(4) of the *Tax Act* to have ended as a result of the transactions consummated by this Agreement are set forth in Section 3.27(o) of the Disclosure Schedules.

(p) BowArk is registered for GST/HST purposes under Part IX of the Excise Tax Act, under registration number 876021502 RT0001. BowArk has complied in all material respects with the Excise Tax Act and any other provincial sales tax legislation under which it is registered. All input tax credits claimed by BowArk under the Excise Tax Act have been properly and correctly calculated and documented in accordance with the requirements of the Excise Tax Act.

(q) To BTG Power's Knowledge, BowArk is not a party to, or bound by, any Tax indemnity, Tax-sharing or Tax-allocation agreement.

(r) To BTG Power's Knowledge, no Tax rulings have been requested or issued by any Tax authority with respect to BowArk.

(s) BowArk will not be required to include any item of income in, or exclude any item or deduction from, taxable income for any taxation year or portion thereof ending after the Closing Date as a result of use of an improper method of accounting, for the 2024 taxation year.

(t) Section 3.27(t) of the Disclosure Schedules accurately sets forth, for purposes of the Tax Act, the following:

(i) the paid-up capital of the BTG Power Purchased Shares;

(ii) all non-capital losses of BowArk;

(iii) all net capital losses of BowArk;

(iv) the amount of all investment tax credits available to BowArk;

(v) the adjusted cost base of BowArk's capital properties;

(vi) the cost of BowArk's depreciable properties, the capital cost allowance taken in respect of each class of such property and the undepreciated capital cost of each class of property;

(vii) the amount, if any, of BowArk's capital dividend account; and

(viii) the amount, if any, of BowArk's refundable dividend tax on hand.

(u) BowArk is a "Canadian-controlled private corporation" as defined in the Tax Act.

(v) Section 3.27(v) of the Disclosure Schedules sets forth all foreign jurisdictions in which BowArk is subject to Tax, is engaged in business or has a permanent establishment.

(w) Notwithstanding anything to the contrary in this Agreement, the representations and warranties in this Section 3.27 are not intended to serve as representations or warranties as to, nor can they be relied upon in determining, the amount of, or limitations on the use in any post-Closing Date Tax Period of, any losses, deductions, credits or other tax attributes, or relied upon for any other tax position taken in any other post-Closing Date Tax Period.

Section 3.28 Related-Party Transactions. Except as set forth in Section 3.28 of the Disclosure Schedules and pursuant to the BowArk Assignment:

(a) BowArk has not, to BTG Power's Knowledge, made any payment or loan to or borrowed any monies from or is otherwise indebted to, any of its Related Persons.

(b) Other than for the leased BowArk Real Property, neither BTG Power nor any Affiliate of BTG Power is (i) a party to any Contract with BowArk, (ii) indebted to BowArk, and BowArk is not indebted to any such Person, (iii) possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person that is a competitor or supplier, dealer, lessor or lessee of BowArk; or (iv) has any interest in any assets used or held for use by BowArk.

Section 3.29 Books and Records. Since the acquisition of BowArk by BTG Power, the Books and Records of BowArk have been maintained in accordance with sound business practices.

Section 3.30 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transactions or any other Transaction Document based upon arrangements made by or on behalf of BTG Power or BowArk.

Section 3.31 Anti-Money Laundering and Anti-Corruption Practices.

(a) To BTG Power's Knowledge, neither BowArk nor any of its directors, officers or employees or agents, consultants or representatives:

(i) has violated, and BTG Power's execution and delivery of and performance of its obligations under this Agreement will not violate, any Laws related to money laundering or government guidance regarding anti-money laundering and international anti-money laundering principles or procedures of an intergovernmental group or organization and any executive order, directive or regulation under the authority of any of the foregoing, or any orders or licences issued thereunder, in each case to which either BowArk or BTG Power is subject;

(ii) has, in the course of its actions for, or on behalf of, BowArk (A) knowingly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (B) paid or received any bribe or otherwise unlawfully offered or provided, directly or indirectly, anything of value to (or received anything of value from) any foreign or domestic government employee or official or any other Person, (C) violated or taken any act that would violate any provision of the *Corruption of Foreign Public Officials Act* (Canada) ("CFPOA"), the *Foreign Corrupt Practices Act of 1977* (United States) ("FCPA") or other similar Laws of other jurisdictions, (D) violated or taken any act that would violate any provision of the *Bribery Act* (UK) or other similar Laws of other jurisdictions, (E) violated or taken any act that would violate the *Special Economic Measures Act* (Canada) ("SEMA") or other similar Laws of other jurisdictions, or (F) violated or taken any act that would violate the *Freezing Assets of Corrupt Foreign Public Officials Act* (Canada) ("FACFOA") or other similar Laws of other jurisdictions, in each case to which BowArk is subject;

(iii) has, directly or indirectly, taken any action in violation of any export restrictions, anti-boycott regulations, embargo regulations or other similar applicable Canadian, United States or other foreign Laws;

(iv) is a "specially designated national" or "blocked person" under United States sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC"), a Person identified under SEMA, FACFOA or any United Nations resolution or regulation or otherwise a target of economic sanctions under other similar applicable Canadian, United States or foreign Laws; or

(v) has engaged in any business with any Person with whom, or in any country in which it is prohibited for a Person to engage under SEMA, FACFOA, any United Nations resolution or regulation or any other Law or it is prohibited for a United States Person (as defined in the Laws of the United States) to engage under Law or under applicable United States sanctions administered by OFAC.

(b) BowArk has adopted, implemented and maintained policies and procedures designed to ensure, and which are reasonably expected to ensure, continued compliance with Laws related to money laundering, CFPOA, SEMA, FACFOA, FCPA and the UK *Bribery Act* to the extent applicable.

Section 3.32 Full Disclosure. BTG Power has made reasonable inquiries and searches for material documents and information relating to BowArk. BTG Power has not knowingly withheld from Purchaser any relevant and material records, books, accounts or documents pertaining to BowArk that are in BTG Power's possession and control as at the date hereof.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BTG ENERGY AND WEST LAKE

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules (i) BTG Energy severally represents and warrants to Purchaser in respect of itself, the BTG Energy Purchased Shares and the BTG Energy Purchased Units; (ii) West Lake severally represents and warrants to Purchaser in respect of itself and the West Lake Purchased Shares and the West Lake Purchased Units; and (iii) each of BTG Energy and West Lake severally represent and warrant in respect of Captus GP and Captus LP that the statements contained in this ARTICLE IV are true and correct as of the date hereof.

Section 4.01 Corporate Status and Authorization of BTG Energy, West Lake.

(a) BTG Energy is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to BTG Energy's Knowledge, the bankruptcy, insolvency, liquidation or winding up of BTG Energy. BTG Energy has the corporate power and capacity to enter into this Agreement and the other Transaction Documents, as may be applicable, to which BTG Energy is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by BTG Energy of this Agreement and any other Transaction Documents to which BTG Energy is a party, the performance by BTG Energy of its obligations hereunder and thereunder and the consummation by BTG Energy of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of BTG Energy. This Agreement has been duly executed and delivered by BTG Energy, and (assuming due authorization, execution and delivery by the Purchaser, Gryphon, BTG Power and West Lake), this Agreement constitutes a legal, valid and binding obligation of BTG Energy enforceable against BTG Energy in accordance with its terms. When each other Transaction Document to which BTG Energy is or will be a party has been duly executed and delivered by BTG Energy (assuming due authorization, execution and delivery by each other Party thereto), such Transaction Document will constitute a legal, valid and binding obligation of BTG Energy enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable or other discretionary remedies and defences.

(b) West Lake is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to West Lake's Knowledge, the bankruptcy, insolvency, liquidation or winding up of West Lake. West Lake has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. West Lake has the corporate power and capacity to enter into this Agreement and the other Transaction Documents, as may be applicable, to which West Lake is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by West Lake of this Agreement and any other Transaction Documents to which West Lake is a party, the performance by West Lake of its obligations hereunder and thereunder and the consummation by West Lake of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of West Lake. This Agreement has been duly executed and delivered by West Lake, and (assuming due authorization, execution and delivery by the Purchaser, Gryphon, BTG Power and BTG Energy), this Agreement constitutes a legal, valid and binding obligation of West Lake enforceable against West Lake in accordance with its terms. When each other Transaction Document to which West Lake is or will be a party has been duly executed and delivered by West Lake (assuming due authorization, execution and delivery by each other Party thereto), such Transaction Document will constitute a legal, valid and binding obligation of West Lake enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditors' rights generally and the discretion of courts with respect to equitable or other discretionary remedies and defences.

Section 4.02 Corporate Status of Captus Entities.

Captus GP is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. Captus LP is a limited partnership formed and validly existing under the Laws of the Province of Alberta and has not been wound-up or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to BTG Energy's Knowledge and West Lake's Knowledge, the bankruptcy, insolvency, liquidation or winding up of the Captus Entities. The Captus Entities have the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by them and to carry on their business as it has been and is currently conducted. Section 4.02 of the Disclosure Schedules sets forth each jurisdiction in which the Captus Entities are licensed or registered to carry on business, and each of the Captus Entities is duly licensed or registered to carry on business and has submitted all notices or returns of corporate information, partnership information and other filings required by Law to be submitted by it to any Governmental Authority in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or registration necessary. All actions taken by the Captus Entities in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing.

Section 4.03 Capitalization of Captus GP.

(a) The authorized capital of Captus GP consists of an unlimited number of common shares of which only the BTG Energy Purchased Shares and the West Lake Purchased Shares are issued and outstanding and, respectively, constitute the BTG Energy Purchased Shares and the West Lake Purchased Shares to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All the BTG Energy Purchased Shares and the West Lake Purchased Shares have been duly authorized, are validly issued, fully paid and non-assessable.

(b) BTG Energy is the registered and beneficial owner of the BTG Energy Purchased Shares, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the Transactions, the Purchaser shall own all the BTG Energy Purchased Shares, free and clear of all Encumbrances other than Permitted Encumbrances. All the BTG Energy Purchased Shares were issued in compliance with applicable Laws. None of the BTG Energy Purchased Shares were issued in violation of any agreement, arrangement or commitment to which BTG Energy nor the Captus Entities are a party or is subject to or in violation of any preemptive or similar rights of any Person. Other than the Captus USA, there are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the BTG Energy Purchased Shares.

(c) West Lake is the registered and beneficial owner of the West Lake Purchased Shares, free and clear of all Encumbrances, other than Permitted Encumbrances. Upon consummation of the Transactions, the Purchaser shall own all the West Lake Purchased Shares, free and clear of all Encumbrances, other than Permitted Encumbrances. All the West Lake Purchased Shares were issued in compliance with applicable Laws. None of the West Lake Purchased Shares were issued in violation of any agreement, arrangement or commitment to which West Lake nor the Captus Entities are a party or is subject to or in violation of any preemptive or similar rights of any Person. Other than the Captus USA, there are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the West Lake Purchased Shares.

(d) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of Captus GP or obligating BTG Energy, West Lake or Captus GP to issue or sell any shares of, or any other interest in, Captus GP. Captus GP does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights.

Section 4.04 Capitalization of Captus LP.

(a) The authorized capital of Captus LP consists of an unlimited number of partnership units of which only the BTG Energy Purchased Units and West Lake Purchased Units are issued and outstanding and, respectively, constitute the BTG Energy Purchased Units and West Lake Purchased Units to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All the BTG Energy Purchased Units and West Lake Purchased Units have been duly authorized, and are validly issued. Upon consummation of the Transactions, the Purchaser shall own all the BTG Energy Purchased Units and West Lake Purchased Units, free and clear of all Encumbrances other than Permitted Encumbrances.

(b) BTG Energy is the registered and beneficial owner of the BTG Energy Purchased Units, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the Transactions, the Purchaser shall own all the BTG Energy Purchased Units, free and clear of all Encumbrances other than Permitted Encumbrances. All the BTG Energy Purchased Units were issued in compliance with applicable Laws. None of the BTG Energy Purchased Units were issued in violation of any agreement, arrangement or commitment to which BTG Energy, West Lake nor the Captus Entities are a party or is subject to or in violation of any preemptive or similar rights of any Person. Other than the Captus USA and the limited partnership agreement governing Captus LP, there are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the BTG Energy Purchased Units.

(c) West Lake is the registered and beneficial owner of the West Lake Purchased Units, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the Transactions, the Purchaser shall own all the West Lake Purchased Units, free and clear of all Encumbrances other than Permitted Encumbrances. All the West Lake Purchased Units were issued in compliance with applicable Laws. None of the West Lake Purchased Units were issued in violation of any agreement, arrangement or commitment to which West Lake, BTG Energy nor the Captus Entities are a party or is subject to or in violation of any preemptive or similar rights of any Person. Other than the Captus USA and the limited partnership agreement governing Captus LP, there are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the West Lake Purchased Units.

(d) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any units in the capital of Captus LP or obligating BTG Energy, West Lake or Captus LP to issue or sell any units of, or any other interest in, Captus LP. Captus LP does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights.

Section 4.05 No Subsidiaries. Neither Captus GP nor Captus LP owns, or has any interest in, any shares, units or have securities, or another ownership interest, in any other Person.

Section 4.06 No Conflicts; Consents.

(a) The execution, delivery and performance by BTG Energy of this Agreement and the other Transaction Documents to which it or the Captus Entities are a party, and the consummation of the Transactions, do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, partnership agreements, unanimous shareholder agreements or other constating documents of BTG Energy or the Captus Entities; (ii) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to BTG Energy or the Captus Entities; (iii) except for the ATB Consent and as set forth in Section 4.06 of the Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which BTG Energy or the Captus Entities are a party or by which BTG Energy or the Captus Entities are bound or to which any of their respective Assets are subject (including any Captus Material Contract) or any Permit affecting the respective Assets or businesses of the Captus Entities; or (iii) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any Assets of the respective Captus Entity. Except for the ATB Consent and as set forth the Disclosure Schedules, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to BTG Energy or the Captus Entities in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the Transactions other than as provided for in ARTICLE IX, except for such consents, approvals, Permits, Governmental Orders, declarations, filings or notices which, in the aggregate, would not have a Material Adverse Effect.

(b) The execution, delivery and performance by West Lake of this Agreement and the other Transaction Documents to which it or the Captus Entities are a party, and the consummation of the Transactions, do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, partnership agreements, unanimous shareholder agreements or other constating documents of West Lake or the Captus Entities; (ii) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to West Lake or the Captus Entities; (iii) except as set forth in Section 4.06 of the Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which West Lake or the Captus Entities are a party or by which West Lake or the Captus Entities are bound or to which any of their respective Assets are subject (including any Captus Material Contract) or any Permit affecting the respective Assets or businesses of the Captus Entities; or (iv) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any Assets of the respective Captus Entity. Except as set forth the Disclosure Schedules, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to West Lake or the Captus Entities in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the Transactions contemplated hereby and thereby, other than as provided for in ARTICLE X, except for such consents, approvals, Permits, Governmental Orders, declarations, filings or notices which, in the aggregate, would not have a Material Adverse Effect.

Section 4.07 Financial Statements.

(a) Complete copies of Captus Entities' Financial Statements have been delivered to the Purchaser. The Captus Entities' Financial Statements have been prepared in accordance with ASPE applied on a consistent basis throughout the period involved.

(b) The Financial Statements: (i) are based on the Books and Records of the Captus Entities; and (ii) fairly, completely and accurately present in all material respects the Assets, Liabilities and financial position of the Captus Entities as of the respective dates they were prepared and the results of the operations of the Captus Entities for the periods covered thereby.

(c) Each of the Captus Entities maintains a standard system of accounting established and administered in accordance with ASPE.

Section 4.08 Undisclosed Liabilities. To BTG Energy's and West Lake's Knowledge, neither of the Captus Entities have any Liabilities, except: (a) those that are adequately reflected or reserved against in the Captus Entities Balance Sheet as of the Captus Entities Balance Sheet Date; and (b) those that have been incurred in the Ordinary Course consistent with past practice since the Captus Entities Balance Sheet Date and that are not, individually or in the aggregate, material in amount.

Section 4.09 Absence of Certain Changes, Events and Conditions. Since the Captus Entities Balance Sheet Date, and other than in the Ordinary Course consistent with past practice, there has not been, with respect to the Captus Entities, any:

(a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) amendment of the Articles, by-laws, partnership agreements, unanimous shareholder agreement or other constating documents of the Captus Entities;

(c) split, consolidation or reclassification of any shares or units, as applicable, in the Captus Entities;

(d) issuance, sale or other disposition of any shares or units, as applicable, in the Captus Entities, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any shares or units, as applicable, in the Captus Entities;

(e) declaration or payment of any dividends or distributions on or in respect of any shares or units, as applicable, in the Captus Entities or redemption, retraction, purchase or acquisition of its shares or units, as the case may be;

(f) material change in any method of accounting or accounting practice of the Captus Entities, except as required by ASPE or as disclosed in the notes to the Financial Statements;

(g) material change in either of the Captus Entities' cash management practices and its policies, practices and procedures with respect to collection of accounts receivable, establishment of reserves for uncollectible accounts, accrual of accounts receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;

(h) entry into any Contract that would constitute a Captus Material Contract;

(i) incurrence, assumption or guarantee of any indebtedness for borrowed money except unsecured current obligations and Liabilities incurred in the Ordinary Course consistent with past practice;

(j) transfer, assignment, sale or other disposition of any of the Assets shown or reflected in the Captus Entities' Balance Sheets or cancellation of any debts or entitlements;

(k) transfer, assignment or grant of any licence or sublicence of any material rights under or with respect to any of the Captus Entities' Corporate IP or Corporate IP Agreements;

(l) material damage, destruction or loss (whether or not covered by insurance) to any of the Captus Entities' material Assets;

(m) any capital investment in, or any loan to, any other Person;

(n) acceleration, termination, material modification to or cancellation of any Captus Material Contract to which any Captus Entity is a party or by which it is bound;

(o) any material capital expenditures;

(p) imposition of any Encumbrance other than Permitted Encumbrances upon any of the BTG Energy Purchased Interests, West Lake Purchased Interests or the Captus Entities' Assets, tangible or intangible;

(q) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its Related Persons;

(r) entry into a new line of business or abandonment or discontinuance of existing lines of business;

(s) adoption of any amalgamation, arrangement, reorganization, liquidation or dissolution, or the commencement of any proceedings by the Captus Entities or their respective creditors seeking to adjudicate either of the Captus Entities as bankrupt or insolvent, making a proposal with respect to either of the Captus Entities under any Law relating to bankruptcy, insolvency, reorganization, arrangement or compromise of debts or similar laws, appointment of a trustee, receiver, receiver-manager, agent, custodian or similar official for either of the Captus Entities or for any substantial part of the Assets of either of the Captus Entities;

(t) purchase, lease or other acquisition of the right to own, use or lease any of the Captus Entities' Assets for an amount in excess of $25,000.00, individually (in the case of a Lease, per annum) or $100,000.00 in the aggregate (in the case of a Lease, for the entire term of the Lease, not including any option term), except for purchases of inventory or supplies in the Ordinary Course consistent with past practice;

(u) acquisition by amalgamation or arrangement with, or by purchase of a substantial portion of the assets or shares of, or by any other manner, any business or any Person or any division thereof;

(v) action by either of the Captus Entities to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset or attribute of either of the Captus Entities; or

(w) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 4.10 Captus Entities Material Contracts.

(a) All Contracts that are material to the businesses of the Captus Entities have been disclosed to Purchaser in Section 4.10 of the Disclosure Schedules, being "Captus Material Contracts".

(b) Each Captus Material Contract is a valid and binding obligation of Captus GP and/or Captus LP, as the case may be, and to BTG Energy's and West Lake's Knowledge, each other Party thereto, in accordance with its terms. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Captus Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Captus Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to the Purchaser.

Section 4.11 Title to Assets; Real Property; Leases.

(a) The respective Captus Entity is the legal and beneficial owner of the Captus Real Property, personal property and other assets reflected in such Captus Entities' Financial Statements. Except as set forth in Section 4.11 of the Disclosure Schedules, there are no rights of first refusal or other pre-emptive rights of purchase that entitle any Person to acquire any of the assets of the Captus Entities that will be triggered or accelerated by the Transactions.

(b) The respective Captus Entities has good and marketable title in fee simple to, or a valid leasehold interest in, all Captus Real Property and personal property reflected in such Captus Entities' Financial Statements or acquired after the Captus Entities Balance Sheet Date, other than assets sold or otherwise disposed of in the Ordinary Course consistent with past practice since the Captus Entities Balance Sheet Date. All such Captus Real Property and personal property (including leasehold interests) are free from all Encumbrances except for Permitted Encumbrances.

(c) The Captus Entities do not and have not directly or indirectly owned any legal or beneficial interest in any real property, other than the Captus Real Property and the Oil and Gas Assets.

(d) With respect to the current use of the Captus Real Property owned by the Captus Entities, except in respect of the AER Licenses:

(i) all licences, certificates, consents, approvals, rights, permits (including building and occupancy permits) and agreements required to enable the Captus Real Property to be used in its current manner are being complied with in all material respects;

(ii) all applicable legal and contractual requirements with regard to the use of the Captus Real Property in its current manner including all zoning, by-laws, environmental, flood hazard, fire safety, health, handicapped facilities, building and other laws, ordinances, codes, regulations, orders and requirements of any Governmental Authority are being complied with in all material respects.

(e) There are no agreements, options, contracts or commitments to sell, transfer or otherwise dispose of any of the Captus Real Property or that would restrict the ability of either of the Captus Entities to transfer any such Captus Real Property directly or indirectly.

(f) None of the Captus Real Property is leased by either Captus Entity from another party.

(g) There are no Actions pending nor, to BTG Energy's Knowledge or West Lake's Knowledge, threatened against either of the Captus Entities, the Captus Real Property or any portion thereof or interest therein that would adversely affect the value of the Captus Real Property.

Section 4.12 Title to Oil & Gas Assets.

(a) BTG Energy and West Lake do not warrant title to the Leases but except as disclosed in Section 1.01(i) of the Disclosure Schedules and except for Permitted Encumbrances, do warrant that:

(i) the Captus Entities interest in and to the Oil and Gas Assets will at the Closing Date be free and clear of any and all liens, mortgages, security interest, pledges, options, production or other penalties, reductions in interest, conversion or other alteration, demands, burdens, adverse claims, royalties and other Encumbrances created by, through or under the Captus Entities or either of them, other than Permitted Encumbrances;

(ii) subject to the other representation and warranties made in this Agreement, the rents, covenants, conditions and stipulations in the Title and Operating Documents to which the Captus Entities are a party, the Captus Entities are entitled to hold and enjoy the Oil and Gas Assets without any lawful interruption by any Person claiming, by, through or under the Captus Entities;

(iii) the Captus Entities' Mineral Rights are not subject to reduction by virtue of the conversion or other alteration of the interest of, any third party claiming by, through or under the Captus Entities; and

(iv) none of the Captus Entities has received written notice, and BTG Energy's and West Lake's Knowledge, there are no material default or purported defaults under any of the Title and Operating Documents to which the Captus Entities are a party.

Section 4.13 Tangible Assets and Wells. Except as set forth in Section 4.13 of the Disclosure Schedules, none of the Tangible Assets are subject to any lease, sale- leaseback or other similar arrangements except if terminable on thirty-one (31) days' notice or less without penalty.

Section 4.14 Rights of First Refusal. The sale and purchase of all of the issued and outstanding BTG Energy Purchased Interests and West Lake Purchased Interests and the resulting change in control of the Captus Entities as contemplated by this Agreement does not give rise to any right of first refusal or other preferential right to acquire any of the Oil and Gas Assets in favour of any Person.

Section 4.15 Areas of Mutual Interest. There are no active area of mutual interest or area of exclusion provisions in any of the Title and Operating Documents to which the Captus Entities are a party or other agreements or documents to which the Oil and Gas Assets are subject.

Section 4.16 Transportation, Sale and Handling Agreements. There are no Transportation, Sale and Handling Agreements applicable to the Oil and Gas Assets that cannot be terminated on notice of 31 days or less (without an early termination penalty or other cost).

Section 4.17 Decommissioned Gas Plant. The gas plant located at LSD 06-23-004-29 W4M is not operational and to BTG Energy's and West Lake's Knowledge, was decommissioned substantially in accordance with standard industry practices in place at the time

Section 4.18 Intellectual Property.

(a) Section 4.18 of the Disclosure Schedules lists all Corporate IP of the Captus Entities. The Captus Entities own or has adequate, valid and enforceable rights to use all Corporate IP, free and clear of all Encumbrances other than Permitted Encumbrances. None of the Captus Entities is bound by any outstanding judgment, injunction, order or decree restricting the use of the Corporate IP or restricting the licensing thereof to any person or entity. With respect to the registered Corporate IP listed in Section 4.18 of the Disclosure Schedules:

(i) all such Corporate IP is valid, subsisting and in full force and effect; and

(ii) the Captus Entities have paid all maintenance fees and made all filings required to maintain the Captus Entities' ownership thereof.

(b) The Captus Entities' prior and current use of the Corporate IP has not and does not infringe, violate, dilute or misappropriate the Intellectual Property of any person or entity and there are no claims pending or threatened by any person or entity with respect to ownership, validity, enforceability, effectiveness or use of the Corporate IP. No person or entity is infringing, misappropriating, diluting or otherwise violating any of the Corporate IP, and neither the Captus Entities nor any affiliate of the Captus Entities has made or asserted any claim, demand or notice against any person or entity alleging any such infringement, misappropriation, dilution or other violation.

Section 4.19 Accounts Receivable.

(a) The Accounts Receivable reflected on the Captus GP Balance Sheet and the Accounts Receivable arising after the date thereof: (a) have arisen from bona fide transactions entered into by Captus GP involving the sale of goods or the rendering of services in the Ordinary Course consistent with past practice; and (b) constitute only valid, undisputed claims of Captus GP not subject to claims of set-off or other defences or counter-claims other than normal cash discounts accrued in the Ordinary Course consistent with past practice.

(b) The Accounts Receivable reflected on the Captus LP Balance Sheet and the Accounts Receivable arising after the date thereof: (a) have arisen from bona fide transactions entered into by Captus LP involving the sale of goods or the rendering of services in the Ordinary Course consistent with past practice; and (b) constitute only valid, undisputed claims of Captus LP not subject to claims of set-off or other defences or counter-claims other than normal cash discounts accrued in the Ordinary Course consistent with past practice.

Section 4.20 Insurance. Section 4.20 of the Disclosure Schedules sets forth a true and complete list of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workplace safety and insurance, workers' compensation, vehicle, directors' and officers' liability, fiduciary liability and other casualty and property insurance maintained by BTG Energy, West Lake or their respective Affiliates (including the Captus Entities) and relating to the respective Assets, business, operations, employees, officers and directors of the Captus Entities (collectively, the "Captus Insurance Policies") and true and complete copies of each of the Captus Insurance Policies have been made available to the Purchaser. The Captus Insurance Policies are in full force and effect until Closing at which time they will terminate and be of no further force and effect and shall remain in full force and effect following the consummation of the Transactions. All premiums due on the Captus Insurance Policies have been paid in accordance with the payment terms of each Captus Insurance Policy. The Captus Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of either of the Captus Entities. All such Captus Insurance Policies: (a) are valid and binding in accordance with their terms; and (b) have not been subject to any lapse in coverage. Except as set forth in Section 4.20 of the Disclosure Schedules, there are no claims related to either of the Captus Entities' respective businesses pending under any Captus Insurance Policies as to which coverage has been questioned, denied or disputed, or in respect of which there is an outstanding reservation of rights. None of BTG Energy, West Lake or any of their respective Affiliates (including the Captus Entities) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any Captus Insurance Policy.

Section 4.21 Legal Proceedings; Governmental Orders.

(a) Except as set forth in Section 4.21(a) of the Disclosure Schedules, there are no Actions pending or, to BTG Energy's Knowledge and West Lake's Knowledge, threatened: (a) against or by the Captus Entities affecting any of their respective Assets (or by or against BTG Energy, West Lake or any Affiliate thereof and relating to either of the Captus Entities); or (b) against or by the Captus Entities, BTG Energy, any Affiliate of BTG Energy, West Lake or any Affiliate of West Lake that challenges or seeks to prevent, enjoin or otherwise delay the Transactions. No event has occurred, or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) Except as set forth in Section 4.21(b) of the Disclosure Schedules, there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting the Captus Entities or any of their respective Assets.

Section 4.22 Compliance with Laws. Each Captus Entity has, since November 28, 2023, complied and is now complying, with all Laws applicable to it or its business or Assets, in all material respects, except for any such non-compliance that may have arisen prior to November 28, 2023 and which may be on-going and of which BTG Energy and West Lake have no Knowledge.

Section 4.23 Permits. Other than the AER Licenses as set out in Section 4.23 of the Disclosure Schedule, all material Permits reasonably required for the Captus Entities to conduct its business as currently conducted by it have been obtained by it and to BTG Energy's and West Lake's Knowledge, are valid and in full force and effect in all material respects. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any such Permit set forth in Section 4.23 of the Disclosure Schedules.

Section 4.24 Environmental Matters.

(a) None of the Captus Entities, their businesses or their Assets are the subject of any Remedial Order.

(b) None of the Captus Entities have received, in the past year, any Environmental Notice alleging that Captus Entities is in violation of or has any Liability under any Environmental Law that is unresolved.

(c) None of the Captus Entities has entered into or agreed to any consent, settlement or other agreement, nor is Captus Entities subject to any Governmental Order in any judicial, administrative, arbitral or other forum relating to compliance with or Liabilities under any Environmental Law.

(d) To BTG Energy's and West Lake's Knowledge, none of the Captus Entities have Released any Hazardous Substances at, on or under any part of the Real Property, except as would not reasonably be expected to result in a Liability under any Environmental Law.

(e) The Captus Entities have made available to the Purchaser all written Environmental audits, assessments, reports and similar reviews in its possession and control.

(f) Section 4.24(f) of the Disclosure Schedules contains a complete list of all active or above-ground or underground storage tanks owned or operated by Captus Entities.

Section 4.25 Indigenous Communities.

(a) There are no Aboriginal Claims affecting the Captus Entities.

(b) There are no Contracts between the Captus Entities and any Indigenous Communities.

Section 4.26 Benefit Plans. None of the Captus Entities has or has ever maintained, contributed to, or have any Liability with respect to, any Benefit Plans.

Section 4.27 Employment Matters. None of the Captus Entities have any employees or obligations under any employment laws with respect to any person.

Section 4.28 Taxes. With respect to each Captus Entity:

(a) The applicable Captus Entity has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by it in all applicable jurisdictions with all appropriate Governmental Authorities. All Tax Returns that have been filed by, or with respect to, the applicable Captus Entity are true, complete, and correct, each Captus Entity reported all income and all other amounts and information required to be reported thereon, and disclosed all Taxes required to be paid for the periods covered thereby.

(b) All Taxes due and payable by any Captus Entity for periods (or portions thereof) ending on or before the Closing Date (whether or not shown due on any Tax Returns and whether or not assessed or reassessed by the appropriate Governmental Authority) have been paid and has duly and timely paid.

(c) There are no Encumbrances for Taxes on any of the assets of any Captus Entity.

(d) No Governmental Authority of a jurisdiction in which a Captus Entity has not filed a Tax Return has made any claim (written or oral) that the Captus Entity is or may be subject to Tax or required to file Tax Returns by that Governmental Authority in such jurisdiction. There is no basis for a claim that a Captus Entity is subject to Tax in a jurisdiction in which a Captus Entity does not file Tax Returns.

(e) There are no matters under audit or appeal with any Governmental Authority relating to Taxes of any Captus Entity.

(f) True copies of all Tax Returns prepared and filed by a Captus Entity during the past year, together with any notices of assessment of a Captus Entity during the past year, have been made available to the Purchaser on or before the date of this Agreement.

(g) Adequate provision has been made in accordance with ASPE in the Books and Records for all Taxes payable in respect of the business or the Assets of the Captus Entity.

(h) None of the Captus Entities has received any notice (written or oral) from any Governmental Authority that it is taking steps to assess any additional Taxes against the Captus Entity for any period for which Tax Returns have been filed and, to BTG Energy's Knowledge and West Lake's Knowledge, there are no actual or pending audit investigations or other Actions of, or against, the Captus Entity by any Governmental Authority relating to Taxes. No Governmental Authority has given notice (written or oral) of any intention to assert any deficiency or claim for additional Taxes against the Captus Entity and to BTG Energy's and West Lake's Knowledge, there are no grounds that could prompt an assessment or reassessment for Taxes.

(i) None of the Captus Entities has waived any statute of limitation in respect of Taxes or agreed to any extension of time within which: (i) to file any Tax return covering any Taxes for which the Captus Entity is or may be liable; (ii) the Captus Entity is required to pay or remit amounts on account of Taxes; or (iii) any Governmental Authority may assess or collect Taxes for which the Captus Entity may be liable.

(j) Neither BTG Energy, West Lake nor the Captus Entity is a non-resident of Canada within the meaning of the Tax Act.

(k) For all transactions between the Captus Entity and any Person not resident in Canada for purposes of the Tax Act with whom the Captus Entity was not dealing at arm's length, the Captus Entity has made or obtained records or documents that meet the requirements of sections 247(4)(a) to (c) of the Tax Act. There are no transactions to which section 247(2) or (3) of the Tax Act may reasonably be expected to apply.

(l) The Captus Entities have duly and timely withheld or collected the proper amount of Taxes that are required by Law to be withheld or collected (including Taxes and other amounts required to be withheld by it in respect of any Person, including any employee, officer or director and any Person not resident in Canada for purposes of the Tax Act, and any amount on account of goods and services, harmonized, and provincial or territorial sales taxes) and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required to be remitted by the Captus Entity.

(m) Except for the acquisition of control that will occur by virtue of the execution of this Agreement, for purposes of the Tax Act or any other applicable Tax Law, no Person or group of Persons other than the BTG Energy has ever acquired control of the Captus Entity.

(n) None of section 78, 80, 80.01, 80.02, 80.03 or 80.04 of the Tax Act, or any equivalent provision of the Tax Law of any province, territory or any other jurisdiction, has applied or will apply to the Captus Entity at any time up to and including the Closing Date in a manner that would give rise to incremental Tax liabilities or reduction in Tax attributes.

(o) To BTG Energy's Knowledge, the Captus Entity has not acquired property or services from, or disposed of property to, a non-arm's length Person (within the meaning of the Tax Act) for consideration, the value of which is less than the fair market value of the property or services, as the case may be.

(p) The only reserves under the Tax Act or any equivalent provincial or territorial Law anticipated by BTG Energy or West Lake to be claimed by the Captus Entity for the taxation year deemed under section 249(4) of the *Tax Act* to have ended as a result of the transactions consummated by this Agreement are set forth in Section 4.28(p) of the Disclosure Schedules.

(q) Captus GP is registered for GST/HST purposes under Part IX of the Excise Tax Act, under registration number 788633758 RT0001. BTG Energy and West Lake have complied in all material respects with the Excise Tax Act and any other provincial sales tax legislation under which it is registered. All input tax credits claimed by Captus GP under the Excise Tax Act have been properly and correctly calculated and documented in accordance with the requirements of the Excise Tax Act.

(r) Captus LP is registered for GST/HST purposes under Part IX of the Excise Tax Act, under registration number 788626158 RT0001. BTG Energy and West Lake have complied in all material respects with the Excise Tax Act and any other provincial sales tax legislation under which it is registered. All input tax credits claimed by Captus LP under the Excise Tax Act have been properly and correctly calculated and documented in accordance with the requirements of the Excise Tax Act.

(s) None of the Captus Entities is a party to, or bound by, any Tax indemnity, Tax-sharing or Tax-allocation agreement.

(t) No Tax rulings have been requested or issued by any Tax authority with respect to either Captus Entity.

(u) None of the Captus Entities will be required to include any item of income in, or exclude any item or deduction from, taxable income for any taxation year or portion thereof ending after the Closing Date as a result of use of an improper method of accounting, for a taxation year ending before the Closing Date.

(v) Section 4.28(v) of the Disclosure Schedules accurately sets forth, for purposes of the Tax Act, the following:

(i) the paid-up capital of the BTG Energy Purchased Shares and the West Lake Purchased Shares;

(ii) all non-capital losses of Captus GP;

(iii) all net capital losses of Captus GP;

(iv) the amount of all investment tax credits available to Captus GP;

(v) the adjusted cost base of Captus GP's capital properties;

(vi) the cost of Captus GP's depreciable properties, the capital cost allowance taken in respect of each class of such property and the undepreciated capital cost of each class of property;

(vii) the amount, if any, of Captus GP's capital dividend account; and

(viii) the amount, if any, of Captus GP's refundable dividend tax on hand.

(w) Section 4.28(w) of the Disclosure Schedules accurately sets forth, for purposes of the Tax Act, the following:

(i) all non-capital losses of Captus LP;

(ii) all net capital losses of Captus LP;

(iii) the adjusted cost base of Captus LP's capital properties; and

(iv) the cost of Captus LP's depreciable properties, the capital cost allowance taken in respect of each class of such property and the undepreciated capital cost of each class of property.

(x) Captus GP is a "Canadian-controlled private corporation" as defined in the Tax Act.

(y) None of the Captus Entities have not claimed any reserve under any one or more of subparagraph 40(1)(a)(iii), or paragraph 20(1)(m) or 20(1)(n), of the Tax Act if any such amount could be included in its income for any period ending after the Closing Date.

(z) Section 4.28(z) of the Disclosure Schedules sets forth all foreign jurisdictions in which the Captus Entities are subject to Tax, engaged in business or have a permanent establishment.

(aa) Notwithstanding anything to the contrary in this Agreement, the representations and warranties in this Section 4.28 are not intended to serve as representations or warranties as to, nor can they be relied upon in determining, the amount of, or limitations on the use in any post-Closing Date Tax Period of, any losses, deductions, credits or other tax attributes, or relied upon for any other tax position taken in any other post-Closing Date Tax Period.

Section 4.29 Related-Party Transactions. Except as set forth in Section 4.29 of the Disclosure Schedules:

(a) To BTG Energy's Knowledge, none of the Captus Entities has made any payment or loan to or borrowed any monies from or is otherwise indebted to, any of their respective Related Persons.

(b) Other than for the Captus Real Property leased to BowArk, neither BTG Energy nor any Affiliate of BTG Energy is (i) a party to any Contract with any Captus Entity, (ii) indebted to any Captus Entity, and no Captus Entity is indebted to any such Person, (iii) possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person that is a competitor or supplier, dealer, lessor or lessee of any Captus Entity; or (iv) has any interest in any assets used or held for use by any Captus Entity.

(c) Neither West Lake nor any Affiliate of West Lake is (i) a party to any Contract with any Captus Entity, (ii) indebted to any Captus Entity, and no Captus Entity is indebted to any such Person, (iii) possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person that is a competitor or supplier, dealer, lessor or lessee of any Captus Entity; or (iv) has any interest in any assets used or held for use by any Captus Entity.

Section 4.30 Books and Records. Since BTG Energy's and West Lake's acquisition of the Captus Entities, the Books and Records of the Captus Entities, have been maintained in accordance with sound business practices.

Section 4.31 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transactions or any other Transaction Document based upon arrangements made by or on behalf of BTG Energy, West Lake or the Captus Entities.

Section 4.32 Anti-Money Laundering and Anti-Corruption Practices.

(a) To BTG Energy's and West Lake's Knowledge, neither of the Captus Entities nor any of their respective directors, officers or employees or, to BTG Energy's Knowledge and West Lake's Knowledge, agents, consultants or representatives:

(i) has violated, and BTG Energy's and West Lake's execution and delivery of and performance of their respective obligations under this Agreement will not violate, any Laws related to money laundering or government guidance regarding anti-money laundering and international anti-money laundering principles or procedures of an intergovernmental group or organization and any executive order, directive or regulation under the authority of any of the foregoing, or any orders or licences issued thereunder, in each case to which either the Captus Entities, BTG Energy or West Lake is subject;

(ii) has, in the course of its actions for, or on behalf of, Captus Entities (A) knowingly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (B) paid or received any bribe or otherwise unlawfully offered or provided, directly or indirectly, anything of value to (or received anything of value from) any foreign or domestic government employee or official or any other Person, (C) violated or taken any act that would violate any provision of the CFPOA, the FCPA or other similar Laws of other jurisdictions, (D) violated or taken any act that would violate any provision of the *Bribery Act* (UK) or other similar Laws of other jurisdictions, (E) violated or taken any act that would violate the SEMA or other similar Laws of other jurisdictions, or (F) violated or taken any act that would violate the FACFOA or other similar Laws of other jurisdictions, in each case to which any of the Captus Entities is subject;

(iii) has, directly or indirectly, taken any action in violation of any export restrictions, anti-boycott regulations, embargo regulations or other similar applicable Canadian, United States or other foreign Laws;

(iv) is a "specially designated national" or "blocked person" under United States sanctions administered by the OFAC a Person identified under SEMA, FACFOA or any United Nations resolution or regulation or otherwise a target of economic sanctions under other similar applicable Canadian, United States or foreign Laws; or

(v) has engaged in any business with any Person with whom, or in any country in which it is prohibited for a Person to engage under SEMA, FACFOA, any United Nations resolution or regulation or any other Law or it is prohibited for a United States Person to engage under Law or under applicable United States sanctions administered by OFAC.

(b) Each of the Captus Entities have adopted, implemented and maintained policies and procedures designed to ensure, and which are reasonably expected to ensure, continued compliance with Laws related to money laundering, CFPOA, SEMA, FACFOA, FCPA and the UK *Bribery Act* to the extent applicable.

Section 4.33 Full Disclosure. BTG Energy and West Lake have made reasonable inquiries and searches for material documents and information relating to the Captus Entities. BTG Energy and West Lake have not knowingly withheld from Purchaser any relevant and material records, books, accounts or documents pertaining to the Captus Entities that are in BTG Energy's or West Lake's possession and control as at the date hereof.

Section 4.34 Exclusivity of Representations. The representations and warranties made by Vendors in ARTICLE III and ARTICLE IV are the exclusive representations and warranties made by Vendors, express or implied, with respect to the Vendors, the Target Entities, the BTG Power Purchased Shares, the BTG Energy Purchased Interests and the West Lake Purchased Interests, as applicable and respectively. The Vendors hereby disclaim any and all other (express or implied) representations or warranties. Except as expressly set forth herein, Purchaser acknowledges and confirms that: (a) it will accept the BTG Power Purchased Shares, the BTG Energy Purchased Interests, the West Lake Purchased Interests, the condition of the businesses of the Target Entities and the Assets (including the Real Property) on an "AS IS" and "WHERE IS," basis, and none of the Vendors make any warranty of merchantability, suitability, fitness for a particular purpose or quality with respect to any of the Assets or as to the condition or workmanship thereof or the absence of any defects therein, whether latent or patent; (b) the Purchaser has performed its own due diligence and it has not relied on any data, information, statement or advice provided to Purchaser or its Representatives by any of the Vendors or the Target Entities or its or their Representatives other than the representations and warranties made by Vendors in ARTICLE III and ARTICLE IV; and (c) in agreeing to enter into and to consummate the Transactions, Purchaser has (except to the extent it has relied on the express representations and warranties set forth in ARTICLE III and ARTICLE IV), relied solely and exclusively on its own independent investigation and evaluation of the BTG Power Purchased Shares, the BTG Energy Purchased Interests, the Target Entities and their respective businesses, the Assets (including any Real Property), and any Liabilities assumed by Purchaser pursuant hereto, and it has been advised by and has relied solely on its own expertise and legal, land, Tax, engineering, accounting and other professional counsel concerning the Transactions.

Section 4.35 Disclaimer of Vendors.

(a) Each of the representations and warranties made by Vendors in this Agreement shall be qualified, by excepting therefrom, any matter, event or circumstance to the extent disclosed in the Data Room Information, the Disclosure Schedules or otherwise in this Agreement.

(b) Without limiting the generality of the foregoing, Vendors hereby negate and disclaim, and Purchaser acknowledges that Vendors shall not be liable for, any and all representations or warranties which may have been made or alleged to have been made in, or in respect of:

(i) any other document or instrument or in any statement or information made or communicated to Purchaser or its representatives in any manner, except for those set forth in ARTICLE III and this ARTICLE IV; and

(ii) except to the extent set forth in ARTICLE III and this ARTICLE IV:

(A) the value of the Assets or the future cash flow therefrom;

(B) the Environmental condition of any of the Assets or any Environmental Liabilities;

(C) the quality, condition, fitness, merchantability or sustainability of use for any purpose, of any of the Assets;

(D) any engineering information or economic evaluations;

(E) title to the Assets; or

(F) any Liabilities related to the Assets.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER AND GRYPHON

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, the Purchaser represents and warrants to the Vendors that the statements contained in Section 5.01 to and including Section 5.09 are true and correct as of the date hereof and Gryphon represents and warrants to the Vendors that the statements contained in Section 5.10 and Section 5.11 are true and correct as of the date hereof and will be true and correct as of the Closing Date.

Section 5.01 Corporate Status and Authorization of Purchaser. The Purchaser is a corporation incorporated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution. The Purchaser has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. The Purchaser has the corporate power and capacity to enter into this Agreement and the other Transaction Documents to which the Purchaser is a party, to carry out its obligations hereunder and thereunder and to consummate the Transactions. The execution and delivery by the Purchaser of this Agreement and any other Transaction Documents to which the Purchaser is a party, the performance by the Purchaser of its obligations hereunder and thereunder and the consummation by the Purchaser of the Transactions have been duly authorized by all requisite corporate action on the part of the Purchaser. This Agreement has been duly executed and delivered by the Purchaser, and (assuming due authorization, execution and delivery by the Vendors and Gryphon) this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms. When each other Transaction Document to which the Purchaser is or will be a party has been duly executed and delivered by the Purchaser (assuming due authorization, execution and delivery by each other Party thereto), such Transaction Document will constitute a legal, valid and binding obligation of the Purchaser enforceable against it in accordance with its terms.

Section 5.02 No Conflicts; Consents. The execution, delivery and performance by the Purchaser of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the Transactions, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, unanimous shareholder agreements or other constating documents of the Purchaser; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Purchaser; or (c) except as set forth in Section 5.02 of the Disclosure Schedules, require the consent, notice or other action by any Person under, any Contract to which the Purchaser is a party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Purchaser in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the Transactions, except for such consents, approvals, Permits, Governmental Orders, declarations, filings or notices which, in the aggregate, would not have a Material Adverse Effect.

Section 5.03 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the Transactions or any other Transaction Document based upon arrangements made by or on behalf of the Purchaser.

Section 5.04 Legal Proceedings. There are no Actions pending or, to the knowledge of the Purchaser, threatened against or by the Purchaser or any Affiliate of the Purchaser that challenge or seek to prevent, enjoin or otherwise delay the Transactions. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 5.05 Licence Eligibility. There is no circumstance or reason that is unique to Purchaser that exists that would cause the AER to determine that Captus GP is not eligible to acquire or hold approvals for wells, facilities or pipelines as set out under Law, including Directive 067, from BTG Energy following Closing.

Section 5.06 No Money Laundering. None of the funds Purchaser is using to acquire the Purchased Interests are, to the knowledge of the Purchaser, proceeds obtained or derived, directly or indirectly, as a result of illegal activities and the funds representing the Cash Consideration which will be paid to Vendors hereunder will not represent proceeds of crime for the purposes of the *Canada Corruption of Foreign Public Officials Act* (Canada), the FCPA or the *Proceeds of Crime (Money Laundering)* and *Terrorist Financing Act* (Canada) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to Purchaser and its operations (collectively, the "Money Laundering Laws"). The operations of Purchaser and, to the knowledge of the Purchaser, its Affiliates are and have been conducted at all times in compliance with Money Laundering Laws and no action, suit or proceeding by or before any court or Governmental Authority, agency or body or any arbitrator involving Purchaser or any of its Affiliates with respect to Money Laundering Laws is pending and, to its knowledge, no such actions, suits or proceedings are threatened or contemplated.

Section 5.07 Legal Proceedings; Governmental Orders. There are no Actions pending or, to the knowledge of the Purchaser threatened: against or by the Purchaser that challenges or seeks to prevent, enjoin or otherwise delay the Transactions. No event has occurred, or circumstances exist that may give rise to, or serve as a basis for, any such Action.

Section 5.08 Taxes. The Purchaser is a taxable Canadian corporation for purposes of the Tax Act.

Section 5.09 Independent Investigation. Purchaser has conducted its own independent investigation, review and analysis of the Purchased Interests, the business of the Target Entities, the Target Entities and the results of operations, prospects, condition (financial or otherwise) of the Assets (including any Real Property), and any Liabilities assumed by Purchaser pursuant hereto. Purchaser represents, acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the Transactions, Purchaser has relied solely and exclusively upon its own investigation and the express representations and warranties of Vendors set forth in this Agreement (including the related portions of the Schedules); (b) neither Purchaser nor any Affiliate of Purchaser has any knowledge that the representations and warranties of any of the Vendors in this Agreement are untrue or incorrect in any respect; and (c) neither Purchaser nor any Affiliate of Purchaser has any knowledge of any errors in, or omissions from the Schedules.

Section 5.10 Corporate Status and Authorization of Gryphon. Gryphon is a corporation incorporated and validly existing under the Laws of the State of Delaware and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution. Gryphon has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. Gryphon has the corporate power and capacity to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby to be undertaken by it. The execution and delivery by Gryphon of this Agreement, the performance by Gryphon of its obligations hereunder and the consummation by the Gryphon of the transactions hereby to be undertaken by it have been duly authorized by all requisite corporate action on the part of Gryphon. This Agreement has been duly executed and delivered by Gryphon, and (assuming due authorization, execution and delivery by the Vendors and Purchaser) this Agreement constitutes a legal, valid and binding obligation of Gryphon enforceable against Gryphon in accordance with its terms.

Section 5.11 No Conflicts; Consents. The execution, delivery and performance by Gryphon of this Agreement, and the consummation of the Transactions, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, unanimous shareholder agreements or other constating documents of Gryphon; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Gryphon; or (c) the consent, notice or other action by any Person under, any Contract to which Gryphon is a party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Gryphon in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby to be undertaken by it.

ARTICLE VI
COVENANTS

Section 6.01 Conduct of Business Before the Closing. From the date hereof until the Closing Date or the date of termination of this Agreement pursuant to ARTICLE XI (the "Termination Date"), except as otherwise provided in this Agreement or consented to in writing by the Purchaser (which consent shall not be unreasonably withheld or delayed), BTG Power (in respect of BowArk) and BTG Energy and West Lake (in respect of the Captus Entities) shall, and shall cause the Target Entities to: (i) conduct the business of the Target Entities in the Ordinary Course; and (ii) use reasonable commercial efforts to maintain and preserve intact the current organization and business of the Target Entities and to preserve the rights, franchises, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having business relationships with the Target Entities. Without limiting the foregoing, from the date hereof until the Closing Date, BTG Power shall use reasonable commercial efforts to cause BowArk to, and BTG Energy and West Lake shall use reasonable commercial efforts to cause the Captus Entities to:

(a) preserve and maintain all of their respective Permits;

(b) pay their respective debts, Taxes and other obligations when due;

(c) maintain the Assets in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear and in the Ordinary Course;

(d) continue in full force and effect without modification all insurance policies, except as required by applicable Law;

(e) defend and protect their respective Assets from infringement or usurpation;

(f) perform in all material respects all its obligations under all Contracts relating to or affecting their respective Assets or business;

(g) maintain the Books and Records in accordance with past practice;

(h) not make any loans, advances or capital contributions to any Person;

(i) not (A) make, change or revoke, or permit the relevant Target Entity to make, change or revoke, any Tax election, or file or cause to be filed an amended Tax Return unless required by Law or (B) make, or permit the Target Entity to make, any change in any Tax or accounting methods or policies or systems of internal accounting controls, except to conform to changes in Laws related to Taxes or accounting requirements;

(j) not (A) terminate (otherwise than for cause) the employment or services of any director, officer or manager or (B) grant any severance or termination pay to any director, officer or manager or any other employee;

(k) comply in all material respects with all applicable Laws; and

(l) not take or permit any action that would cause any of the changes, events or conditions described in Section 3.08 and 4.09, as the case may be, to occur.

From the date hereof until the Closing, the Vendors shall: (i) provide Purchaser with periodic updates on the business of the Target Entities, including providing Purchaser with any updates of any changes to the businesses of the Target Entities of a material nature within 3 Business Days of having Knowledge of such material changes; (ii) deliver to Purchaser copies of all correspondence received by the Vendors, BowArk or the Captus Entities from any Governmental Authority; (iii) allow for Purchaser to attend any formally called meetings of the senior management of BowArk or the Captus Entities as an observer ; and (iv) furnish the Purchaser and its Representatives with monthly financial and operating data that is prepared by or for any of the Target Entities following the date hereof until Closing which is of a material nature to the business of the Target Entities (and for certainty, that was not in the Data Room); (v) otherwise provide to Purchaser with any other information as Purchaser may reasonably request in writing and: (A) which Vendor considers to be reasonably necessary to allow Purchaser to undertake the operation of the businesses of the Target Entities immediately following the closing of the Transactions; and (B) of which the current management team of the Target Entities would not already be aware.

Section 6.02 No Solicitation of Other Bids. From the date hereof until the Closing Date or the Termination Date:

(a) the Vendors shall not, and shall not authorize or permit any of their respective Affiliates (including the Target Entities) or any of its or their Representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. Vendors shall immediately cease and cause to be terminated and shall cause their respective Affiliates (including the Target Entities) and all their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Person conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "Acquisition Proposal" shall mean any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) concerning: (i) a merger, amalgamation, arrangement, liquidation, recapitalization, share exchange or other business combination transaction involving any of the Target Entities; (ii) the issuance or acquisition of shares in the capital, or other equity securities, of any of the Target Entities; or (iii) the sale, lease, exchange or other disposition of substantially all or any significant portion of any of the Target Entities' Assets;

(b) in addition to the other obligations under this Section 6.02, Vendors shall promptly (and, in any event, within two Business Days after receipt thereof by such Vendor or its Representatives) advise Purchaser orally and in writing of any: (i) Acquisition Proposal, any request for information with respect to any Acquisition Proposal or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal; (ii) the material terms and conditions of such request, Acquisition Proposal or inquiry; and (iii) the identity of the Person making the same; and

(c) the Vendors agree that the rights and remedies for non-compliance with this Section 6.02 shall include having such provision specifically enforced by any court of competent equitable jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Purchaser and that monetary damages would not provide an adequate remedy for Purchaser.

Section 6.03 Notice of Certain Events.

(a) From the date hereof until the Closing Date or the Termination Date, Vendors shall promptly notify Purchaser in writing of any:

(i) fact, circumstance, event or action, the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by such Vendor hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 7.02 to be satisfied;

(ii) notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transactions;

(iii) notice or other communication from any Governmental Authority in connection with the Transactions; and

(iv) Actions commenced or, to BTG Energy's Knowledge, BTG Power's Knowledge or West Lake's Knowledge, as the case may be, threatened against, relating to or involving or otherwise affecting such Vendor or the Target Entities that, if pending on the date of this Agreement, would have been required to have been disclosed under Section 3.20 or Section 4.21, as applicable, or that relates to the consummation of the Transactions.

(b) Purchaser's receipt of information under this Section 6.03 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Vendors in this Agreement and shall not be deemed to amend or supplement the Disclosure Schedules.

Section 6.04 Resignations. The Vendors shall deliver to the Purchaser written releases and resignations, effective as of the Closing Date, of the officers and directors of the Target Entities requested by the Purchaser, substantially in the form set out in Schedule "A".

Section 6.05 Confidentiality. From and after the Closing, the Vendors shall, and shall cause their respective Affiliates to, hold, and shall use its reasonable commercial efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Target Entities, except to the extent that the Vendors can show that such information: (a) is generally available to, and known by, the public through no fault of the Vendors, any of their respective Affiliates or any of their respective Representatives; or (b) is lawfully acquired by the Vendor, any of their respective Affiliates or any of their respective Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If a Vendor, any of its respective Affiliates or any of their respective Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, such Vendor shall promptly notify the Purchaser and other Vendors in writing and shall disclose only that portion of such information that such disclosing Vendor is advised by its counsel in writing is legally required to be disclosed; provided that each Vendor shall use its reasonable commercial efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 6.06 Personal Information Privacy. The Purchaser shall, at all times, comply with all Laws governing the protection of personal information with respect to Personal Information disclosed or otherwise provided to the Purchaser by the Vendors or the Target Entities under this Agreement. The Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Target Entities and their respective businesses as contemplated in this Agreement and completing the Transactions. The Purchaser shall safeguard all Personal Information collected from the Vendors or the Target Entities in a manner consistent with the degree of sensitivity of the Personal Information and maintain, at all times, the security and integrity of the Personal Information.

Section 6.07 Other Approvals and Consents.

(a) The Vendors and the Purchaser shall use their respective commercially reasonable efforts to give all notices to, and obtain all consents from, all third parties that are described in Section 3.05, Section 4.06 and Section 5.02 of the Disclosure Schedules.

(b) If any consent, approval or authorization necessary to preserve any right or benefit under any Contract to which any of the Target Entities are a party is not obtained before the Closing, the Vendors shall, after the Closing, cooperate with the Purchaser and the applicable Target Entity(s) in attempting to obtain such consent, approval or authorization as promptly thereafter as practicable.

(c) The Vendors shall provide to the Purchaser:

(i) promptly upon receipt by the Vendors or a Target Entity, all material communications and correspondence received from the AESO, AEP, or AUC, and any other Governmental Authority in respect of any Project;

(ii) as soon as reasonably possible in advance of any deadline to submit such documents, drafts of any material submissions, filings or responses to be made by a Target Entity or the Vendor to the AESO, AEP, AUC, or any other Governmental Authority with respect to a Project prior to making such material submissions, filings or responses, and shall incorporate therein any reasonable comments from the Purchaser, provided that such comments are received in advance of any deadline to submit the documents; and

(iii) include Representatives of the Purchaser in any meetings, calls, or other two-way communications with the AESO, AEP, AUC, or any other Governmental Authority to the extent such communications will have a material impact on costs, schedule or viability of any Project.

Section 6.08 Books and Records. To facilitate the resolution of any claims made against or incurred by the Vendor(s) before the Closing or, for any other reasonable purpose, for a period of 7 years after the Closing, the Purchaser shall:

(i) retain the Books and Records (including personnel files) of the Target Entities relating to periods before the Closing in a manner reasonably consistent with the prior practices of the Target Entities; and

(ii) upon reasonable notice, afford the Representatives of the Vendor(s) reasonable access (including the right to make, at the Vendor's expense, photocopies), during normal business hours, to the Books and Records.

(b) To facilitate the resolution of any claims made by or against or incurred by the Target Entities after the Closing, or for any other reasonable purpose, for a period of 7 years after the Closing, each Vendor shall:

(i) retain the Books and Records (including personnel files) of such Vendor that relate to the Target Entities and its operations for periods before the Closing; and

(ii) upon reasonable notice, afford the Representatives of the Purchaser or the Target Entities reasonable access (including the right to make, at the Purchaser's expense, photocopies), during normal business hours, to the Books and Records.

(c) Neither the Purchaser nor the Vendors shall be obligated to provide the other Party with access to any Books and Records (including personnel files) under this Section 6.08 where such access would violate any Law.

Section 6.09 Allocation and Reporting of Closing Date Tax Year.

(a) On or before the statutory due date, the Purchaser shall prepare in accordance with applicable Law and past practice of the Target Entities which are corporations (the "Corporate Target Entities"), and after providing the Vendors of the Corporate Target Entities with a reasonable opportunity (which, in any event, shall not be fewer than 15 Business Days before the date on which such Tax Returns are required to be filed) to review and, in the case of any Tax Returns upon receipt of the Vendors' approval, not to be unreasonably withheld, conditioned or delayed, file, on behalf of and in the name of the Target Entities, all income Tax Returns of the Target Entities required by Law to be filed for the taxation year of the Target Entities that includes the Closing Date (the "Closing Date Tax Year").

(b) After Closing, the Purchaser shall provide, and shall cause the Corporate Target Entities to provide, to the Vendors of such Corporate Target Entities such information and assistance as is reasonably requested by such Vendors for the purposes of preparing the Tax Returns referred to in this Section 6.09.

(c) The Parties will inform each other of, and cooperate with each other in respect of, any audit inquiries with respect to any Tax Return involving the Corporate Target Entities in respect of any Pre-Closing Tax Period or of any Tax Return required to be filed under the Tax Act for the Closing Date Tax Year.

(d) If the Purchaser or the Corporate Target Entities receives an assessment or reassessment (each, an "Assessment") from any Governmental Authority in respect of any Tax Return in respect of any Pre-Closing Tax Period or any Tax Return filed under the Tax Act for the Closing Date Tax Year, the Purchaser shall deliver or cause to be delivered to the Vendors of such Corporate Target Entities a copy of the Assessment within 30 days of receiving the Assessment, *provided that* the failure to do so shall not affect the indemnification provided hereunder except only to the extent that such Vendor(s) shall have been actually materially prejudiced as a result of such failure. The Parties will cooperate in responding to or contesting any Assessment.

(e) the case of Captus LP, the provisions of Section 6.09(a)-(d) shall apply *mutatis mutandis*, taking into account the particular Tax Period applicable to Captus LP, which may include a Straddle Period.

(f) In the case of Captus LP, for all purposes under this Agreement, in the case of any Straddle Period, and regardless of whether there is a fiscal period end under the Tax Act, any income, gain, deduction, loss, credit and resource tax pools of Captus LP for a Straddle Period shall be allocated among the relevant parties as though any Straddle Period consisted of the following fiscal periods:

(i) a fiscal period starting at the beginning of the fiscal period January 1, 2025 and ending on the Closing Date (the "First Notional Fiscal Period"); and

(ii) a fiscal period starting on the Closing Date and ending on the earlier of (A) December 31, 2025, and (B) a dissolution of Captus LP (the "Second Notional Fiscal Period").

(g) In respect of the First Notional Fiscal Period of Captus LP, any income, deduction, gain, loss, credit and resource pools (the "Pre-Closing Taxable Income/Loss") of Captus LP and any Taxes withheld or paid by Captus LP will be allocated to and among the Vendors of BTG Energy Purchased Units and West Lake Purchased Units (together, the "Vendors of Purchased Units") based on each such Vendor's percentage partnership interest in Captus LP as at the Closing Date.

(h) In respect of the Second Notional Fiscal Period of Captus LP, any income, deduction, gain, loss, credit and resource pools (the "Post-Closing Taxable Income/Loss") of Captus LP and any Taxes withheld or paid by Captus LP will be allocated to Purchaser (or among Purchaser and any other Person that acquires a partnership interest in Captus LP on the Closing Date, to the extent applicable) immediately following the Closing Date.

(i) In calculating the amounts in Sections 6.09(g) and (h) and this Section 6.09(i) for Captus LP:

(i) the maximum amount of capital cost allowance deductible pursuant to the Tax Act and any other discretionary deductions shall be claimed to the full extent permitted pursuant to the Tax Act and, if applicable, subject to proration for the number of calendar days in the First Notional Fiscal Period or Second Notional Fiscal Period, as the case may be; and

(ii) any expenses, deductions and credits imposed or realized on a periodic basis without regard to income, gross receipts, payroll or sales shall be allocated notionally between the First Notional Fiscal Period and the Second Notional Fiscal Period, as applicable, based on the amount thereof and the number of calendar days in the First Notional Fiscal Period and the number of calendar days in the Second Notional Fiscal Period.

(j) The partners of Captus LP immediately prior to the Closing Date shall be allocated, on a *pro rata* basis, the Pre-Closing Taxable Income/Loss in respect of the First Notional Fiscal Period, and the Purchaser (and any other entity that holds an interest in Captus LP, as applicable) shall be allocated, on a *pro rata* basis, the Post-Closing Taxable Income/Loss in respect of the Second Notional Fiscal Period. For greater certainty, any Pre-Closing Taxable Income/Loss and any Post-Closing Taxable Income/Loss, as the case may be, shall be allocated among the partners of Captus LP in accordance with their respective partnership interests, and shall be reported by each such partner for Canadian federal and provincial income tax purposes (as applicable) and each such partner shall be solely responsible for paying any Taxes payable by such partner in respect of the Pre-Closing Taxable Income/Loss or Post-Closing Taxable Income/Loss allocated to it.

(k) In the case of property Taxes and other Taxes imposed on a periodic basis without regard to income, gross receipts, payroll or sales, in respect of any Straddle Period shall be allocated between the First Notional Fiscal Period and the Second Notional Fiscal Period, as applicable, based on the amount of such Taxes (or Tax refund or amount credited against Tax) and the number of calendar days in the First Notional Fiscal Period and the number of days in the Second Notional Fiscal Period. Any deductions or credits in respect of any Straddle Period shall be allocated to the First Notional Fiscal Period or the Second Notional Fiscal Period, as applicable (not to be unreasonably withheld, conditioned or delayed).

(l) Purchaser shall cause Captus LP to provide, on a timely basis, information to the Vendors of Purchased Units as to each such Vendor's allocation of loss (or income), if any, for any Straddle Period and each such Vendor's share of federal and provincial Taxes (as applicable) withheld or paid on account of income of Captus LP. The relevant parties agree that Purchaser and the Vendors of Purchased Units shall each be entitled to claim and keep refunds of its respective allocation of any Pre-Closing Taxable Income/Loss and any Post-Closing Taxable Income/Loss, as the case may be, for any Straddle Period. Purchaser shall cooperate with such Vendors in providing information to the Canada Revenue Agency and any provincial Tax authorities, as applicable, in support of such refund claims.

(m) For greater certainty, any of the foregoing allocations and reporting of Pre-Closing Taxable Income/Loss and Post-Closing Taxable Income/Loss, shall be made for Canadian federal and provincial income tax purposes (as applicable). The Purchaser shall not amend any tax filings or information returns of Captus LP relating to the allocations pursuant to this Section 6.09 or in respect of any periods arising prior to the fiscal period of Captus LP ending prior to the Closing Date.

(n) The relevant parties agree that the partnership agreement of Captus LP is hereby amended, as necessary, in order to give effect to this Section 6.09. Purchaser shall not, without the prior written consent of the Vendors of Purchased Units, amend or modify, or cause or permit the amendment or modification of, in whole or in part, any partnership agreement or other governing document of Captus LP, until such time as the net income and net loss for any Straddle Period (which, for certainty, includes the First Notional Fiscal Period and the Second Notional Fiscal Period, as applicable) has been allocated in accordance with the terms of this Section 6.09.

(o) Within 30 days after the Closing Date, the Vendors of Purchased Units shall prepare and deliver to the Purchaser, a statement setting out a proposed calculation of the Pre-Closing Taxable Income/Loss and the Post-Closing Taxable Income/Loss of Captus LP for the First Notional Fiscal Period and the Second Notional Fiscal Period, respectively, and the proposed allocation thereof in accordance with this Section 6.09 (the "Statement of Tax Allocations").

(p) The Purchaser shall have the right to review the Statement of Tax Allocations and if the Purchaser believes that any change is required to be made to the Statement of Tax Allocations as prepared by the Vendors of Purchased Units, the Purchaser shall, on or before that date (the "Objection Date") which is 15 Business Days after the delivery of the Statement of Tax Allocations pursuant to this Section 6.09, give notice of any such proposed change, including the reason for such change, to the relevant Vendor(s). In the event that the Purchaser does not notify the relevant Vendor(s) of any proposed change on or before the Objection Date, the Statement of Tax Allocations shall be deemed to have been accepted and shall be binding upon the Vendors of Purchased Units and the Purchaser. If the Purchaser gives notice to the relevant Vendor(s) of any proposed change to the Statement of Tax Allocations on or before the Objection Date, and if the proposed change is disputed by the relevant Vendor(s) and the Purchaser and the relevant Vendor(s) fail to resolve the dispute within 15 Business Days after the Objection Date, then an independent accountant shall be engaged by the Parties forthwith to resolve the dispute and such independent accountant shall be requested to render its decision without qualifications, other than the usual qualifications relating to engagements of this nature, within 15 days after the dispute is referred to it. The decision of such independent accountant shall be final and binding as between the Purchaser and the relevant Vendor(s). The cost of the independent accountant's review and determination shall be shared equally by the relevant Vendor(s) (to which the dispute relates) and the Purchaser.

(q) If, at any time after the Closing, the Purchaser or the Vendors determine, or become aware that an "advisor" (as defined for purposes of section 237.3 or 237.4, as the case may be, of the Tax Act) has determined, that the Transaction is subject to the reporting requirements under section 237.3 of the Tax Act or the notification requirements under section 237.4 of the Tax Act (in this Section 6.09(q), the "Disclosure Requirements"), the Purchaser or the Vendors, as the case may be, will promptly inform the other Party of their intent, or their advisor's intent, to comply with the Disclosure Requirements and the Parties will cooperate with respect to preparing and filing the applicable information returns or notifications, as the case may be and as required by Law, and to consider in good faith any changes requested by the other Party prior to the due date of any such filing.

Section 6.10 Public Announcements. From and after the Closing, Purchaser or the Target Entities shall be permitted to issue any press releases or public statements with respect to this Agreement or the Transactions. Prior to or after the Closing, except as required by Law (based upon the reasonable advice of counsel), no Vendor shall make any public announcement in respect of this Agreement or the Transactions or otherwise communicate with any news media without the prior written consent of the Purchaser (which consent shall not be unreasonably withheld or delayed).

Section 6.11 Further Assurances. Following the Closing, each of the Parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances, and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the Transactions.

ARTICLE VII
CONDITIONS TO CLOSING

Section 7.01 Conditions to Obligations of All Parties. The obligations of each Party to consummate the Transactions shall be subject to the fulfillment, at or before the Closing, of each of the following conditions:

(a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order that is in effect and has the effect of making the Transactions illegal, otherwise restraining or prohibiting consummation of such Transactions or causing any of the Transactions to be rescinded following the completion thereof.

(b) Vendors shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in Section 3.05 and Section 4.06 (other than those referred to in ARTICLE IX and ARTICLE X), and Purchaser shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in Section 5.02, in each case, in form and substance reasonably satisfactory to Purchaser and Vendors, and no such consent, authorization, order and approval shall have been revoked.

(c) No Action shall have been commenced against Purchaser, Vendors or the Target Entities that would prevent the Closing. No injunction or restraining order shall have been issued by any Governmental Authority and be in effect, which restrains or prohibits any transaction contemplated hereby.

Section 7.02 Conditions to Obligations of the Purchaser. The obligations of the Purchaser to consummate the Transactions shall be subject to the fulfillment or the Purchaser's waiver, at or before the Closing, of each of the following conditions:

(a) Other than the representations and warranties of the Vendors set out in Section 3.01, Section 3.02, Section 3.03, Section 3.06, Section 3.27, Section 4.01, Section 4.02, Section 4.03, Section 4.04, Section 4.07 and Section 4.28, the representations and warranties of Vendors set out in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Vendors set out in Section 3.01, Section 3.02, Section 3.03, Section 3.06, Section 3.27, Section 4.01, Section 4.02, Section 4.03, Section 4.04, Section 4.07 and Section 4.28 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).

(b) Vendors shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date.

(c) All consents, authorizations, orders and approvals that are listed in Section 3.05 and Section 4.06 (other than those referred to in ARTICLE IX and ARTICLE X) of the Disclosure Schedules shall have been received and executed counterparts thereof shall have been delivered to Purchaser, at or before the Closing.

(d) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.

(e) Purchaser shall have been provided with evidence, satisfactory to the Purchaser, acting reasonably, of the transfer and assignment of the Sequestration Agreement from West Lake to Captus GP.

(f) Purchaser shall have received all documents and other deliveries required to be delivered pursuant to Section 2.03.

Section 7.03 Conditions to Obligations of BTG Power. The obligations of BTG Power to consummate the Transactions shall be subject to the fulfillment or BTG Power's waiver, at or before the Closing, or each of the following conditions:

(a) Other than the representations and warranties of the Purchaser set out in Section 5.01, Section 5.02 and Section 5.08 and the representations and warranties of Gryphon set out in Section 5.10 and Section 5.11, the representations and warranties of the Purchaser and Gryphon, respectively, set out in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Purchaser set out in Section 5.01 and Section 5.02 and of Gryphon set out in Section 5.10 and Section 5.11 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with for the benefit of BTG Power by it before or on the Closing Date.

(c) BTG Power shall have received all documents and other deliveries required to be delivered pursuant to Section 2.03.

Section 7.04 Conditions to Obligations of BTG Energy. The obligations of BTG Energy to consummate the Transactions shall be subject to the fulfillment or BTG Energy's waiver, at or before the Closing, or each of the following conditions:

(a) Other than the representations and warranties of Purchaser set out in Section 5.01, Section 5.02 and Section 5.08 and the representations and warranties of Gryphon set out in Section 5.10 and Section 5.11, the representations and warranties of Purchaser set out in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Purchaser set out in Section 5.01, Section 5.02 and Section 5.08 and of Gryphon set out in Section 5.10 and Section 5.11 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with for the benefit of BTG Energy by it before or on the Closing Date.

(c) The ATB Consent shall have been obtained.

(d) By no later than February 7, 2025, Purchaser shall have delivered to BTG Energy an executed letter from a chartered bank in the United States or Canada where such chartered bank confirms to BTG Energy that it is highly confident that Gryphon has the ability to obtain the financing required in connection to pay the Adjusted Purchase Price by the Closing Date and that such bank is highly confident that it can ultimately be in a position to sell, place, arrange, or syndicate, as applicable, financing for Gryphon in the amount corresponding to the amount of the Purchase Price by the Closing Date, to BTG Energy's satisfaction, acting reasonably.

(e) BTG Energy shall have received all documents and other deliveries required to be delivered pursuant to Section 2.03.

Section 7.05 Conditions to Obligations of West Lake. The obligations of West Lake to consummate the Transactions shall be subject to the fulfillment or West Lake's waiver, at or before the Closing, or each of the following conditions:

(a) Other than the representations and warranties of Purchaser set out in Section 5.01, Section 5.02 and Section 5.08 and the representations and warranties of Gryphon set out in Section 5.10 and Section 5.11, the representations and warranties of Purchaser set out in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects). The representations and warranties of Purchaser set out in Section 5.01, Section 5.02, Section 5.03 and Section 5.08 and of Gryphon set out in Section 5.10 and Section 5.11 shall be true and correct in all respects on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date.

(b) Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it for the benefit of West Lake before or on the Closing Date.

(c) West Lake shall have received all documents and other deliveries required to be delivered pursuant to Section 2.03.

ARTICLE VIII
INDEMNIFICATION

Section 8.01 Survival.

(a) Subject to the limitations and other provisions of this Agreement, the representations and warranties:

(i) set out in ARTICLE III and ARTICLE IV hereof and in any certificate, document or other instrument delivered by or on behalf of the Vendors (or any of them) pursuant to this Agreement shall expire and terminate effective at the completion of Closing on the Closing Date; and

(ii) the representations and warranties of Purchaser and set out in ARTICLE V shall survive the Closing and shall remain in full force and effect until the date that is 12 months from the Closing Date *provided that* the representations and warranties of Purchaser in Section 5.01, Section 5.02 and Section 5.08 and of Gryphon in Section 5.10 and Section 5.11 shall survive indefinitely.

(b) After the date hereof, notwithstanding any other provision of this Agreement, if any Losses or Liabilities are suffered by, imposed upon or asserted by or against Purchaser as a result of, in respect of, connected with, or arising out of, under, or pursuant to any breach or inaccuracy of any representation or warranty given by any of the Vendors contained in this Agreement, including in respect of ARTICLE III and ARTICLE IV of this Agreement, the RW Insurance Policy shall be the sole and exclusive remedy of Purchaser.

(c) Vendors shall collectively be responsible for and shall pay 50% (up to an aggregate of $75,000.00) and Purchaser shall be responsible for and pay, the balance of all premiums, costs, expenses and other amounts required to cause any RW Insurance Policy to become effective in accordance with its terms upon the consummation of the Transactions contemplated by this Agreement, provided however that Vendors' aggregate responsibility for such RW Insurance Policy shall in no event exceed $75,000.00. Vendors shall cooperate with the Purchaser in the obtaining of the RW Insurance Policy, as may reasonably be requested by Purchaser. Purchaser shall not amend, restate, supplement or modify any RW Insurance Policy (or waive any such terms thereof) in any manner that results or could reasonably be expected to result in any liability to any of the Vendors or any of their respective Affiliates without the prior written consent of the Vendors.

(d) Except as provided above in this Section 8.01, all covenants and agreements of the Parties set out herein shall survive the Closing indefinitely or for the period explicitly specified herein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching Party(ies) to the breaching Party(ies) before the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable Law, whichever is sooner.

Section 8.02 Indemnification by Vendors. Subject to the other terms and conditions of this ARTICLE VIII, the Vendors shall severally, and not jointly and severally, indemnify and defend each of Purchaser and its Affiliates (including, from and after Closing, the Target Entities) and their respective Representatives (collectively, the "Purchaser Indemnitees") against, and shall severally, and not jointly and severally, hold each of them harmless from and against, and shall severally, and not jointly and severally, pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Purchaser Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by each of the Vendors, respectively, under this Agreement; or

(b) in the case of BTG Energy, all liabilities or obligations of BowArk and in the case of BTG Power and West Lake, all liabilities or obligations of the Captus Entities for Taxes for the Pre-Closing Tax Period including the First Notional Fiscal Period (provided that, notwithstanding anything to the contrary in this Agreement, the Purchaser shall not be indemnified with respect to Taxes to the extent such Taxes relate to the unavailability of any post-Closing Date Tax Period of any tax losses, deductions, credits or other tax attributes arising in a Pre-Closing Tax Period).

Section 8.03 Indemnification by Purchaser. Subject to the other terms and conditions of this ARTICLE VIII, the Purchaser and Gryphon shall jointly and severally indemnify and defend each of Vendors and their respective Affiliates and their respective Representatives (collectively, the "Vendors' Indemnitees") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Vendors' Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of the Purchaser or Gryphon contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Purchaser or Gryphon under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser or Gryphon under this Agreement.

Section 8.04 Certain Limitations. The indemnification provided for in Section 8.02 and Section 8.03 shall be subject to the following limitations:

(a) The maximum aggregate amount of Losses that the Vendors shall be liable under Section 8.02 shall not exceed 30% of:

(i) the BTG Power Cash Consideration in respect of BTG Power;

(ii) the BTG Energy Cash Consideration in respect of BTG Energy; or

(iii) the West Lake Cash Consideration in respect of West Lake, respectively, as applicable, except for any Losses arising from fraud, willful misconduct or a breach of any of such Vendors' Tax Representations.

(b) The Purchaser shall not be liable to the Vendors' Indemnitees for indemnification under Section 8.03 for any single Loss or series of Losses arising out of substantially the same or the same type or nature of events, circumstances or underlying facts until the amount thereof until the aggregate of all Losses in respect of indemnification under Section 8.03 exceeds 1% of the Purchase Price, provided however that the foregoing limitation shall not apply to Losses arising out of Purchaser's fraud. Notwithstanding anything else herein contained, the threshold on Purchaser's liability set out in this Section 8.04(b) shall not apply to, and Purchaser shall be responsible for, all Losses and Liabilities incurred by BTG Energy under ARTICLE IX and by West Lake under ARTICLE X.

(c) Notwithstanding the foregoing, the limitations set forth in Section 8.04(b) shall not apply to Losses based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in Section 5.01, Section 5.02, Section 5.08, Section 5.10 or Section 5.11.

(d) For purposes of this ARTICLE VIII, any inaccuracy in or breach of any representation or warranty and calculation of Losses shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation and warranty.

(e) Notwithstanding anything to the contrary herein, Purchaser Indemnified Parties shall not be indemnified pursuant to this ARTICLE VIII for any Losses incurred or suffered by any Purchaser Indemnified Party to the extent such Losses were included as indebtedness or reflected in the Estimated Closing Working Capital Statement and resulted in a deduction from the Cash Consideration pursuant to Section 2.06(a) or the Closing Working Capital Statement pursuant to Section 2.06(a); provided, however, that such limitation shall not apply to indemnification for Losses in excess of the amount deducted from the Cash Consideration pursuant to Section 2.06(a) or the Closing Working Capital Statement pursuant to Section 2.06(a).

Section 8.05 Indemnification Procedures. The Party making a claim under this ARTICLE VIII is referred to as the "Indemnified Party", and the Party against whom such claims are asserted under this ARTICLE VIII is referred to as the "Indemnifying Party".

(a) Third-Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a Party or an Affiliate of a Party to this Agreement (a "Third Party") or a Representative of the foregoing (a "Third-Party Claim") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third-Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third-Party Claim at the Indemnifying Party's sole cost and expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defence; *provided that*, (a) if the Indemnifying Party is Vendor, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third-Party Claim that: (i) is asserted directly by or on behalf of a Person that is a supplier or customer of the Target Entities; or (ii) seeks an injunction or other equitable relief against the Indemnified Party; and (b) if the Indemnifying Party is Purchaser, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third-Party Claim that seeks an injunction or other equitable relief against the Indemnified Party. If the Indemnifying Party assumes the defence of any Third-Party Claim, subject to Section 8.05(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party The Indemnified Party shall have the right to participate in the defence of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defence thereof and the fees and disbursements of such counsel shall be at the expense of the Indemnified Party; *provided that*, if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third-Party Claim, the Indemnified Party may, subject to Section 8.05(b), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. The Vendors and the Purchaser shall cooperate with each other in all reasonable respects in connection with the defence of any Third-Party Claim, including making available (subject to the provisions of Section 6.05) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending Party, management employees of the non-defending Party as may be reasonably necessary for the preparation of the defence of such Third-Party Claim.

(b) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 8.05(b). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within 20 days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume the defence of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defence under Section 8.05(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any Action by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (each, a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Target Entities' premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 8.06 Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this ARTICLE VIII, the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication. Any indemnification to which Purchaser as Indemnified Party is entitled pursuant to this ARTICLE VIII shall be effected by set-off against amounts owing from Purchaser to the Vendors, or by wire transfer of immediately available funds from Vendors to Purchaser to the account or accounts designated by Purchaser, at Purchaser's discretion. Any indemnification of any Indemnified Party that is a Vendor shall be effected by wire transfer of immediately available funds from Purchaser to such Vendor to the account or accounts designated by such Vendor. The Parties agree that, if the Indemnifying Party does not make full payment of any such obligations within such 15-Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to but excluding the date such payment has been made at a rate per annum equal to 5%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed, without compounding.

Section 8.07 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Purchase Price for Tax purposes, on a dollar-for-dollar basis, unless otherwise required by Law.

Section 8.08 Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate.

Section 8.09 Exclusive Remedies. Subject to ARTICLE IX and ARTICLE X and Section 12.11 and Section 12.12, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a Party hereto in connection with the Transactions) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this ARTICLE VIII. In furtherance of the foregoing, subject to this ARTICLE VIII and ARTICLE IX, ARTICLE X, Section 12.01, Section 12.11, Section 12.12, each Party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other Parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law. Notwithstanding the foregoing, nothing in this Section 8.09 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any Party's fraudulent, criminal or willful misconduct.

ARTICLE IX
BTG ENERGY AER LICENSE TRANSFERS

Section 9.01 LTA Transfers. BTG Energy holds the AER Licenses set out in Section 9.01 of the Disclosure Schedules (the "BTG Energy AER Licenses") on behalf of Captus GP as bare trustee and there are no other AER Licenses required for the operation of the business of the Captus Entities as is currently conducted by it other than the West Lake AER License. BTG Energy and the Purchaser agree to take such steps as are set out in this ARTICLE X to enable such AER Licenses to be transferred and assigned by BTG Energy to Captus GP as soon as reasonably possible following Closing.

Section 9.02 LTA Preparation. BTG Energy shall prepare drafts of the license transfer applications for the BTG Energy AER Licenses (each an "BTG LTA", and collectively, the "BTG LTAs") and provide same to the Purchaser within ten Business Days of the date hereof for Purchaser's review and Purchaser shall review same and provide any requested changes within five Business Days following receipt of such BTG LTA drafts from BTG Energy.

Section 9.03 AER Submission. Not later than the third Business Day following the Closing, BTG Energy shall electronically submit the BTG LTAs to the AER in accordance with the AER Directive 088: Licensee Life-Cycle Management using the AER Digital Data Submission Transfer Licence Transfer Application system, and the Purchaser shall cause Captus GP to, within one Business Day thereof, electronically ratify and accept the BTG LTAs.

Section 9.04 Co-operation. If necessary, BTG Energy, the Purchaser and Captus GP shall cooperate to duly complete or to correct any incomplete or inaccurate BTG LTAs as soon as practicable and, thereafter, the Vendor shall promptly re-submit such BTG LTA and the Purchaser shall cause Captus GP to accept such BTG LTA from BTG Energy immediately without delay.

Section 9.05 Compliance. If, for any reason, the AER or any other Governmental Authority requires Captus GP or BTG Energy (for the purposes of this ARTICLE IX, each an "LTA Party") to provide any undertakings, information or other documentation or to take any action as a condition of or a prerequisite for the approval of the transfer of any BTG LTA to Captus GP (other than payment of a deposit, a letter of credit or any other financial assurance), immediately after receiving notice of such requirements and at its sole cost, such LTA Party shall notify the other LTA Party of such requests and provide such undertakings, information or other documentation and take such action, as the case may be.

Section 9.06 AER Deposit.

(a) If BTG Energy is required to make a deposit (which shall include for the purposes of this ARTICLE IX, a letter of credit or any other financial assurances) with the AER or any other Governmental Authority as a condition of the AER's approval to remove BTG Energy as the named licensee under any of the BTG LTAs, BTG Energy shall make such deposit within five Business Days of BTG Energy's receipt of such AER or Governmental Authority request, and promptly give written confirmation thereof to the other Parties.

(b) If Captus GP is required to make a deposit (which shall include for the purposes of this ARTICLE IX, a letter of credit or any other financial assurances) with the AER or any other Governmental Authority as a condition of the AER's approval to allow Captus GP to be the named licensee under any of the BTG LTAs, Captus GP or Purchaser, on Captus GP's behalf, shall make such deposit within five Business Days of Captus GP's receipt of such AER or Governmental Authority request, and promptly give written confirmation thereof to the other Parties.

Section 9.07 Failure to Deposit.

(a) If BTG Energy fails to make a deposit with the AER pursuant to Section 9.06(a) by the deadline for such payment under Section 9.06(a) then Captus GP shall have the right, but not the obligation, to make such deposit on behalf of BTG Energy and BTG Energy acknowledges and agrees that Captus GP shall be BTG Energy's agent with full power and authority to make such deposit for and on behalf of BTG Energy. BTG Energy shall reimburse Captus GP for the amount of any such deposit made by Captus GP (up to the amount required to be deposited or repaid to the AER under Section 9.06(a) and pay interest on the amount of such deposit at an annual rate equal to the Prime Rate plus 5% from the date on which Captus GP paid such deposit to the date on which the reimbursement for such deposit and the corresponding interest is made in full. In addition to all other rights that may be available to Captus GP for the collection of such amounts from BTG Energy, Captus GP shall have the right to set-off the amount of any such deposit, including interest as provided in this Section 9.07, against any monies payable by the Purchaser to BTG Energy pursuant to this Agreement. To the extent the Law restricts the ability of Captus GP to pay any deposit required under this Section 9.07 directly to the AER, BTG Energy and Purchaser covenant and agree to cooperate and use commercially reasonable efforts to facilitate the payment of such deposit by Captus GP, for and on behalf of BTG Energy, to the AER in accordance with the terms hereof.

(b) If Captus GP (or the Purchaser, on Captus GP's behalf) fails to make a deposit with the AER pursuant to Section 9.06(b) by the deadline for such payment under Section 9.06(b), then BTG Energy shall have the right, but not the obligation, to make such deposit on behalf of Captus GP and Purchaser acknowledges and agrees that BTG Energy shall be Captus GP's agent with full power and authority to make such deposit for and on behalf of Captus GP. Purchaser shall or shall cause Captus GP to reimburse BTG Energy for the amount of any such deposit made by BTG Energy (up to the amount required to be deposited or repaid to the AER under Section 9.06(b) and pay interest on the amount of such deposit at an annual rate equal to the Prime Rate plus 5% from the date on which BTG Energy paid such deposit to the date on which the reimbursement for such deposit and the corresponding interest is made in full. In addition to all other rights that may be available to BTG Energy for the collection of such amounts from Purchaser or Captus GP, BTG Energy shall have the right to set-off the amount of any such deposit, including interest as provided in this Section 9.07, against any monies payable by BTG Energy to the Purchaser pursuant to this Agreement. To the extent the Law restricts the ability of BTG Energy to pay any deposit required under this Section 9.07 directly to the AER, BTG Energy and Purchaser covenant and agree to cooperate and use commercially reasonable efforts to facilitate the payment of such deposit by BTG Energy, for and on behalf of Captus GP, to the AER in accordance with the terms hereof.

Section 9.08 Liability and Indemnity for AER Licensed Assets. Purchaser shall be liable to and shall indemnify BTG Energy for all Losses and Liabilities incurred by BTG Energy as a direct result of BTG Energy holding the AER Licenses for the BTG LTAs following Closing, including any inactive well liability costs imposed by the AER during such period, until the BTG LTAs have been transferred to Captus GP and BTG Energy has been made whole by the Purchaser for any such Losses and Liabilities incurred by it prior to such date, excluding any Losses or Liabilities of BTG Energy that arise or are caused or result from (i) the gross negligence or willful misconduct of BTG Energy or any of its Affiliates (post-closing); and (ii) the AER requiring that BTG Energy make any deposits to it in respect of its or its Affiliate's other AER licensed assets, and provided however that BTG Energy's overhead and other internal administrative costs and expenses incurred by BTG Energy while holding such BTG AER Licenses will be paid by Purchaser in accordance with Section 9.09. Additionally, BTG Energy shall have the right to: (i) retain any amounts received by it on behalf of Purchaser under any of the Transaction Documents, and (ii) set-off amounts owing to it under or in connection with this Section 9.08 against any other amounts due or owing to Purchaser pursuant to this Agreement. Without limiting Purchaser's liability under this Section 9.08, in order to effect the orderly administration of the Oil and Gas Assets that are subject to the AER Licenses post-Closing, BTG Energy and Captus GP shall enter into a bare trust and agency agreement at Closing substantially in the form set out in Schedule "B"

Section 9.09 Fees. There shall be no costs assumed or fees owing by Purchaser for BTG Energy's overhead or other internal administrative cost for the first. one hundred twenty (120) days following the Closing Date. From and after one hundred twenty (120) days following the Closing Date, the Purchaser shall pay to BTG Energy on an annual basis, forthwith upon an invoice being issued therefor, an administration fee, in the amount set forth below, prorated for partial years or days on a monthly or daily basis, as applicable, as set out below. The fee shall be capped at the 2029 amounts for any periods beyond December 31, 2029 and shall be payable by Purchaser to BTG Energy until all of the BTG Energy AER Licenses have been transferred by the AER to Captus GP.

$/CAD	2025	2026	2027	2028	2029
AER Transfer Period - 120 days	$ -				
Yearly	$ 75,000	$ 150,000	$ 225,000	$ 300,000	$ 375,000
Monthly	$ 6,250	$ 12,500	$ 18,750	$ 25,000	$ 31,250
Daily	$ 206	$ 411	$ 617	$ 822	$ 1,028

Section 9.10 Pipeline Transfers. BTG Energy is of the opinion, acting reasonably, that none of the Pipeline Records are deficient such that they do not comply with the requirements of the *Pipeline Rules* (Alberta) and *CSA Z662, Oil and Gas Pipeline Systems* to an extent that BTG Energy and Captus GP are unable to make such declarations as are required to comply with the AER's certification requirements for transfer of pipeline licenses. BTG Energy shall deliver to Captus GP prior to the Closing Time all available Pipeline Records. BTG Energy and Captus GP shall make such declarations as are required to comply with the AER's certification requirements for transfer of pipeline licenses. If following the Closing Date, Captus GP is reasonably of the view that the Pipeline Records are deficient or BTG Energy or Captus GP receive written notice from the AER that it has determined that the Pipeline Records, or any of them, held by BTG Energy or transferred by BTG Energy to Captus GP under this Agreement do not satisfy or are found to be deficient under the Pipeline Rules in any respect, then Captus GP shall be responsible for and shall conduct, in a timely manner, all operations and activities that are required to cure or remedy any and all deficiencies ("Pipeline Deficiencies"), in each case in accordance with the terms of the applicable Title and Operating Documents, applicable Law, any requirements set forth in any correspondence with the AER and with generally accepted industry practices in the Province of Alberta, and utilizing the standard of care which would be followed by a reasonably prudent operator in similar circumstances which remedies may include the completion of an engineering assessment that demonstrates that the pipeline is fit for its intended purpose and service. The costs of curing, remedying or otherwise dealing with the Pipeline Deficiencies that are identified within 18 months of the Closing Date shall be paid by BTG Energy.

ARTICLE X
WEST LAKE AER LICENSE TRANSFER

Section 10.01 LTA Transfers. West Lake holds the AER License set out in Section 10.01 of the Disclosure Schedules (the "West Lake AER License") on behalf of Captus GP as bare trustee and there are no other AER Licenses required for the operation of the business of the Captus Entities as is currently conducted by it other than the BTG Energy AER Licenses. West Lake and the Purchaser agree to take such steps as are set out in this ARTICLE X to enable such West Lake AER Licenses to be transferred and assigned by West Lake to Captus GP as soon as reasonably possible following Closing.

Section 10.02 LTA Preparation. West Lake shall prepare the draft of the license transfer application for the West Lake AER Licenses (the "West Lake LTA") and provide same to the Purchaser within ten Business Days of the date hereof for Purchaser's review and Purchaser shall review same and provide any requested changes within five Business Days following receipt of such LTA draft from West Lake.

Section 10.03 AER Submission. Not later than the third Business Day following the Closing, West Lake shall electronically submit the West Lake LTA to the AER in accordance with the AER Directive 088: Licensee Life-Cycle Management using the AER Digital Data Submission Transfer Licence Transfer Application system, and the Purchaser shall cause Captus GP to, within one Business Day thereof, electronically ratify and accept the West Lake LTA.

Section 10.04 Co-operation. If necessary, West Lake, the Purchaser and Captus GP shall cooperate to duly complete or to correct any incomplete or inaccurate West Lake LTA as soon as practicable and, thereafter, West Lake shall promptly re-submit such West Lake LTA and the Purchaser shall cause Captus GP to accept such West Lake LTA from West Lake immediately without delay.

Section 10.05 Compliance. If, for any reason, the AER or any other Governmental Authority requires Captus GP or West Lake (for the purposes of this ARTICLE IX, each a "West Lake LTA Party") to provide any undertakings, information or other documentation or to take any action as a condition of or a prerequisite for the approval of the transfer of the West Lake LTA to Captus GP (other than payment of a deposit, a letter of credit or any other financial assurance), immediately after receiving notice of such requirements and at its sole cost, such West Lake LTA Party shall notify the other West Lake LTA Party of such requests and provide such undertakings, information or other documentation and take such action, as the case may be.

Section 10.06 AER Deposit.

(a) If West Lake is required to make a deposit (which shall include for the purposes of this ARTICLE X a letter of credit or any other financial assurances) with the AER or any other Governmental Authority as a condition of the AER's approval to remove West Lake as the named licensee under the West Lake LTA, West Lake shall make such deposit within five Business Days of West Lake's receipt of such AER or Governmental Authority request, and promptly give written confirmation thereof to the other Parties.

(b) If Captus GP is required to make a deposit (which shall include for the purposes of this ARTICLE X, a letter of credit or any other financial assurances) with the AER or any other Governmental Authority as a condition of the AER's approval to allow Captus GP to be the named licensee under the West Lake LTAs, Captus GP or Purchaser, on Captus GP's behalf, shall make such deposit within five Business Days of Captus GP's receipt of such AER or Governmental Authority request, and promptly give written confirmation thereof to the other Parties.

Section 10.07 Failure to Deposit.

(a) If West Lake fails to make a deposit with the AER pursuant to Section 10.06(a) by the deadline for such payment under Section 10.06(a) then Captus GP shall have the right, but not the obligation, to make such deposit on behalf of West Lake and West Lake acknowledges and agrees that Captus GP shall be West Lake's agent with full power and authority to make such deposit for and on behalf of West Lake. West Lake shall reimburse Captus GP for the amount of any such deposit made by Captus GP (up to the amount required to be deposited or repaid to the AER under Section 10.06(a) and pay interest on the amount of such deposit at an annual rate equal to the Prime Rate plus 5% from the date on which Captus GP paid such deposit to the date on which the reimbursement for such deposit and the corresponding interest is made in full. In addition to all other rights that may be available to Captus GP for the collection of such amounts from West Lake, Captus GP shall have the right to set-off the amount of any such deposit, including interest as provided in this Section 10.07, against any monies payable by the Purchaser to West Lake pursuant to this Agreement. To the extent the Law restricts the ability of Captus GP to pay any deposit required under this Section 10.07 directly to the AER, West Lake and Purchaser covenant and agree to cooperate and use commercially reasonable efforts to facilitate the payment of such deposit by Captus GP, for and on behalf of West Lake, to the AER in accordance with the terms hereof.

(b) If Captus GP (or the Purchaser, on Captus GP's behalf) fails to make a deposit with the AER pursuant to Section 10.06(b) by the deadline for such payment under Section 10.06(b), then West Lake shall have the right, but not the obligation, to make such deposit on behalf of Captus GP and Purchaser acknowledges and agrees that West Lake shall be Captus GP's agent with full power and authority to make such deposit for and on behalf of Captus GP. Purchaser shall or shall cause Captus GP to reimburse West Lake for the amount of any such deposit made by West Lake (up to the amount required to be deposited or repaid to the AER under Section 10.06(b) and pay interest on the amount of such deposit at an annual rate equal to the Prime Rate plus 5% from the date on which West Lake paid such deposit to the date on which the reimbursement for such deposit and the corresponding interest is made in full. In addition to all other rights that may be available to West Lake for the collection of such amounts from Purchaser or Captus GP, West Lake shall have the right to set-off the amount of any such deposit, including interest as provided in this Section 10.07, against any monies payable by West Lake to the Purchaser pursuant to this Agreement. To the extent the Law restricts the ability of West Lake to pay any deposit required under this Section 10.07 directly to the AER, West Lake and Purchaser covenant and agree to cooperate and use commercially reasonable efforts to facilitate the payment of such deposit by West Lake, for and on behalf of Captus GP, to the AER in accordance with the terms hereof.

Section 10.08 Liability and Indemnity for West Lake AER Licensed Assets. Purchaser shall be liable to and shall indemnify West Lake for all Losses and Liabilities incurred by West Lake as a direct result of West Lake holding the AER Licenses for the West Lake LTAs following Closing, including any inactive well liability costs imposed by the AER during such period, until the West Lake LTAs have been transferred to Captus GP and West Lake has been made whole by the Purchaser for any such Losses and Liabilities incurred by it prior to such date, excluding any Losses or Liabilities of West Lake that arise or are caused or result from (i) the gross negligence or willful misconduct of West Lake or any of its Affiliates (post-closing); and (ii) the AER requiring that West Lake make any deposits to it in respect of its or its Affiliate's other AER licensed assets, and provided however that West Lake's overhead and other internal administrative costs and expenses incurred by it while holding such West Lake Licenses will be paid by Purchaser in accordance with Section 10.09. Additionally, West Lake shall have the right to: (i) retain any amounts received by it on behalf of Purchaser under any of the Transaction Documents, and (ii) set-off amounts owing to it under or in connection with this Section 10.08 against any other amounts due or owing to Purchaser pursuant to this Agreement. Without limiting Purchaser's liability under this Section 10.08, in order to effect the orderly administration of the Oil and Gas Assets that are subject to the AER Licenses post-Closing, West Lake and Captus GP shall enter into a bare trust and agency agreement substantially in the form set out in Schedule "C".

Section 10.09 Fees. There shall be no costs assumed or fees owing by Purchaser for West Lake's overhead or other internal administrative cost for the first one hundred twenty (120) days following the Closing Date. From and after one hundred twenty (120) days following the Closing Date, the Purchaser shall pay to West Lake on an annual basis, forthwith upon an invoice being issued therefor, an administration fee, in the amount set forth below, prorated for partial years or days on a monthly or daily basis, as applicable, as set out below. The fee shall be capped at the 2029 amounts for any periods beyond December 31, 2029 and shall be payable by Purchaser to West Lake until all of the West Lake AER Licenses have been transferred by the AER to Captus GP.

	$/CAD	2025	2026	2027	2028	2029
AER Transfer Period - 120 days	$	-				
Yearly	$	125,000	$ 250,000	$ 375,000	$ 500,000	$ 625,000
Monthly	$	10,417	$ 20,833	$ 31,250	$ 41,667	$ 52,083
Daily	$	343	$ 685	$ 1,028	$ 1,370	$ 1,713

ARTICLE XI
TERMINATION

Section 11.01 Termination. This Agreement may be terminated at any time before the Closing:

(a) By the mutual written consent of all of the Parties hereto.

(b) By the Purchaser by written notice to the Vendors if:

(i) the Purchaser is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by a Vendor under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII, and such breach, inaccuracy or failure has not been cured by the relevant Vendor by the earlier to occur of 10 Business Days of such Vendor's receipt of written notice of such breach from the Purchaser of the Closing Date; or

(ii) any of the conditions set forth in Section 7.01 or Section 7.02 shall not have been fulfilled by the Closing Date, unless such failure shall be due to the failure of the Purchaser to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with it before the Closing Date.

(c) By BTG Power by written notice to the other Parties hereto if:

(i) BTG Power is not then in material breach of any of the provisions of this Agreement, and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII, and such breach, inaccuracy or failure has not been cured by the Purchaser by the earlier to occur of 10 Business Days of the Purchaser's receipt of written notice of such breach from BTG Power and the Closing Date; or

(ii) any of the conditions set forth in Section 7.01 or Section 7.03 shall not have been fulfilled by the Closing Date, unless such failure shall be due to the failure of BTG Power to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with it before the Closing Date.

(d) By BTG Energy by written notice to the other Parties hereto if:

(i) BTG Energy is not then in material breach of any of the provisions of this Agreement, and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII and such breach, inaccuracy or failure has not been cured by the Purchaser by the earlier to occur of 10 Business Days of the Purchaser's receipt of written notice of such breach from BTG Energy and the Closing Date; or

(ii) any of the conditions set forth in Section 7.01 or Section 7.04 shall not have been fulfilled by, in the case of the condition set out in Section 7.04(d) February 7, 2025, and by the Closing Date in respect of all of the other conditions in Section 7.04, unless such failure shall be due to the failure of BTG Energy to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with it before the Closing Date.

(e) By West Lake by written notice to the other Parties hereto if:

(i) West Lake is not then in material breach of any of the provisions of this Agreement, and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VII, and such breach, inaccuracy or failure has not been cured by the Purchaser by the earlier to occur of 10 Business Days of the Purchaser's receipt of written notice of such breach from West Lake and the Closing Date; or

(ii) any of the conditions set forth in Section 7.01 or Section 7.05 shall not have been fulfilled by the Closing Date, unless such failure shall be due to the failure of West Lake to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with it before the Closing Date.

Section 11.02 Treatment of Deposits

(a) In the event that this Agreement is terminated by a Vendor pursuant to Section 11.01(a), Section 11.01(c), Section 11.01(d) (other than as a result of the failure of the condition set out in Section 7.04(c)) or Section 11.01(e), the Cash Deposits and all interest accrued thereof shall be forfeited by the Purchaser and retained by the Vendors as a genuine estimate of liquidated damages, and not as a penalty, and as the sole and exclusive remedy of the Vendors.

(b) In the event that this Agreement is terminated for any other reason, the Signing Cash Deposit and all interest accrued thereon shall be immediately returned to the Purchaser.

Section 11.03 Effect of Termination. If this Agreement is terminated in accordance with its terms pursuant to ARTICLE XI, then except for Section 11.02 and ARTICLE XII, the Parties shall be released from all of their further obligations under this Agreement.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the Transactions shall be paid by the Party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 12.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) then delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective Parties at the following addresses (or at such other address for a Party as shall be specified in a notice given in accordance with this Section 12.02):

If to BTG Energy

Suite 300, 808 – 1st Street SW
Calgary, Alberta T2P 1M9

Attention: Gable Gross, Managing Director

Email:

If to BTG Power:

Suite 300, 808 – 1st Street SW
Calgary, Alberta T2P 1M9

Attention: Gable Gross, Managing Director

Email:

In each case, with a copy to, which shall not constitute notice:

Stikeman Elliott LLP

4200 Bankers Hall West
888 - 3rd Street S.W.
Calgary, Alberta T2P 5C5 Canada

Attention: Patrick McNally

Email:

If to West Lake:

West Lake Energy Corp.
2900, 333 – 7 Avenue SW
Calgary AB T2P 2Z1

Attention: Rob Cook, CFO, Interim CEO

Email:

with a copy to, which shall not constitute notice:

DLA Piper (Canada) LLP
Suite 1000, Livingston Place West
250 2nd St SW
Calgary, AB T2P 0C1

Attention: Derrick K. Auch

Email:

If to the Purchaser or Parent:

c/o Gryphon Digital Mining, Inc.
1180 N. Town Center Drive, Suite 100
Las Vegas, Nevada, 89144 United States

Attention: Steve Gutterman and Eric Gallie

Email:

with a copy to, which shall not constitute notice:

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance Street
Toronto, Ontario M5H 0B4 Canada

Attention: Alexander Pizale and Chris McLelland

Email:

Section 12.03 Interpretation. For purposes of this Agreement: (a) the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole; and (d) all references to "$" or dollars are to Canadian dollars; (e) references to a specific time shall refer to the prevailing time in Calgary, Alberta; (f) the word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends and such phrase shall not mean simply "if". Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder; and (aa) a reference in this Agreement to any Governmental Authority, includes Governmental Authority, corporation, partnership or other Person succeeding to its functions. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. In addition, in this Agreement, all references to a singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders; any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement; and the table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation hereof or thereof.

Section 12.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 12.05 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 12.06 Entire Agreement. This Agreement, the Confidentiality Agreement, and the other Transaction Documents constitute the sole and entire agreement of the Parties with respect to the subject matter contained herein and therein and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter, including without limitation, the term sheet dated November 14, 2024 between Purchaser, Captus Holdings Corp., Captus GP and BowArk and the Parties confirm that they have no further rights under such term sheet. In the event of any inconsistency between the statements in the body of this Agreement and those in the Confidentiality Agreement, and the other Transaction Documents, the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 12.07 Successors and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning Party of any of its obligations hereunder.

Section 12.08 No Third-Party Beneficiaries. Except as provided in ARTICLE VII, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under, or by reason of, this Agreement.

Section 12.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 12.10 Governing Law; Forum Selection.

(a) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Alberta.

(b) Any Action arising out of or based upon this Agreement, the other Transaction Documents or the Transactions contemplated hereby or thereby may be brought in the courts of the Province of Alberta, and each Party irrevocably submits and agrees to attorn to the exclusive jurisdiction of that court in any such Action. The Parties irrevocably and unconditionally waive any objection to the venue of any Action or proceeding in that court and irrevocably waive and agree not to plead or claim in that court that such Action has been brought in an inconvenient forum.

Section 12.11 Specific Performance. The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 12.12 Guarantee. The Parent hereby absolutely, unconditionally and irrevocably guarantees in favour of the Vendors, and indemnifies and holds the Vendors harmless for, the prompt and complete payment on demand of all amounts due and owing under this Agreement by the Purchaser to the Vendors and the observance and performance by the Purchaser of all the terms, covenants, conditions and provisions to be observed or performed by the Purchaser under this Agreement (the "Obligations"), and the Parent shall promptly make such payments on demand, shall promptly perform such Obligations, shall promptly indemnify and shall hold the Vendors harmless upon the non-payment, default or non-performance thereof by the Purchaser. The foregoing agreement of the Parent is absolute, unconditional, present and continuing and is in no way conditional or contingent upon any event, circumstance, action or omission which might in any way discharge a guarantor or surety in whole or in part. The Parent agrees that it shall so pay or perform the Obligations on demand regardless of: (i) any bankruptcy, insolvency, liquidation, reorganization, moratorium or similar event with respect to or affecting the Purchaser; (ii) any change of name, any change or restructuring or termination of the corporate structure, ownership or existence of the Purchaser; or (iii) any other event or circumstance which would or might otherwise constitute a legal or equitable discharge of or defense available to any guarantor or surety. The Parent agrees that it shall not be necessary to institute or exhaust any remedies or causes of action against the Purchaser or others as a condition to demanding and enforcing the payment and other obligations of the Parent under this Section 12.12. The Parent hereby waives diligence, notice of demand, notice of default and all other notices and demands of any kind, and consents to any and all extensions of time or indulgences which may be given to the Purchaser. In connection with the foregoing, Parent hereby represents, warrants and covenants to the Vendors as follows: (i) the Parent is corporation duly incorporated and existing under the laws of its incorporation; (ii) the Parent has all necessary corporate power and capacity to enter into and perform its obligations under this Agreement; and (iii) this Agreement constitutes a valid and binding obligation of the Parent, enforceable against Parent in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults. This Section 12.12 shall survive Closing or the termination of this Agreement indefinitely.

Section 12.13 Time of Essence. Time shall be of the essence in this Agreement.

Section 12.14 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

VENDORS:

BTG ENERGY CORP.

By: /s/ Gable Gross
Name: Gable Gross
Title: Managing Partner

BTG POWER CORP.

By: /s/ Gable Gross
Name: Gable Gross
Title: Managing Partner

WEST LAKE ENERGY CORP.

By: /s/ Rob Cook
Name: Rob Cook
Title: Chief Financial Officer and Interim CEO

PURCHASER:

2670786 ALBERTA LTD.

By: /s/ Steve Gutterman
Name: Steve Gutterman
Title: Director

PARENT:

GRYPHON DIGITAL MINING, INC.

By: /s/ Steve Gutterman
Name: Steve Gutterman
Title: CEO

SCHEDULE “A”

OPERATIONAL BUDGET

Schedule “B”

FORM OF BARE TRUST AND AGENCY AGREEMENT

SCHEDULE “C”

FORM OF BARE TRUST AND AGENCY AGREEMENT

Exhibit 10.2

GRYPHON DIGITAL MINING, INC.

SUMMARY OF RESTRICTED STOCK GRANT

In connection with the Share and Unit Purchase Agreement, among BTG Energy Corp., BTG Power Corp. West Lake Energy Corp., 2670786 Alberta Ltd, and Gryphon Digital Mining, Inc. (the "***Company***"), dated as of January 8, 2024 (the "***Purchase Agreement***"), the Company hereby grants the Grantee (specified below), pursuant to this Summary of Restricted Stock Grant and Restricted Stock Grant Agreement (collectively, the "***Agreement***") the number of shares (the "***Restricted Shares***") of common stock, par value $0.0001 per share (the "***Shares***") on the following terms (the "***Restricted Stock Grant***"):

Name of Grantee:	[_____]
Total Number of Restricted Shares:	[_____] Restricted Shares, which number represents the maximum number of Restricted Shares that may become vested pursuant to this Agreement
Date of Grant:	[_____]
Purchase Price:	$0
Vesting Schedule:	The Restricted Shares covered by this Restricted Stock Award shall vest, and the restrictions (as defined in the Restricted Stock Grant Agreement) on such Restricted Shares shall lapse in equal portions (rounded down to the nearest whole share) as to one-third (1/3rd) of the underlying Shares on each of the first three (3) anniversaries of the Date of Grant, subject to the Grantee's continued status as a Service Provider through the applicable vesting date, provided, however, the Restricted Shares covered by this Restricted Stock Award shall accelerate and vest immediately upon: (i) the Grantee's death, (ii) the Grantee's Disability, (iii) the Grantee's termination by the Company without Cause, or (iv) the consummation of a Change in Control of the Company.

[***Signature Page Follows***]

By signing below, the Grantee and the Company agree that the acquisition of the Restricted Shares is governed by the terms and conditions of this Agreement. The Grantee has reviewed the Agreement in its entirety, has had the opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of this Agreement. The Grantee agrees to accept by email all documents relating to the Company or this grant and all other documents that the Company is required to deliver to its security holders (including, without limitation, disclosures that may be required by the Securities and Exchange Commission). The Grantee acknowledges that he may incur costs in connection with electronic delivery, including the cost of accessing the internet and printing fees, and that an interruption of internet access may interfere with his or her ability to access the documents. This consent shall remain in effect until the Grantee gives the Company written notice that it should deliver paper documents.

GRYPHON DIGITAL MINING, INC.

By:
Title:

GRANTEE

[_____]

SECTION 1. ACQUISITION OF STOCK.

(a) **Stock Grant**. As a material inducement to the Grantee's entering into employment with the Company or a Subsidiary upon the closing of the transactions contemplated by the Purchase Agreement, and for other good and valuable consideration that the Administrator has determined is equal to or exceeds the aggregate par value of the Restricted Shares subject to this Restricted Stock Grant, effective as of the Date of Grant, the Company has issued to the Grantee the Restricted Shares. The Restricted Shares are intended to constitute an "employment inducement award" under Nasdaq Stock Market Rule 5635(c)(4) and, consequently, are intended to be exempt from the Nasdaq rules regarding stockholder approval of stock options plans or other equity compensation arrangements.

(b) **Consideration; Book Entry Form**. The Purchase Price of the Restricted Shares is set forth in the Summary of Restricted Stock Grant. At the sole discretion of the Administrator, the Restricted Shares (and any securities that constitute Retained Distributions (as defined below)) will be issued in either (i) uncertificated form, with the Restricted Shares (and securities that constitute Retained Distributions) recorded in the name of the Grantee in the books and records of the Company's transfer agent with appropriate notations regarding the Restrictions (as defined below) imposed pursuant to this Agreement, and upon vesting and all other conditions set forth in this Agreement, the Company shall cause the book entries evidencing the Restricted Shares (and any securities that constitute Retained Distributions) to indicate that the Restrictions have lapsed; or (ii) certificate form pursuant to this terms of this Agreement.

(c) **Legend**. Certificates representing Restricted Shares issued pursuant to this Agreement shall, until all Restrictions imposed pursuant to this Agreement lapse or shall have been removed and the Restricted Shares shall thereby have become vested or the Restricted Shares represented thereby have been forfeited hereunder, bear the following legend (or such other legend as determined by the Administrator):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN VESTING REQUIREMENTS AND MAY BE SUBJECT TO FORFEITURE UNDER THE TERMS OF A RESTRICTED STOCK AWARD AGREEMENT, BY AND BETWEEN GRYPHON DIGITAL MINING, INC. AND THE REGISTERED OWNER OF SUCH SHARES, AND SUCH SHARES MAY NOT BE DIRECTLY OR INDIRECTLY, OFFERED, TRANSFERRED, SOLD, ASSIGNED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF UNDER ANY CIRCUMSTANCES, EXCEPT PURSUANT TO THE PROVISIONS OF SUCH AGREEMENT."

(d) **Escrow.** The Secretary of the Company or such other escrow agent as the Administrator may appoint may retain physical custody of the certificates representing the Restricted Shares (and any securities that constitute Retained Distributions) until all of the Restrictions imposed pursuant to this Agreement lapse or shall have been removed; in such event the Grantee shall not retain physical custody of any certificates representing unvested Restricted Shares issued to him or her (or any certificates representing securities that constitute Retained Distributions). The Grantee, by acceptance of this Restricted Stock Grant, shall be deemed to appoint, and does so appoint the Company and each of its authorized representatives as the Grantee's attorney(s)-in-fact to effect any transfer of unvested forfeited Restricted Shares or securities that constitute Retained Distributions (or Restricted Shares otherwise reacquired by the Company hereunder) to the Company as may be required pursuant to this Agreement and to execute such documents as the Company or such representative deem necessary or advisable in connection with any such transfer.

(e) **Restrictions.**

(i) If the transactions contemplated by the Purchase Agreement do not close or the Purchase Agreement is otherwise terminated, all Restricted Shares subject to this Agreement shall thereupon be forfeited immediately and without any further action by the Company.

(ii) Any Restricted Shares subject to this Agreement that are not vested as of the date the Grantee ceases to be a Service Provider shall thereupon be forfeited immediately and without any further action by the Company.

(iii) No Restricted Shares or any interest or right therein or part thereof shall, prior to vesting, be liable for the debts, contracts or engagements of the Grantee or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect. For purposes of this Agreement, "***Restrictions***" shall mean the restrictions on sale or other transfer set forth in this paragraph (e).

(iv) Subject to this section, the Restricted Shares shall vest and the Restrictions shall lapse in accordance with the vesting schedule and terms set forth in the Summary of Restricted Stock Grant.

(v) The Restricted Shares shall be entitled to receive all cash dividends and other distributions paid on the underlying Shares during the period of restriction. Unless otherwise determined by the Administrator, the Company will retain custody of all cash dividends and other distributions (the "***Retained Distributions***") made or declared with respect to the Restricted Shares (and such Retained Distributions will be subject to the Restrictions and the other terms and conditions under this Agreement that are applicable to the Restricted Shares) until such time, if ever, as the Restricted Shares with respect to which such Retained Distributions shall have been made, paid or declared shall vest in accordance with this section and such Retained Distributions shall not bear interest or be segregated in separate accounts. Any Retained Distributions with respect to Restricted Shares that have not vested as of the date the Grantee ceases to be a Service Provider shall thereupon be forfeited immediately and without any further action by the Company.

(vi) The Grantee agrees to vote all Restricted Shares subject to Restrictions at any annual or special meeting of the Company's stockholders in favor all proposals recommended by the Board.

(f) **Consideration to the Company**. In consideration of the grant of the Restricted Shares by the Company, the Grantee agrees to render faithful and efficient services to the Company and the Subsidiaries upon the closing of the transactions contemplated by the Purchase Agreement. Nothing in this Agreement shall confer upon the Grantee any right to continue as a Service Provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of the Grantee at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and the Grantee.

(g) **Delivery of Certificates and Payment Upon Vesting.**

(i) As soon as administratively practicable after the vesting of any Restricted Shares, the Company shall, as applicable, either remove the applicable notations on any Restricted Shares subject to this Agreement issued in book entry form that have vested or deliver to the Grantee a certificate or certificates evidencing the number of Restricted Shares subject to this Restricted Stock Grant that have vested.

(ii) As soon as administratively practicable after the vesting of Restricted Shares, the Company shall (A) as applicable, either remove the applicable notations on any securities that constitute Retained Distributions issued in book entry form with respect to such Restricted Shares or deliver to the Grantee a certificate or certificates evidencing the number of securities that constitute Retained Distributions with respect to such Restricted Shares and (B) pay the Grantee in cash an amount equal to all cash dividends or other cash distributions that constitute Retained Distributions with respect to such Restricted Shares.

(iii) The Grantee (or the beneficiary or personal representative of the Grantee in the event of the Grantee's death or incapacity, as the case may be) shall deliver to the Company any representations or other documents or assurances required by the Company in connection with this section. The Restricted Shares and securities that constitute Retained Distributions delivered pursuant to this section shall no longer be subject to the Restrictions hereunder.

SECTION 2. OTHER RESTRICTIONS ON TRANSFER.

(a) **Grantee Representations**. In connection with the grant of Restricted Shares under this Agreement, the Grantee hereby represents and warrants to the Company as follows:

(i) The Grantee is acquiring and will hold the Restricted Shares, or after no longer subject to Restriction, the Shares, for investment for his or her account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "***Securities Act***").

(ii) The Grantee has reviewed with the Grantee's own tax advisors the federal, state, local, and foreign tax consequences of the transactions contemplated by this Agreement. The Grantee is relying solely on such advisors and not on any statements or representations of the Company or any of its agents.

(iii) The Grantee is aware of Rule 144 under the Securities Act, which permits limited public resales of securities acquired in a non-public offering, subject to the satisfaction of certain conditions. These conditions may include (without limitation) that certain current public information about the issuer be available, that the resale occur only after a holding period required by Rule 144 has been satisfied, that the sale occur through an unsolicited "broker's transaction," and that the number of securities being sold during any three-month period not exceed specified limitations. The Grantee acknowledges and understands that the conditions for resale set forth in Rule 144 have not been satisfied as of the Date of Grant and that the Company is not required to take action to satisfy any such conditions.

(iv) The Grantee will not sell, transfer or otherwise dispose of the Restricted Shares or the Shares in violation of the Securities Act or the rules promulgated thereunder, including Rule 144 under the Securities Act. The Grantee agrees that he or she will not dispose of the Restricted Shares or the Shares unless and until he or she has complied with all requirements of this Agreement applicable to the disposition of Restricted Shares or the Shares and he or she has provided the Company with written assurances, in substance and form satisfactory to the Company, that (A) the proposed disposition does not require registration of the Restricted Shares or the Shares under the Securities Act or all appropriate action necessary for compliance with the registration requirements of the Securities Act or with any exemption from registration available under the Securities Act (including Rule 144) has been taken and (B) the proposed disposition will not result in the contravention of any transfer restrictions applicable to the Restricted Shares or the Shares under applicable state law.

(v) The Grantee has received and has had access to such information as he or she considers necessary or appropriate for deciding whether to invest in the Restricted Shares or the Shares, and the Grantee has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the grant of the Restricted Shares.

(vi) The Grantee is aware that his or her investment in the Company is a speculative investment that has limited liquidity and is subject to the risk of complete loss. The Grantee is able, without impairing his or her financial condition, to hold the Restricted Shares or the Shares for an indefinite period and to suffer a complete loss of his or her investment in the Restricted Shares or the Shares.

(b) **Securities Law Restrictions**. Regardless of whether the offer and sale of the Restricted Shares or the Shares has been registered under the Securities Act or has been registered or qualified under the securities laws of any State or other relevant jurisdiction, the Company at its discretion, may impose restrictions upon the sale, pledge, or other transfer of the Shares (including the placement of appropriate legends on the certificates (or electronic equivalent), if any, or the imposition of stop-transfer instructions) and may refuse to transfer the Shares acquired hereunder (or Shares proposed to be transferred in a subsequent transfer) if, in the judgment of the Company, such restrictions, legends or refusal are necessary or appropriate to achieve compliance with the Securities Act or other relevant securities or other laws, including without limitation under Regulation D or Regulation S of the Securities Act or pursuant to another available exemption from registration.

(c) **Rights of the Company**. The Company shall not be required to (i) transfer on its books any Shares that have been sold or transferred in contravention of this Agreement or (ii) treat as the owner of Shares, or otherwise to accord voting, dividend or liquidation rights to, any transferee to whom Shares have been transferred in contravention of this Agreement.

SECTION 3. STATUS OF SHARES.

The Grantee agrees that the Restricted Shares granted under this Agreement will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable securities laws, whether federal, state or applicable non-U.S. law. The Grantee also agrees that (a) the certificates representing the Shares may bear such legend or legends as the Company deems appropriate to assure compliance with applicable securities laws, (b) the Company may refuse to register the transfer of the Restricted Shares or the Shares on the stock transfer records of the Company if such proposed transfer would constitute a violation, in the opinion of counsel satisfactory to the Company, of any applicable securities law, and (c) the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares or the Shares.

SECTION 4. SUCCESSORS AND ASSIGNS.

Except as otherwise expressly provided to the contrary, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and be binding upon the Grantee and the Grantee's legal representatives, heirs, legatees, distributees, assigns and transferees by operation of law, whether or not any such person has become a party to this Agreement or has agreed in writing to join herein and to be bound by the terms, conditions and restrictions hereof.

SECTION 5. NO RETENTION RIGHTS.

Nothing in this Agreement shall confer upon the Grantee any right to continue as a Service Provider for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company or of the Grantee, which rights are hereby expressly reserved by each, to terminate his or her service at any time and for any reason, with or without cause.

SECTION 6. TAXES.

(a) **Generally**. To the extent that the grant of the Restricted Shares results in compensation income to the Grantee for federal, state, local, or foreign income tax purposes, the Grantee shall deliver to the Company at the time of such receipt such amount of money as the Company may require to meet its obligations under applicable tax laws or regulations or make such other arrangements to satisfy such withholding obligation as the Company, in its sole discretion, may approve. In addition, the Company may withhold Shares (valued at their fair market value on the date of withholding of such Shares) otherwise to be issued to satisfy its withholding obligations.

(b) **Section 83(b) Election**. The Grantee understands that Section 83(a) of the Code taxes as ordinary income the difference between the amount, if any, paid for the Restricted Shares and the fair market value of such Restricted Shares and any Retained Distributions at the time the Restrictions on such Restricted Shares and Retained Distributions lapse. The Grantee understands that, notwithstanding the preceding sentence, the Grantee may elect to be taxed at the time of the Date of Grant, rather than at the time the Restrictions lapse, by filing an election under Section 83(b) of the Code (an "***83(b) Election***") with the Internal Revenue Service within 30 days of the Date of Grant. In the event that the Grantee files an 83(b) Election, the Grantee shall provide the Company a copy thereof prior to the expiration of such 30-day period. The Grantee understands that in the event an 83(b) Election is filed with the Internal Revenue Service within such time period, the Grantee will recognize ordinary income in an amount equal to the difference between the amount, if any, paid for the Restricted Shares and the fair market value of such Restricted Shares as of the Date of Grant. The Grantee further understands that an additional copy of such 83(b) Election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. The Grantee acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to the Restricted Shares and does not purport to be complete. THE GRANTEE FURTHER ACKNOWLEDGES THAT THE COMPANY IS NOT RESPONSIBLE FOR FILING THE GRANTEE'S 83(b) ELECTION AND THE COMPANY HAS DIRECTED THE GRANTEE TO SEEK INDEPENDENT ADVICE REGARDING THE APPLICABLE PROVISIONS OF THE INTERNAL REVENUE CODE, THE INCOME TAX LAWS OF ANY MUNICIPALITY, STATE, OR FOREIGN COUNTRY IN WHICH THE GRANTEE MAY RESIDE, AND THE TAX CONSEQUENCES OF THE GRANTEE'S DEATH. THE GRANTEE HEREBY ASSUMES ALL RESPONSIBILITY FOR FILING THE GRANTEE'S 83(b) ELECTION AND PAYING ANY TAXES RESULTING FROM THE LAPSE OF THE RESTRICTIONS ON THE UNVESTED RESTRICTED SHARES AND RETAINED DISTRIBUTIONS. THE GRANTEE UNDERSTANDS THAT THE GRANTEE MAY SUFFER ADVERSE TAX CONSEQUENCES AS A RESULT OF THE GRANTEE'S PURCHASE OR DISPOSITION OF THE RESTRICTED SHARES AND THE GRANTEE REPRESENTS THAT THE GRANTEE IS NOT RELYING ON THE COMPANY FOR ANY TAX ADVICE.

SECTION 7. ADMINISTRATION

The Agreement shall be administered by the Administrator. Subject to the provisions of this Agreement, the Administrator shall have the authority, in its sole discretion:

(a) to amend this Agreement, including any amendment adjusting vesting (e.g., in connection with a change in the terms or conditions under which such person is providing services to the Company), provided that no amendment shall be made that would materially and adversely affect the rights of the Grantee without his or her consent;

(b) to approve addenda to, or to modify the terms of, this Agreement for a Grantee who is a foreign national or employed outside of the United States with such terms and conditions as the Administrator deems necessary or appropriate to accommodate differences in local law, tax policy or custom which deviate from the terms and conditions set forth in this Agreement to the extent necessary or appropriate to accommodate such differences; and

(c) to construe and interpret the terms of this Agreement, which constructions, interpretations and decisions shall be final and binding on the Grantee.

SECTION 8. ADJUSTMENTS

In the event of any equity restructuring (within the meaning of the Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation or any successor or replacement accounting standard), such as a stock dividend, shares split (or stock split), spinoff, rights offering or recapitalization through a large, nonrecurring cash dividend, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under this Agreement, will adjust the number and class of shares that may be delivered under this Agreement. In the event of any other change in corporate capitalization, including a merger, consolidation, reorganization, or partial or complete liquidation of the Company, such equitable adjustments described in the foregoing sentence be made to the extent and in a manner as determined to be appropriate and equitable by the Administrator to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Agreement. In either case, the decision of the Administrator regarding any such adjustment shall be final, binding and conclusive.

SECTION 9. COMPLIANCE.

The granting of the Restricted Shares, and any other obligations of the Company under this Agreement, shall be subject to all applicable U.S. federal, state and local laws, rules and regulations, all applicable non-U.S. laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Grantee agrees to take all steps that the Company determines are reasonably necessary to comply with all applicable provisions of U.S. federal and state securities law and non-U.S. securities law in exercising the Grantee's rights under this Agreement.

SECTION 10. SECTIONS 83 AND 409A.

This Agreement and the Restricted Shares granted pursuant to this Agreement are intended to comply with Sections 83 and 409A of the Code, as amended ("***Section 409A***") to the extent subject thereto, and shall be interpreted and administered to be in compliance therewith. Any payments described in this Agreement that are due within the "short-term deferral period" (as defined in Section 409A) shall not be treated as deferred compensation unless applicable law requires otherwise.

SECTION 11. DEFINITIONS

(a) ***Administrator*** means the Board or a Committee.

(b) ***Applicable Law*** means any applicable law, including without limitation: (i) provisions of the Code, the Securities Act and any rules or regulations thereunder, the Securities Exchange Act of 1934 and any rules or regulations thereunder, (ii) corporate, securities, tax or other laws, statutes, rules, requirements, or regulations, whether federal, state, local, or foreign, and (iii) rules of any securities exchange or automated quotation system on which the Shares are listed, quoted, or traded.

(c) ***Board*** means the Board of Directors of the Company.

(d) ***Cause*** means the Grantee's

(i) unauthorized misuse of the Company's trade secrets or proprietary information

(ii) conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude,

(iii) committing an act of fraud against the Company,

(iv) negligence in the performance of his or her duties,

(v) failure to discharge the duties of his or her position,

(vi) breach of any Company policy regarding discrimination, sexual harassment, or retaliation, or

(vii) abuse of alcohol or any controlled substance during working hours.

(e) ***Change in Control*** means the first to occur of the following:

(i) The consummation of the Company's merger or consolidation with another corporation, unless as a result of such merger or consolidation, more than 50% of the outstanding voting securities of the surviving or resulting corporation or entity shall be owned in the aggregate by the shareholders of the Company (as of the time immediately prior to such transaction); provided, that a merger or consolidation of the Company with another company which is controlled by persons owning more than 50% of the outstanding voting securities of the Company shall constitute a Change in Control;

(ii) The consummation of the Company's sale of substantially all of its assets to another entity that is not wholly owned by the Company, unless as a result of such sale, more than 50% of such assets shall be owned in the aggregate by the shareholders of the Company (as of the time immediately prior to such transaction); or

(iii) consummation of a transaction in which a Person acquires 50% or more of the outstanding voting securities of the Company (whether directly, indirectly, beneficially or of record), unless as a result of such acquisition more than 50% of the outstanding voting securities of the surviving or resulting corporation or entity shall be owned in the aggregate by the shareholders of the Company (as of the time immediately prior to the first acquisition of such securities by such Person).

(f) ***Code*** means the Internal Revenue Code of 1986, as amended, and any successor thereto.

(g) ***Committee*** means one or more committees or subcommittees of the Board consisting of two (2) or more directors (or such lesser or greater number of directors as shall constitute the minimum number permitted by Applicable Law to establish a committee or sub-committee of the Board) appointed by the Board to administer this Agreement.

(h) ***Disability*** means the Grantee's inability, due to physical or mental illness, to perform the essential functions of the Grantee's position, with or without reasonable accommodation for 180 consecutive days.

(i) ***Person*** means "person" as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended.

(j) ***Service Provider*** means an employee, consultant, or director of the Company or a Subsidiary.

(k) ***Subsidiary*** means a "subsidiary corporation," whether now or hereinafter existing, as defined in Code Section 424(f).

SECTION 12. MISCELLANEOUS PROVISIONS.

(a) **Clawback Policy**. Notwithstanding any other provision of this Agreement to the contrary, the Restricted Shares granted hereunder, and/or any amount received with respect to any sale of any such Restricted Shares or Shares, shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of any recoupment or similar policy, if any, that the Company may adopt from time to time (collectively, the "***Policy***"). The Grantee agrees and consents to the Company's application, implementation and enforcement of (a) the Policy that may apply to the Grantee and (b) any provision of applicable law relating to cancellation, rescission, payback or recoupment of compensation, and expressly agrees that the Company may take such actions as are necessary to effectuate the Policy or applicable law without further consent or action being required by the Grantee. To the extent that the terms of this Agreement and the Policy conflict, then the terms of the Policy shall prevail.

(b) **Integration**. This Agreement contains the entire understanding of the parties with respect to its subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof other than those expressly set forth herein. This Agreement supersedes all prior agreements and understandings between the parties with respect to the subject matter hereof.

(c) **Limitations on Liability**. The Company shall not have any liability to Grantee in the event the Restricted Shares granted pursuant to this Agreement fail to achieve their intended characterization under the tax, securities, or other applicable laws and regulations.

(d) **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

(e) **Severability**. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(f) **Choice of Law**. This Agreement shall be governed by and construed in accordance with the laws of the state of Delaware.

(g) **Notice.** All notices, requests and other communications under this Agreement shall be in writing and shall be delivered in person (by courier or otherwise), mailed by certified or registered mail, return receipt requested to the contact details below. The parties may use e-mail delivery, so long as the message is clearly marked, sent to the e-mail address(es) set forth below.

If to the Company, to:

Gryphon Digital Mining, Inc.
1180 N. Town Center Drive,
Suite 100 Las Vegas,
NV 89144
Attention: Steve Gutterman

if to the Grantee, to the address, facsimile number or e-mail address that the Grantee most recently provided to the Company, or to such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to the other parties hereto.

Exhibit 10.3

Certain identified information, indicated by [***], has been excluded from the exhibit because it is both (i) not material and (ii) would likely cause competitive harm if publicly disclosed.

CO-LOCATION MINING SERVICES AGREEMENT

This Mining Services Agreement (this "**Agreement**") is made as of December 1, 2024 (the "**Effective Date**"), by and between Blockfusion USA, Inc. ("**Service Provider**"), a Delaware corporation, with an address at 447 Broadway 2nd Floor, #538, New York, NY 10013 and the customer identified below ("**Customer**"). Service Provider and Customer are each referred to as a "**Party**" and collectively as the "**Parties**."

COVER PAGE

CUSTOMER DETAILS	
Customer:	Gryphon Digital Mining, Inc.
Customer Address:	1180 N. Town Center Drive, Ste 100 Las Vegas, NV 89144
Customer Primary Contact:	
Customer Phone Number:	
Customer Email Address:	

COMMERCIAL TERMS	
Mining Equipment:	Twelve (12) MW of allocated load power as per **Exhibits B** and **C**.
Scheduled Start Date:	Commencing on December 1, 2024 and for a period of 12 months, automatically renewing for periods of one (1) month, unless terminated as provided in Section 13.
Facility Fee:	$13,000 per MW of allocated load power payable monthly in advance. For twelve (12) MW of allocated load power, this totals $156,000 per month. The Facility Fee for the month of December 2024 will be adjusted as set forth in Section 5.1.1. The Facility Fee for November 2025 will be payable as set forth in Section 4.3. The Facility Fee encompasses standard levels of maintenance of Mining Equipment, including fault diagnosis and software upgrades, and racking and unracking of faulty machines. Should additional repairs, including replacement of parts, racking and unracking of over 10% of the Customer's Mining Equipment in a single incident, or manufacturer-related issues including faulty production batches or recurrent equipment failures, Service Provider shall notify and obtain written authorization from for any extra hours needed. The additional expenses incurred due to such extra hours will be billed to and paid by the Customer.

Optional Remote Monitoring Fee:	[***] per miner per month.
Deposit:	$50,000 per MW of allocated load power, or $600,000 in the aggregate, payable: ● $[***] on December 6, 2024 ● $[***] on January 1, 2025 ● $[***] on February 1, 2025
Power:	Variable rate, passed through to Customer without markup. Customer must maintain a cash deposit or an irrevocable standby letter of credit with Blockfusion's energy provider in the amount of $100,000 per MW, or $1,200,000 in the aggregate.
Set Up Fee:	$[***] per miner each time a new, not previously installed miner (as identified by its unique serial number) is added to the shelf. The Set Up Fee will not be payable for re-installing miners to the shelf if that unit (as identified by its unique serial number) had previously been installed.
Payable at Signing:	● $156,000 initial monthly Facility Fee ● $[***] Deposit Total: $356,000

WHEREAS, Customer wishes Service Provider to allocate to Customer the facilities, resources, and services that enable the Customer to obtain mining power specified on this Cover Page (the "**Mining Power**").

WHEREAS, Service Provider wishes to allocate to Customer the facilities, resources and services to generate Mining Power, subject to the terms and conditions of this Agreement (the "**Services**").

NOW, THEREFORE, in consideration of the mutual promises and covenants exchanged herein, and for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the Parties hereby agree to the terms and conditions set forth in this Agreement, including this Cover Page and the Mining Services Standard Terms and Conditions (attached hereto as **Exhibits A–C**): (A) Mining Services Standard Terms and Conditions; (B) Mining Equipment Description; and (C) Scheduled Delivery of Mining Access Equipment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized officers as of the Effective Date.

BLOCKFUSION USA, INC.

By: */s/ Alex Martini Lo Manto*
Name: Alex Martini Lo Manto
Title: CEO

GRYPHON DIGITAL MINING, INC.

By: /s/ Steve Gutterman
Name: Steve Gutterman
Title: CEO

EXHIBIT A

MINING SERVICES STANDARD TERMS AND CONDITIONS

This Exhibit A (the "**Standard Terms**") is made part of, and is hereby incorporated by reference into, the Agreement between the Parties. All capitalized terms not defined in these Standard Terms shall have the meanings given to such terms in the Agreement.

1. DEFINITIONS.

1.1. [INTENTIONALLY OMITTED].

1.2. "**Deposit**" means the Deposit set forth on the Cover Page.

1.3. "**Digital Asset**" means any denomination of cryptocurrencies, virtual currencies or coins mined by Service Provider for or on behalf of Customer pursuant to this Agreement.

1.4. "**Downtime**" means, for each calendar month, time that installed, non-defective Mining Equipment is not available to Mine in accordance with this Agreement, excluding periods of time in which the Mining Equipment is not available resulting from or relating to: (a) a Force Majeure Event (as defined below); (b) scheduled maintenance or emergency maintenance; provided that Service Provider shall provide Customer with reasonable advanced notice of any such maintenance; (c) downtime resulting from Customer's breach of this Agreement; (d) faults or errors in the Mining Equipment not resulting from Service Provider's breach of this Agreement; (e) curtailment decisions made by Customer; or (f) downtime related to any other forces beyond the reasonable control of Service Provider or its agents or subcontractors and not avoidable by reasonable due diligence.

1.5. "**Downtime Credit**" has the meaning in Section 5.1.

1.6. "**Downtime Percentage**" means, for each calendar month, the availability of the Mining Equipment for Mining in accordance with this Agreement as a percentage equal to (a) the total number of minutes of Downtime in such month, divided by (b) the total number of minutes in such calendar month.

1.7. "**Electricity Utility Costs**" means the electricity used to Mine Digital Assets using the Mining Equipment. Electricity Utility Costs will be measured based on (i) hashrate connected to Customer's pool verified against Service Provider's mining software (the "**Mining Equipment Draw**"), provided that if is a variance greater than 5%, the lower estimate usage of power will prevail, plus (ii) actual power draw, i.e., electrical meters, in excess of the Mining Equipment Draw allocated equitably between the Customer's Mining Equipment and other equipment powered via the same metered power source ("**Excess Metered Power Draw Allocation**"), provided that the Excess Metered Power Draw Allocation shall not exceed 3% of the Mining Equipment Draw. Customer is entitled, at any time during the Term of this Agreement and at Customer's sole cost, to elect to have electrical meters installed solely for Customer's Mining Equipment independent from metered power source of other equipment in the Facility.

1.8. "**Facility**" means the Service Provider facility described in **Exhibit C**.

1.9. "**Facility Fee**" means the Facility Fee set forth on the Cover Page.

1.10. "**Generated Digital Assets**" means, for any Payout Period, the Digital Assets Mined by the Third-Party Mining Operator using the Mining Power *minus* the amount of Digital Assets retained by the Third-Party Mining Operator as a fee for providing its Mining services.

1.11. "**Intellectual Property**" means all forms of intellectual property rights and protections held by such Party and may include without limitation all right, title and interest arising under U.S. common and statutory law, and under the laws of other countries, in and to all (a) patents and all filed, pending or potential applications for patents, including any reissue, reexamination, division, continuation or continuation-in-part applications throughout the world now or hereafter filed; (b) trade secret rights and equivalent rights; (c) copyrights, other literary property or authors rights, whether or not protected by copyright or as a mask work; and (d) proprietary indicia, trademarks, trade names, symbols, domain names, URLs, logos and/or brand names.

1.12. "**Mining Equipment**" means the servers and power supplies/cables provided by the Customer to produce the Mining Power set forth in **Exhibit B**.

1.13. [INTENTIONALLY OMITTED].

1.14. "**Mine**" or "**Mining**" means the process in which transactions for various forms of Digital Assets are verified and added to a blockchain digital ledger.

1.15. "**Payout Period**" means each day during the Term (as defined below) of this Agreement.

1.16. **"Remote Monitoring Fee**" means the Optional Remote Monitoring Fee set forth on the Cover Page.

1.17. "**Remote Monitoring Services**" means monitoring services provided by Service Provider to Customer, which shall include, without limitation, access to Foreman (or any successor software system) and daily maintenance and monitoring report.

1.18. "**Renewable Energy Credit**" means any rights, credits, tokens, revenues, offsets, tax benefits or values, greenhouse gas rights or similar rights related to carbon credits or sustainable mining tokens, whether created from or through a governmental authority, other person, or private contract, now or in the future, associated with the generation of Digital Assets at the Facility, and including such rights to sell or trade any of the aforementioned domestically or internationally, and including the right to count or claim any applicable benefits under any law or regulation.

1.19. "**Set Up Fee**" means the Set Up Fee set forth on the Cover Page, i.e., $[***] per miner each time a new, not previously installed miner (as identified by its unique serial number) is added to the shelf. The Set Up Fee will not be payable for re-installing miners to the shelf if that unit (as identified by its unique serial number) had previously been installed at the Facility.

1.20. "**Third-Party Mining Operator**" means a third-party mining pool designated by the Customer and assigned the Mining Power to generate the Generated Digital Assets.

1.21. "**Uptime**" means, for each calendar month, the availability of the Mining Equipment as a percentage equal to (a) the difference between the total number of minutes of Downtime in such month and the total number of minutes in such month, divided by (b) the total number of minutes in such calendar month.

2. SERVICE PROVIDER OBLIGATIONS.

2.1. *Services*. Subject to the terms and conditions of this Agreement (including Customer's payment obligations), Service Provider shall use commercially reasonable efforts to:

2.1.1. Provide physical security and safety of the Facility and the Mining Equipment.

2.1.2. Maintain access to the power supply, Internet connection and infrastructure of the Facility for the normal operation of the Mining Equipment.

2.1.3. On or promptly following the Scheduled Start Date (as set forth on the Cover Page) the Service Provider shall configure the Mining Equipment strictly in accordance with Customer's prior written authorization, including connection to Customer's mining pools, connection directly to Customer's designated wallet(s), setup of the miner's number and update of the version of the firmware. Service Provider shall not configure the Mining Equipment without prior written authorization from Customer; provided, however, that if Service Provider fails to provide an Uptime of 97% or better, the Facility Fee shall be reduced as described in Section 5.

2.1.4. As soon as practicable, and in any event within five (5) days following the Scheduled Start Date, Service Provider will provide all necessary access to Customer to remotely monitor the metrics of the Mining Equipment as reasonably requested by Customer.

2.1.5. Throughout the Term, subject to Section 3, Service Provider shall be responsible for the management and maintenance of the Mining Equipment. Service Provider's responsibilities will include (i) ongoing monitoring of performance metrics in an effort to maximize miner performance; (ii) Facility security; (iii) overall Facility maintenance; (iv) power and infrastructure maintenance; (v) Facility safety protocols; (vi) power procurement and billing; (vii) heat management; (viii) payment and management of employees and contractors performing services related to this Agreement; and (ix) all other such services as required for the Mining Equipment to achieve the operation requirements in Section 2.1. All such maintenance shall be performed in a diligent, competent and workmanlike manner.

2.2. *Repairs*. Service Provider, with the consent of Customer and at Customer's expense in respect of out-of-pocket and third-party expenses, the occurrence of which shall be subject to prior consent of Customer, shall address and facilitate repairs to Mining Equipment, payable within thirty (30) days by Customer upon receipt of evidence of such expenses paid by Service Provider. For significant third-party repair expenses, Service Provider reserves the right to request that Customer either advance funds for the expenses or pay the third party directly. In addition, Customer and/or its designated personnel is permitted access to the Facility in accordance with Section 7.1 to address and facilitate any repairs to the Mining Equipment. Customers is entitled to, at its own discretion, elects to have the Mining Equipment repaired at locations other than the Facility, and in such case, Customer is entitled to require the Service Provider and Service Provider shall, as required by Customer and at Customer's sole cost and expense, ship the Mining Equipment in need of repair to address(es) designated by Customer.

2.3. *Use of Third Parties*. Customer agrees that Service Provider may use its affiliates and any third-party contractors, vendors and/or service providers to provide the Services (in whole or in part), provided that, Service Provider shall make reasonable efforts in conducting due diligence of such third-party contractors, vendors and/or service providers and shall not be relieved of responsibility hereunder.

2.4. *Licenses and Permits*. Service Provider shall be responsible for obtaining any licenses, permits, consents, or approvals from any federal, state or local government, which may be necessary to own and operate the Facility.

3. CUSTOMER OBLIGATIONS.

3.1. *Delivery and Setup*. Customer shall (a) deliver substantially all Mining Equipment five (5) business days following the Effective Date or according to the Delivery Schedule set forth on **Exhibit C**; (b) on or before delivery of the Mining Equipment (and before any future installation of Mining Equipment), pay the Set Up Fee and fulfill Customer's obligations under Sections 4.1, 4.2, 4.3 and 5 below; and (c) provide Service Provider with view-only access to its mining pool along with the ability to connect Service Provider's remote monitoring software via the Third Party Mining Operator's API for the purposes of performing the Services. For the avoidance of doubt, and subject to the terms of Section 6, all Mining Equipment shall remain the sole property of Customer.

3.2. *Compliance with Laws*. Customer's use of the Facility and the Mining Equipment must at all times conform to all applicable laws, including the laws of the United States of America, the laws of the states in which Customer is doing business, and the laws of the state where the Facility is located.

3.3. *Mining Equipment*. Customer shall ensure that substantially all Mining Equipment delivered by it to Service Provider is rated at 96 terahash or above, is in good working order and suitable for use in the Facility. It is understood that Customer is responsible for any costs associated with repair of Mining Equipment received in non-working order including labor and parts. Service Provider is not responsible in any way for installation delays or loss of profits as a result of Mining Equipment Service Provider deems not to be in good working order.

3.4. Modification and/or Overclocking of Mining Equipment. Customer may at any time, without obligation to notify Service Provider, modify, instruct Service Provider to alter or adjust the power consumption of the Mining Equipment, provided that such modifications, alterations, or adjustments are within the range of standard or factory specifications of the Mining Equipment (the "**Nominal Power of the Mining Equipment**"). For any modifications, alterations, or adjustments that may result in overclocking (i.e., Mining Equipment operating at any level beyond Nominal Power of the Mining Equipment), Customer shall notify and obtain prior written approval from Service Provider before making such modifications, alternations, or firmware adjustments; and Service Provider will respond with its decision within five (5) Business Days.

3.5. *Responsibility for Mining Decisions*. Customer is undertaking cryptocurrency mining for Customer's benefit and at Customer's own risk. Customer is solely responsible for deciding when to mine and when to curtail mining operations. Service Provider will provide recommendations to Customer as to curtail, provided that Service Provider accepts no liability whatsoever for the consequences of curtailment decision by Customer, and all decisions, regardless of Service Provider's recommendations, shall be solely the responsibility of Customer.

4. ALLOCATION OF COSTS.

4.1. Customer is solely responsible for all Electricity Utility Costs associated with Generated Digital Assets for each Payout Period and Service Provider shall invoice Customer, and Customer shall pay the Electricity Utility Costs for each month (each an "**Invoice**"), which invoice shall be due five (5) business days after invoicing. Invoices (other than the initial Invoice) shall include a copy of the power and other applicable invoices that Service Provider received, reflecting the actual costs paid by Service Provider and any detail breaking down Customer's allocation of such power costs. If there is any dispute with regard to the invoiced amount, Customer may raise the dispute to Service Provider, and the Parties shall work in good faith to resolve such disputes within five (5) calendar days after Customer raises such objections and if they are unable to do so, the matter will become a Dispute under Section 17.1. Any adjustment of the invoiced amount for any given month shall be applied to the invoiced amount for the upcoming month.

4.2. Customer must, (i) prior January 27, 2025 and thereafter at all times at all times during the Term, maintain an irrevocable standby letter of credit with Blockfusion's energy provider (currently EnergyMark, LLC) (the "**Provider**") or (ii) prior to January 31, 2025 maintain a cash deposit and thereafter at all times at all times during the Term, in each case directly with the Provider, in form and substance satisfactory to the Provider, initially in the amount of $1,200,000.

4.3. Customer shall at all times during the Term maintain a deposit with Service Provider in an amount equal to $50,000 per MW of allocated load power (the "**Deposit**") as set forth on the cover page, which Service Provider may apply to the payment of Invoices (except to the extend any such invoice is the subject of a Dispute) that remain unpaid past their respective due dates, and Customer shall immediately thereafter replenish the Deposit in full. Notwithstanding the forgoing, Service Provider will on November 1, 2025 apply any available Deposit to payment of the Facility Fee for the month of November 2025, and the balance of the Deposit will be returned as set forth in Section 13.4.

4.4. For the avoidance of doubt, any and all Renewable Energy Credits generated shall be the sole property of Service Provider, provided that Service Provider shall permit and assist Customer to certify (and request that applicable third parties certify where possible) that Generated Digital Assets were mined using clean energy.

5. FACILITY FEE.

5.1. Customer will pay the Facility Fee monthly in advance, with the first monthly payment due and payable in full on the Effective Date, and thereafter within five (5) business days after Customer receives the invoice from the Service Provider.

5.1.1. The Facility Fee for the month of December 2024 will be adjusted to reflect the deployment of Customer's Mining Equipment at the Facility as follows, with the adjustment to be applied as a credit to the Facility Fee for January 2025:

December Facility Fee = $156,000 * Average Deployed Unit Factor.

"**Average Deployed Unit Factor**" means the average of the Deployed Unit Factor as of the end of each day of December 2024.

"**Deployed Unit Factor**" means a fraction, the numerator of which is the number of units of Customer's Mining Equipment installed at the Facility and the denominator of which is the total number of units of Customer's Mining Equipment set forth in **Exhibit B**.

5.1.2. The Facility Fee shall be reduced by Downtime Credit for any applicable period. The Downtime Credit shall be calculated in accordance with the formula set forth below:

Downtime Credit = (Downtime Percentage – 3%) * Facility Fee

5.2. Should the Customer elect to have Service Provider provide Remote Monitoring Services, Customer will pay the Remote Monitoring Fee monthly in advance, with the first monthly payment due and payable in full on the Effective Date, and thereafter within five (5) business days after invoicing.

6. Payments.

6.1. *Late Payments*. If Customer does not make any payment due hereunder within two (2) business days after the due date, Customer's account will be considered delinquent after written notice and a cure period of ten (10) business days. Upon delinquency of the account, Service Provider may suspend the Services at any time. Customer is responsible for all charges Service Provider incurs because of Customer's delinquency, including collection charges and attorneys' fees. Delinquent payments are subject to default fees equal to the lesser of 1.5% per month and the maximum amount allowed by law.

6.2. *Suspending the Services*. During any period of suspension under Section 6.1, Service Provider may allow Mining Equipment to continue operating, in which case any Digital Assets mined becomes the property of Service Provider solely to the extent necessary to offset amounts owed and due Service Provider. Any excess Generated Digital Assets mined during the period of suspension will be remitted to Customer. Customer acknowledges that the retention said cryptocurrency is not a penalty but is in the nature of liquidated damages. For the avoidance of doubt, all Mining Equipment shall remain the sole property of Customer.

6.3. *Attorneys' Fees*. Reasonable, out of pocket legal costs associated with indemnification will be billed to Customer, and Customer will remain responsible for all such legal costs, and any reasonable costs associated with collection.

7. ACCESS.

7.1. *Access to Facility*. Customer shall have supervised access to the Facility at any reasonable times during the Term of this Agreement, provided that (i) Customer gives twenty-four (24) hour notice in advance; (ii) Customer provides the names, phone numbers, and expected times of arrival and departure of Customer personnel to Service Provider; and (iii) Service Provider personnel are present at all times. Customer shall have access to view the camera footage of the Facility pertinent to the Mining Equipment at any time during the Term of this Agreement.

7.2. *Hazardous Conditions*. If, in the discretion of Service Provider, its employees or agents, any hazardous conditions arise on, from, or affecting the Facility, Customer agrees and acknowledges that Service Provider is hereby authorized to suspend service under this Agreement without any liability, in such case, the Service Provider shall (i) give notice to Customer for suspension of Services at its earliest time of convenience; and (ii) provide reasonable evidence of the hazardous conditions; and (iii) make all reasonable efforts to resume Services as soon as practicable.

7.3. *Intermittent Outages*. Customer acknowledges that Service Provider participates in various Demand Response / Load Resource Participation Program ("**LRP Program**") at its Facilities, and that the LRP Program is designed to maintain the integrity of the local grid system and allows for cost savings that are passed on to Service Provider. Accordingly, the LRP Program provides the local grid operator with the capability to shut off the power load serving Service Provider customers in response to emergency load situations. Such occurrences shall be deemed to constitute Force Majeure events pursuant to Section 14. Customer agrees that the economic terms of this Agreement reflect Service Provider's participation in the LRP Program Service Provider shall have no liability to Customer for any actions or omissions due to or resulting from its participation in the LRP Program.

8. REMOVAL AND RELOCATION OF MINING EQUIPMENT.

8.1. *Interference*. If at any time the Mining Equipment causes material and unreasonable interference to existing Service Provider customers or their equipment, Service Provider may remove or relocate the Mining Equipment at Service Provider's sole expense. If such relocation fails to cure such interference, Service Provider may terminate this Agreement without payment, liability, or further obligation to Customer under this Agreement.

8.2. *Relocation to Building*. In the event that Mining Equipment is deployed at the Facility in a mobile data center or "container" unit (each a "**Container**") and subsequently during the Term sufficient capacity to house all Mining Equipment deployed in such Container becomes available inside the main buildings (the "**Indoor Pod**"), Customer may elect to relocate such Mining Equipment to the Indoor Pod and Service Provider shall bear the reasonable costs of such relocation.

8.3. *Emergency Relocation*. In the event of an emergency (meaning a serious, unexpected and/or dangerous situation requiring immediate action) giving rise to material risk to the Facility, equipment or personnel located at the Facility, as determined in Service Provider's reasonable discretion, Service Provider may rearrange, remove, or relocate the Mining Equipment without any liability to Customer. Notwithstanding the foregoing, in the case of emergency, Service Provider shall provide Customer, to the extent practicable, reasonable notice prior to rearranging, removing, or relocating the Mining Equipment.

8.4. *Equipment Removal*. Customer shall not be entitled to remove any Mining Equipment from the Facility other than pursuant to a valid termination of this Agreement, at which time Customer may request that Service Provider remove and deliver Mining Equipment to Customer, at Customer's sole cost upon not less than ten (10) business days' notice; provided that Customer shall be liable for outstanding fees and for any liability arising in connection with the termination of this Agreement. Customer's written notification shall request a date by Customer wishes for the Mining Equipment to be packaged and shipped from the Facility. Before packaging and shipping the Mining Equipment, Service Provider will verify that Customer has no payments due, including, but not limited to any obligations relating to the termination of this Agreement, and that Customer has paid the costs of packaging, shipping and insuring such Mining Equipment from Service Provider's Facility. If Customer uses an agent or other third party to remove the Mining Equipment, which it may only do with Service Provider's express written consent, Customer shall be solely responsible for the acts of such party, and any injury, including death, and damages to the Mining Equipment, the Facility (or other site of relocation), or otherwise, caused by such party, whether directly or indirectly.

8.5. For any removal and/or relocation of Mining Equipment pursuant to this Article 8, Service Provider shall, to the extent practicable, employ the "hot swapping" equipment as specified in Article 9.2 or others mechanisms that minimizes the interruption to mining activities.

9. TECHNOLOGY UPGRADES.

9.1. *Software and Firmware*. The parties shall mutually agree in good faith whether to update or upgrade the software or firmware of Mining Equipment, including to replace the existing software or firmware of the Mining Equipment. Service Provider shall use commercially reasonable efforts to maintain the Mining Equipment provided by Customer.

9.2. *Mining Equipment Upgrades*. Customer shall have the right on up to two (2) occasions during the Term to, at Customer's sole cost and expense, replace some or all of the Mining Equipment at the Facility with newer generation equipment. Customer shall provide Service Provider reasonable written notice of the proposed equipment upgrade, which notice shall include a new **Exhibit B** and **Exhibit C** hereto reflecting the revised set of Mining Equipment to be hosted at the Facility. Service Provider will, at Customer's cost, arrange for the deinstallation of old Mining Equipment and installation of the new Mining Equipment in a manner that to the extent practicable minimizes the interruption to mining activities (e.g., "hot swapping" equipment in real time). Uninstalled Mining Equipment will be made available to Customer in accordance with Section 8.3 above.

10. DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY.

10.1. *Disclaimers*. THE SERVICES AND FACILITY PROVIDED BY SERVICE PROVIDER ARE PROVIDED "AS IS." SERVICE PROVIDER DOES NOT PROVIDE MECHANICAL COOLING OR BACKUP POWER AND THE FACILITY IS SUBJECT TO SWINGS IN LOCAL TEMPERATURE, WIND, HUMIDITY, ETC. INTERNET ACCESS IS NOT REDUNDANT OR PROTECTED AND IS NOT GUARANTEED AT ALL TIMES.

10.2. *Limitation of Liability*.

10.2.1. *Damages*. In no event shall either party be liable to the other party or any other person, firm, or entity in any respect, for any indirect, consequential, special, incidental or punitive damages, including loss of profits or revenue of any kind or nature whatsoever, loss of data, arising out of mistakes, negligence, accidents, errors, omissions, interruptions, or defects in transmission, or delays, including, but not limited to, those which may be caused by regulatory or judicial authorities or other circumstances not attributable to either party arising out of or relating to this agreement or the obligations of such party pursuant to this agreement.

10.2.2. *Limitations on Liability*. In no event shall Service Provider be liable to customer or any other person, firm, or entity in any respect, for any indirect, consequential, special, incidental or punitive damages including, but not limited to, damages for harm to business, lost revenues, lost sales, lost savings, lost profits or revenue (anticipated or actual), loss of use, loss of data, or downtime), arising out of mistakes, accidents, errors, omissions, interruptions, or defects in transmission, or delays, including, but not limited to, those which may be caused by regulatory or judicial authorities arising out of or relating to this agreement or the obligations of such party pursuant to this agreement, regardless of the form of action, whether in contract, warranty, strict liability or tort, or any other legal or equitable theory, even if Service Provider has been advised that any such damages or losses are possible. Under no circumstances shall Service Provider's aggregate liability under this agreement, whether under contract law, tort law, warranty, or otherwise, exceed the monthly fees actually received by Service Provider from customer in the six (6) months prior to the date of the action giving rise to the claim. notwithstanding anything to the contrary herein, customer understands and acknowledges that, in some situations, equipment functionality may be unavailable due to factors outside of Service Provider's control. This includes, but is not limited to network failures, pool operator failures, denial of service attacks, currency network outages, hacking or malicious attacks on the crypto networks or exchanges, power outages, or acts of god. Service Provider shall have no obligation, responsibility, and/or liability for the following: (a) any interruption or defects in equipment functionality caused by factors outside of Service Provider's negligence or willful misconduct; (b) any internet failure or outage; (c) damages resulting from any actions or inactions of customer or any third party not under Service Provider's control; or (d) damages resulting from equipment or any third-party equipment.

10.2.3. *Exclusions*. The exclusions and limitations in Section 10.2.1 and Section 10.2.2 shall not apply to:

10.2.3.1. a Party's indemnification obligations under Section 12 (Indemnification);

10.2.3.2. damages or other liabilities arising out of or relating to a party's gross negligence, willful misconduct, or intentional acts; or

10.2.3.3. damages or liabilities to the extent covered by a Party's insurance.

10.2.4. *Causes of Action*. Unless applicable law requires a longer period, any action against Service Provider in connection with this Agreement must be commenced within one year after the Customer was made aware of the circumstances given rise to the cause of the action.

11. RISK

11.1. *Digital Asset Prices*. Customer understands that Service Provider is not liable for price fluctuations in any Digital Asset.

11.2. *Acknowledgements*. By entering into this Agreement Customer acknowledges and agrees that: (a) Service Provider is not responsible for the operation of any Digital Asset underlying protocols, and Service Provider makes no guarantee of their functionality, security, or availability; (b) Digital Asset underlying protocols are subject to sudden changes in operating rules (a/k/a "forks"), and such forks may materially affect the value, function, and/or even the name of the Digital Assets; and (c) Service Provider does not own or control the underlying software protocols which govern the operation of any Digital Asset.

11.3. *No Guarantee*. Customer understands that Mining is an everchanging and volatile endeavor and that there is no guarantee that the Services will generate any set amount of Digital Assets.

11.4. *Service Provider Not Liable*. Customer acknowledges that Service Provider shall have no responsibility or liability for: (a) Force Majeure; (b) any error by any Customer; (c) any error by any Third Party Mining Provider; (d) the insolvency of, or acts or omissions by, a Digital Asset trading platform or market or the issuer of any Digital Asset; (e) any error, or any loss, destruction, corruption or other inability to use or transfer any Digital Asset caused by the applicable blockchain or any other technology used to implement or operate any Digital Asset, or other circumstances beyond the reasonable control of Service Provider; (f) any delay or failure of any Digital Asset issuer, the developer or operator of any technology used to implement or operate any Digital Asset, or any broker, agent, intermediary, bank or other commercially prevalent Digital Asset payment or clearing system to provide any information or services required in order to enable Service Provider's performance hereunder; (g) delays or inability to perform its duties due to any disorder in market infrastructure with respect to any particular Digital Asset; (h) the effect of any provision of any law or regulation or order of the United States of America, or any state thereof, or any other country, or political subdivision thereof or of any court of competent jurisdiction, and (i) any other matters for which Service Provider is not responsible under this Agreement.

11.5. *Insurance*.

11.5.1. *Customer Insurance*. It is understood that Service Provider is not an insurer and Customer's Mining Equipment is not covered by any insurance policy held by Service Provider. In addition to any other type of insurance and related policy limits which are required by law, or customarily obtained by companies like Customer, or other companies in its industry, Customer is responsible for obtaining insurance coverage for the Mining Equipment for up to the full replacement cost of such Mining Equipment. Customer shall provide summary and/or copies of property insurance policies that it procured for the Mining Equipment issued by its insurance carrier or broker and provide required endorsements to Service Provider upon request.

11.5.2. *Service Provider Insurance*. Service Provider agrees to maintain in force and effect during the Term of this Agreement one or more policies of general liability insurance, with a combined single-limit coverage of not less than $2 million and aggregate umbrella coverage of not less than an additional $5 million. Service Provider shall provide summary and/or copies of insurance policies it procured for the Facility and personnel upon request.

12. INDEMNIFICATION.

12.1. *Indemnity by Customer*. Customer will indemnify, hold harmless, and defend Service Provider, its subsidiaries, and their respective employees, agents, directors, owners, executives, representatives, and subcontractors from any liability, claim, judgment, loss, cost, expense or damage, including attorneys' fees and legal expenses arising from or relating to: (A) Customer's, or its representatives', actual or alleged breach of this Agreement or applicable law; (B) the Mining Equipment or Customer's use of the Mining Equipment; (C) Customer's entering into this Agreement; and (D) any injuries, including but not limited to death, or damages sustained by any person or property due to any direct or indirect act, omission, negligence or misconduct of Customer, its agents, representatives, employees, contractors and their employees and subcontractors and their employees.

12.2. *Indemnity by Service Provider*. Service Provider will indemnify, hold harmless, and defend Customer, its subsidiaries, and their respective employees, agents, directors, owners, executives, representatives, and subcontractors from any liability, claim, judgment, loss, cost, expense or damage, including attorneys' fees and legal expenses arising from or relating to: (A) Service Provider's, or its representatives', actual or alleged breach of this Agreement or applicable law; (B) Service Provider's entering into this Agreement; (C) any injuries, including but not limited to death, or damages sustained by any person or property due to any direct or indirect act, omission, negligence or misconduct of Service Provider, its agents, representatives, employees, contractors and their employees and subcontractors and their employees.

12.3. *Limitation on Indemnity*. Notwithstanding anything to the contrary in this Agreement, the indemnifying party is not obligated to indemnify, hold harmless, or defend the indemnified party against any claim (whether direct or indirect) to the extent such claim or corresponding losses are covered by the insurance policies required under Section 11.5 or the extent that such claim is the result of a Force Majeure Event.

13. TERM AND TERMINATION.

13.1. *Term*. This Agreement shall commence on the Effective Date and will remain in effect for the term set forth on the Cover Page unless terminated in accordance with the terms set forth in this Agreement (the "**Term**"). This Agreement shall automatically renew for additional one-month terms unless a Party gives the other Party written notice of an intent not to renew the Agreement no later than thirty (30) days' advance written notice that the Party does not intend to renew the Agreement.

13.2. *Termination in Bankruptcy, etc*. This Agreement will be terminated if the Parties mutually agree to writing to terminate the Agreement. Either Party may terminate this Agreement immediately upon written notice to the other Party in the event (i) such other Party (a) files any petition in bankruptcy; (b) has an involuntary petition in bankruptcy filed against it; (c) becomes insolvent; (d) makes a general assignment for the benefit of creditors; (e) admits in writing its inability to pay its debts as they mature; (f) has a receiver appointed for its assets; (g) ceases conducting business in the normal course; or (h) has any significant portion of its assets attached or (ii) either Party undergoes a change of control.

13.3. *Breach and Cure*. Either Party may terminate this Agreement upon written notice to the other Party if such other Party breaches any material term or condition of this Agreement and fails to remedy the breach within thirty (30) days after being given written notice thereof.

13.4. *Effect of Termination*. Except as provided in Section 17.14, following the expiration or termination of this Agreement, all Customer's rights under this Agreement shall terminate and provided no amounts remain payable by Customer to Service Provider or its affiliates (where applicable, after the application of the Deposit to the payment of the Facility Fee for November 2025 as set forth in Section 4.3) (i) Customer shall be entitled to the immediate physical possession of all Mining Equipment and (ii) Service Provider shall return to Customer any remaining Deposit (A) in the case of a termination pursuant to Section 14.3.1, immediately and (B) otherwise, within 90 days.

14. FORCE MAJEURE.

14.1. *Force Majeure Event*. Notwithstanding anything to the contrary in this Agreement, and subject to the terms in this Section, either Party shall not be responsible for any failure to perform and will not be liable to the other Party for any damages to such Party, as a result of any Force Majeure Event. "**Force Majeure Event**" means any event that is beyond the Parties' reasonable control, including, but not limited to, (a) acts of war; (b) issues with technology suppliers to the extent not attributable to either Party, (c) issues with import/export restrictions, (d) unforeseeable lack of electricity supplies, blackouts, brownouts or power shortages; (e) Internet outages to the extent due to reasons not attributable to either Party; (f) any government action, order, law, regulation, moratorium or action that renders or purports to render the provision of the Services unlawful or that is so onerous it renders provision of the Services not commercially practicable; (g) fire, flood, earthquake, explosion or other natural disaster; or (h) disease, epidemic or pandemic (where an epidemic or pandemic has been declared at Service Provider's hosting site(s) by the Center for Disease Control or the World Health Organization), where such disease, epidemic, or pandemic causes a government- mandated shutdown of Service Provider or the hosting site(s) hosting the Mining Equipment.

14.2. *Service Provider Actions*. Service Provider's limitation on responsibility due to a Force Majeure Event in Section 14.1 applies only if: (a) Service Provider takes such action as may be reasonably necessary to void, nullify, or mitigate, in all material respects, the effects of the Force Majeure Event; (b) Service Provider provides Customer with prompt and precise notice of (i) the identity of the specific Force Majeure Event; (ii) the details of Service Provider's attempts to void, nullify, or mitigate the effects of the Force Majeure Event; and (iii) an anticipated timeline of recovery to normal business operations from the Force Majeure Event.

14.3. *Effect of Force Majeure Event*. In the event the Facility cannot be used by Customer to Mine cryptocurrencies due to a Force Majeure Event then the Facility Fee shall be abated during the shutdown. If such shutdown:

14.3.1. Occurs during the first 90 days of the Term, then Customer shall be entitled to immediately terminate this Agreement. Service Provider shall bear the reasonable costs of unracking and packing the Mining Equipment ready for shipment.

14.3.2. Persists for 30 consecutive days, either Party shall be entitled to immediately terminate this Agreement.

15. COMMUNICATIONS & NOTICES.

15.1. *Addresses for Notices*. All notices, requests, or other communications or documents to be given under this Agreement shall be in writing and addressed to the person(s), and at the addresses, set forth for each Party on the Cover Page.

15.2. *Method*. Notices shall be deemed effective: (a) when delivered by hand; (b) one day after posting with a recognized express delivery service specifying priority overnight delivery with written verification of receipt (in the case of internal domestic U.S. deliveries); (c) five (5) days after posting with a recognized international express delivery service specifying priority international delivery with written verification of receipt (in the case of international deliveries); or (d) when sent by e-mail with confirmation of transmission by the transmitting equipment. Each Party may designate a different address or contact person by notice given in the manner provided in this Section.

16. REPRESENTATIONS AND WARRANTIES.

16.1. *Each Party*. Each Party hereby represents, warrants and covenants to the other Party that: (a) it has full, right, power and authority to enter into this Agreement and to perform its obligations under this Agreement; and (b) the execution of this Agreement and the performance of its obligations hereunder do not and will not constitute any material breach of any agreement to which it is a party.

16.2. *Service Provider*. Service Provider represents, warrants and covenants to Customer that Service Provider is, through its wholly-owned subsidiary North East Data, LLC, the sole owner of the Facility and that as of the date hereof Service Provider is not aware of any actual or potential third-party claim to the contrary.

16.3. *Customer*. Customer represents, warrants and covenants that as between Service Provider and Customer, Customer will be the beneficial owner of the Digital Assets and there will be no third-party beneficiaries to the Agreement.

17. GENERAL PROVISIONS.

17.1. *Disputes.*

17.1.1. The parties shall resolve any dispute, controversy, or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof (each, a "**Dispute**"), under the provisions of Sections 17.1 through 17.3. The procedures set forth in Sections 17.1 through 17.3 shall be the exclusive mechanism for resolving any Dispute that may arise from time to time and Sections 17.1 through 17.3 are express conditions precedent to litigation of the Dispute

17.1.2. A party shall send written notice to the other party of any Dispute ("**Dispute Notice**"). The parties shall first attempt in good faith to resolve any Dispute set forth in the Dispute Notice by negotiation and consultation between themselves, including not fewer than three (3) negotiation sessions attended by senior executives of Service Provider and Customer. In the event that such Dispute is not resolved on an informal basis within 10 Business Days after one party delivers the Dispute Notice to the other party, whether the negotiation sessions take place or not, either party may, by written notice to the other party ("**Escalation to Executive Notice**"), refer such Dispute to the chief executives of each party (the "**Executives**").

17.1.3. If the Executives cannot resolve any Dispute during the time period ending 10 Business Days after the date of the Escalation to Executive Notice (the last day of such time period, the "**Escalation to Mediation Date**"), either party may initiate mediation under Section 17.2.

17.2. *Mediation.*

17.2.1. Subject to Section 17.1, the parties may, at any time after the Escalation to Mediation Date, submit the Dispute to any mutually agreed to mediation service for mediation by providing to the mediation service a joint, written request for mediation, setting forth the subject of the dispute and the relief requested. The parties shall cooperate with one another in selecting a mediation service, and shall cooperate with the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings. The parties covenant that they will use commercially reasonable efforts in participating in the mediation. The parties agree that the mediator's fees and expenses and the costs incidental to the mediation will be shared equally between the parties.

17.2.2. The parties further agree that all offers, promises, conduct, and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts, and attorneys, and by the mediator and any employees of the mediation service, are confidential, privileged, and inadmissible for any purpose, including impeachment, in any litigation, arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

17.3. *Arbitration as a Final Resort.* If the parties cannot resolve any Dispute for any reason, including, but not limited to, the failure of either party to agree to enter into mediation or agree to any settlement proposed by the mediator, within 20 Business Days after the Escalation to Mediation Date, either party may pursue arbitration in accordance with the provisions of Section 17.5.

17.4. *Governing Laws.* This Agreement will be construed in accordance with the laws of the State of Delaware as applied to contracts made and performed entirely therein, and without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the Parties.

17.5. *Arbitration.* Subject to Sections 17.1, 17.2 and 17.3, the Parties hereto agree that any Dispute or controversy arising out of, relating to, or in connection with this Agreement shall be arbitrated pursuant to the American Arbitration Association (the "**AAA**") and shall be finally and conclusively determined by the decision of a board of arbitration consisting of one (1) member selected according to the rules governing the AAA. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The language of the arbitration shall be in English.

17.6. *Assignment.* Except as expressly provided herein, neither Party may assign or transfer (collectively "assign") this Agreement, or any rights or obligations under this Agreement, without the prior written consent of the other, which consent may be withheld in the consenting Party's discretion; provided, however, that a Party may make such an assignment without the other Party's consent (i) to an affiliate, provided that such affiliate agrees in writing to be bound by the terms and conditions of this Agreement; (ii) in conjunction with a change of control of such Party; or (iii) in conjunction with the sale of a Party, or all or substantially all assets of such Party related to the subject matter of this Agreement, to, or the merger of a Party with, any third party. This Agreement shall be binding upon the successors and permitted assigns of the Parties. Any assignment or attempted assignment by either Party in violation of the terms of this Section 17.6 shall be null and void and of no legal effect.

17.7. *Entire Agreement; Amendment.* This Agreement, including any updates or amendments, constitutes the complete and exclusive agreement between the Parties with respect to the subject matter hereof, and supersedes and replaces all prior or contemporaneous discussions, negotiations, understandings and agreements, written and oral, regarding the same. This Agreement may only be modified by a written instrument properly executed by the Parties (and such written instrument shall explicitly say that it is an amendment hereto so that no informal amendment inadvertently occurs).

17.8. *Confidentiality.* The terms and conditions of this Agreement, the Services, the Electricity Utility Costs and the Facility Fees (and any other related materials or information provided by Service Provider to Customer) are Service Provider's confidential information, regardless of whether they are marked as confidential, proprietary or otherwise. The personal data provided by Customer in the context of this Agreement (and any other related materials or information provided by Customer to Service Provider) are Customer's confidential information, regardless of whether they are marked as confidential, proprietary or otherwise. During the Term, the Parties shall (a) keep such confidential information strictly confidential in a manner that each Party protects its own confidential or proprietary information of a similar nature (and with no less than reasonable care); and (b) not disclose such confidential information to any third party other than each Party's partners, vendors, assignees, purchasers, investors, lenders, lessors, and financial or legal consultants that have a need to know such information and have agreed in writing to keep such information confidential and not disclose such confidential information. consistent with the terms of this Agreement. Notwithstanding the foregoing, the either Party may disclose confidential information as required by law or by order of a court of competent jurisdiction, provided that, in such event, (i) such Party will provide the other Party with prompt notice of such obligation and permit the other Party an opportunity to take legal action to prevent or limit the scope of such disclosure; and (ii) such Party will furnish only that portion of the other Party's confidential information which the Party is advised by counsel is legally required and the Parties will exercise commercially reasonable efforts to obtain assurance that confidential treatment will be accorded to such confidential information.

17.9. *Non-solicitation*. From the Scheduled Start Date and for nine months thereafter, each Party agrees not to solicit the employees, contractors, or other affiliates of the other Party.

17.10. *Independent Contractors*. Service Provider and Customer are independent contractors, and nothing in the Agreement will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship between the Parties. Neither Party is an agent or representative of the other or is authorized to make any warranties or assume or create any other obligations on behalf of the other.

17.11. *Compliance with Laws*. Service Provider shall use commercially reasonable efforts to remain in compliance with such laws (to the extent that it already is), or work towards compliance with such law (to the extent that it is not, whether due to changing laws or otherwise). Customer understands and agrees that Service Provider shall not be in violation of this Agreement, and shall have no liability, to the extent it uses, or has used commercially reasonable efforts to comply with applicable law.

17.12. *Intellectual Property*. Nothing in this Agreement shall be deemed to grant to either party any rights or licenses, by implication, estoppel or otherwise, to any of the other party's Intellectual Property. Neither party shall contest or challenge, or assist any third party in contesting or challenging, the validity or enforceability of any of the other party's Intellectual Property.

17.13. *Trademarks*. Each party is strictly prohibited from using any product or corporate name, designation, logo, trade name, trademark, service name or service mark associated with the other party in any marketing materials, regulatory filing, financial statements, offering circular, prospectus or otherwise, without the prior written consent of the first party, which may be withheld by the first party in its sole and absolute discretion.

17.14. *No Exclusivity*. This Agreement in no way establishes any exclusive arrangement between Customer and Service Provider. Each party acknowledges and agrees that the other party will be free to enter into agreements and other arrangements with any third parties, at any time, regarding any products or services.

17.15. *Parties Are Sophisticated and Represented.* No preference shall be given to one Party by virtue of the fact that such Party did not draft this Agreement. No bias shall be placed against the drafter. Each Party has been advised and offered the opportunity to seek legal counsel regarding this Agreement. To the extent they chose not to or to limit such, they hereby waive any later complaint that they lacked proper counsel or understanding. No failure by any Party to insist upon the strict performance of this Agreement shall constitute waiver of any breach, covenant, duty, or term herein.

17.16. *Counterparts / Execution.* The Agreement may be executed in counterparts, which together shall constitute a single instrument, and may also be executed by electronic signature, and the Parties agree that facsimile, digitally scanned or other electronic copies of signatures shall be valid and binding as originals.

17.17. *Taxes.* The Electricity Utility Costs and fees set forth herein do not include any tariffs, import or export duties, however designated, levied against the delivery or use of the components and products provided under the Agreement. Customer shall pay, or reimburse Service Provider for, all such taxes; provided, however, that Customer shall not be liable for any taxes based on Service Providers' net income.

17.18. *Survival.* The provisions contained in Sections 1, 5, 6, 10, 11, 12, 13.4 and 17 shall survive the termination or expiration of this Agreement.

EXHIBIT B

MINING EQUIPMENT DESCRIPTION

This Exhibit B (the "**Mining Equipment**") is the list of equipment being provided by Customer to Service Provider for the delivery of Mining Power and will be updated as each delivery schedule is finalized. The descriptions of equipment below are understood to be the manufacturers specifications. The costs in electricity and maintenance will be based upon the performance of such equipment within the Service Provider's facility and will not be limited by the manufacturers stated specifications.

Customer is solely responsible for providing all Mining Equipment necessary to operate within the Service Provider's facility, including the Mining Equipment hashboards, controller board, case assembly, fan, and power unit.

Customer is solely responsible for the shipping of Mining Equipment to and from Service Provider facility provided below.

Model		Manufacturer	
Model #			
Hashrate		Wattage	
Number of Units	3,780	Declared Value[1]	

1 Per Customer's insurance policies.

EXHIBIT C

SCHEDULED DELIVERY OF MINING EQUIPMENT

This Exhibit C (the "**Delivery Schedule**") is the schedule of expected delivery dates for the arrival of mining equipment provided by Customer to Service Provider at the facility provided below.

Upon arrival, and subject to Service Providers reasonable satisfaction as to the functionality and completeness of the Mining Equipment, Service Provider will install equipment at a rate of three hundred (300) pieces per day, starting no later than within two (2) days of arrival. If Mining Equipment does not arrive within five (5) days of expected delivery, Customer will be required to provide an amended Delivery Schedule. If Mining Equipment does not arrive with thirty (30) days of the ORIGINAL MINING SCHEDULE, Service Provider may choose to cancel or terminate the acceptance of this Mining Equipment and amend this agreement to reduce the number of Mining Equipment provided above.

Service Provider shall not be responsible for the shipping fees to or from the facility. Service Provider is not responsible for any customs, duties, or other taxes or levies on the equipment.

Service Provider shall not be responsible for any additional equipment provided beyond the Mining Equipment detailed above and will alert Customer within fifteen (15) days of any delivery to any differences of the provided Mining Equipment.

SERVICE PROVIDER FACILITY	
Facility Name:	Blockfusion Niagara Falls
Facility Address:	5380 Frontier Avenue, Niagara Falls, New York 14304
Facility Primary Contact:	
Facility Phone Number:	
Primary Contact Email Address:	

Date of Expected Delivery	**Model**	**Number of Units**	**Shipment Provider**	**Origination**	**Declared Value**

MASTER COLOCATION AGREEMENT

This Master Colocation Agreement (the "**Agreement**") is made on January 3, 2025 ("**Effective Date**"), by and between:

Mawson Hosting LLC, a limited liability company incorporated under the laws of the state of Delaware, the United States of America ("**Host**"); and,

Gryphon Digital Mining, **Inc**. a corporation incorporated under the laws of the State of Delaware, United States of America ("**Client**").

Each of the parties to this Agreement is referred herein individually as a "**Party**" and collectively as the "**Parties**" as the case may be.

WHEREAS:

(A) Host is the operator of the Data Center Facility (as defined below) and provides Services (as defined below) at the Data Center Facility.

(B) Client intends to situate the Colocation Servers (as defined below) at the Data Center Facility and receive Services from Host in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants set forth in this Agreement, the parties agree as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1. In this Agreement, these expressions have the following meanings:

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly Controls, is Controlled by, or is under common Control with such Person.

"All-In Power Cost" means the sum of the following amounts:

+ Hourly Locational Marginal Pricing (LMP) Rate,

+ Adder,

+ GRT Tax,

+ SUT Tax; and,

+ Transmission and Capacity Charges.

"**Applicable Law**" means any treaty, law, decree, order, regulation, decision, statute, ordinance, rule, directive, or code under local law, the law of any U. S. state or federal law (including securities laws and applicable securities exchanges rules), and which creates or purports to create any requirement or rule that may affect, restrict, prohibit or expressly allow the terms of this Agreement or any activity contemplated or carried out under this Agreement.

"**Bench Units**" means spare, back up ASIC mining units provided by the Client to the Service Provider for the purpose of removing and replacing inactive miners. A minimum par level of units must be maintained at all times.

"**Billing Period**" means the period of approximately one (1) month for which Host issues invoices to Client for the Services provided by Host during such period, the determination of which shall follow the following principle: (a) the first Billing Period shall commence from the Initial Date through the last calendar day of the same month, and (b) each of the subsequent Billing Periods shall commence from the first calendar day of the month following the previous Billing Period through the last calendar day of such month.

"**Business Day**" means a day (other than Saturday, Sunday or public holiday) on which banking institutions in the State where the Data Center Facility is located are open generally for business.

"Client Default" means any event of default set forth in Article 11 where Client is the defaulting Party.

"**Colocation Capacity**" shall have the meaning ascribed to it in the applicable Service Order.

"**Colocation Fee(s)**" means the fee for the Services payable by Client to Host during the applicable Billing Period, which shall be calculated in accordance with Article 3.

"**Colocation Fee Rate**" means the rate for the Colocation Fee as set out in the relevant Service Order.

"**Colocation Quantity**" means the agreed quantity of the Colocation Servers in accordance with the applicable Service Order, for which Host shall provide the Colocation Capacity, the details of which shall be initially set forth in the applicable Service Order.

"**Colocation Servers**" means the supercomputing servers and ancillary hardware equipment owned by Client or its designated third party(ies) and co-located at the Data Center Facility pursuant to this Agreement and an applicable Service Order.

"**Control**" means, with respect to any Person, the power or authority, whether exercised or not, to direct the business, management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, provided that, in the case of a Person that is an entity, such power or authority shall conclusively be presumed to exist upon possession of beneficial ownership or power to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the holders of the shares or other equity interests or registered capital of such Person or power to control the composition of a majority of the board of directors or similar governing body of such Person. The terms "**Controlled**" and "**Controlling**" have meanings correlative to the foregoing.

"**Curtailment Program**" means Host's demand response program whereby Host can reduce its power use during certain times and be compensated for doing so by Host's CSP.

"**CSP**" means Host's curtailment service provider.

"**Data Center Facility**" means the data center facility operated by Host, details of which shall be submitted to Client in the form set forth in EXHIBIT A of APPENDIX I hereto, where Host provides the Services to Client pursuant to the applicable Service Order(s).

"**Day**" shall mean, unless otherwise specified, a calendar day inclusive of weekends, holidays, Business Days and non-Business Days.

"**Delayed Compensation**" means the corresponding amount payable by either Party as compensation for its delayed performance in accordance with Articles 3.5(b), 3.5(c) and 3.5(d).

"**Deposit**" means the amount payable by Client to Host to equal to one (1) month of the maximum theoretical amount of the Colocation Fee for one Billing Period, based on the maximum Colocation Quantity for the respective batch of the Colocation Servers, calculated in accordance with the formula set forth in paragraph 3.1 of the applicable Service Order.

"**End-Period Meter Reading**" means the meter reading of the Power Consumption Meter taken at 23:59 (UTC) on the last day of the applicable Billing Period.

"**Effective Date**" means the date of this Agreement.

"**Force Majeure**" means in respect of either Party, any event or occurrence whatsoever beyond the reasonable control of that Party, which delays, prevents or hinders that Party from performing any obligation imposed upon that Party under this Agreement, except payment, insurance, and indemnity obligations of Client under this Agreement, including to the extent such event or occurrence shall delay, prevent or hinder such Party from performing such obligation, war (declared or undeclared), terrorist activities, acts of sabotage, blockade, fire, lightning, acts of god, national strikes, riots, insurrections, civil commotions, quarantine restrictions, epidemics and pandemics, earthquakes, landslides, avalanches, floods, telecommunications or utilities outages, hurricanes, explosions, and legal, regulatory and administrative or similar action or delays to take actions of any governmental authority.

"**Index Rate**" means the Power Reimbursement fee is calculated based on the All In Power rate that Host is invoiced by their power provider as set out in the Service Order, and as further set forth in the Service Order.

"**Information Memorandum**" means the document captioned as such and attached to the Service Order as Exhibit A.

"**Initial Date**" means the date on which the Colocation Servers under the Service Order, or the first batch of Colocation Servers if there are more than one batch under the Service Order, are powered-on for normal Colocation and operation.

"**Interest Rate**" means the lesser of (i) Federal Reserve base rate (or such reasonable comparable national banking institution as agreed by the Parties in the event Federal Reserve ceases to exist or publish base rate), or (ii) the highest rate permitted by Applicable Law.

"**Inventory Assets**" means any asset stored or kept by Client at the Data Center Facility other than the Colocation Servers, but which is reasonably necessary to operate or maintain the Colocation Servers. Inventory Assets which may include, without limitation, servers or hardware equipment that are damaged, defective, malfunctioning or not operating, servers or hardware equipment that are returned for maintenance and repair, servers or hardware equipment that are backup to the Colocation Servers, the spare parts and components for the maintenance and repair of the Colocation Servers, and the packaging materials for the Colocation Servers.

"**kWh**" means kilowatt hours of power.

"LMP" means Locational Marginal Pricing.

"**Low Power Mode**" means a special operation mode unique to the specific Colocation Server in which such Colocation Server consumes less electrical power than its Rated Power.

"**Minimum Colocation Fee**" means the minimum Colocation Fee payable by Client per month as set forth in the relevant Service Order.

"**Minimum Strike Price**" means the lowest strike price that Client can instruct Host to implement under Article 5, and as further set out in the Service Order.

"MDC Infrastructure" means the equipment utilized by the Host to operate the Colocation Servers, including without limitation the exhaust fans, switches, lights, and CCTV.

"**Minimum Power Commitment**" means the commitment of power consumption of Host pursuant to the applicable Power Purchase Agreement, the failure to utilize electrical power under which, or the failure to make payment of which regardless of the actual utilization, will constitute a breach of contract under such Power Purchase Agreement. The specific amount of the Minimum Power Commitment shall be set forth in the applicable Information Memorandum of Data Center Facility.

"**Monitoring Software**" means the software designated by the Parties to monitor the operation of the Colocation Servers, which shall be mutually agreed between the Parties in the applicable Service Order.

"**Monthly Theoretical Colocation Fee**" means the theoretical amount of the Colocation Fee for one (1) month, which shall be calculated in accordance with the following formula: Monthly Theoretical Colocation Fee = ∑ Rated Power of Each Colocation Server Powered-On (kW) × Colocation Fee Rate × 24 × 31.

"Net Benefit Price" means the minimum power price permitted as a strike price as prescribed by PJM on a monthly basis. Service Provider will provide the Net Benefit Price to the Client on the last day or each month for the following month.

"**Online Status**" means the status of a Colocation Server that is powered-on with constant supply of electrical power, has stable connection with network and is accessible via the Monitoring Software where the status tag "Online" is indicated for such Colocation Server.

"**Permitted Disputed Items**" has the meaning ascribed to such term in Article 3.6(b)(iii).

"**Person**" means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity (whether or not having separate legal personality).

"PJM" is an acronym for Pennsylvania-New Jersey-Maryland Interconnection, an independent system operator (ISO) and regional transmission organization (RTO) that manages the electric grid which services the Data Center Facility.

"**Power Consumption**" means the amount of electrical power consumed in connection with the operation of the Colocation Servers during the applicable Billing Period, which shall be determined by subtracting the End-Period Meter Reading of the Billing Period immediately preceding the relevant Billing Period from the End-Period Meter Reading of the relevant Billing Period, the unit of which shall be kWh.

"**Power Purchase Agreement**" means the power purchase agreement, or other similar agreement for procurement of electrical power for the Data Center Facility, entered into between Host, or its Affiliate, and the relevant power supplier of the Data Center Facility.

"**Power Reimbursement**" means the all-inclusive power purchase fee to be paid by Client for power used in connection with the Colocation Servers and associated MDC Infrastructure, which has been invoiced to Host under the Power Purchase Agreement, and then passed through to Client under this Agreement, charged as a percentage of total power usage at the Data Center Facility.

"Quarter" means each of the three-month periods ending on March 31, June 30, September 30 and December 31.

"**Rated Power**" means the amount of the rated electrical power stated on the factory label of the applicable Colocation Server.

"**Reconciliation Statement**" means the statement issued by Host to Client every Billing Period for reconciliation between the Parties, which shall set out details including but not limited to Power Consumption, Power Reimbursement fees, Colocation Fees chargeable, any occurrence of interruption or suspension of any Service during such Billing Period, the form of which is set out in APPENDIX II hereto. Host may satisfy the requirements of the Reconciliation Statement in more than one document.

"**Relevant Jurisdiction**" means the State of Delaware of the United States of America.

"**Power Consumption Meter**" means the monitoring device installed by Host at the Data Center Facility for monitoring the electrical power consumed by Client in the operation of its Colocation Servers and MDC Infrastructure, located as set forth in the Information Memorandum.

"**Service**" means the Colocation service(s) provided by Host to Client pursuant to this Agreement subject to the actual service(s) agreed between the Parties in the applicable Service Order. For the avoidance of doubt, the Parties agree and acknowledge that the Service does not include any maintenance of Colocation Servers.

"**Service Order(s)**" means the Service Order(s) executed by the Parties in the form set out in APPENDIX I hereto, as amended from time to time in accordance with this Agreement.

"**Host Equipment**" means all equipment at the Data Center Facility that is owned by the Host including but not limited to modular data centers, transformers, breakers, switches, pads, fans, heat deflectors, CCTV, fences and other security related items, racking, cabling, servers, tools, vehicles and other property and equipment, but does not include the Colocation Servers or the Inventory Assets.

1.2. In this Agreement, unless otherwise specified:

(i) words importing the singular include the plural and vice versa where the context so requires;

(ii) the headings in this Agreement are for convenience only and shall not be taken into consideration in the interpretation or construction of this Agreement;

(iii) references to Articles and Appendix(es) are references to the articles and appendix(es) of this Agreement;

(iv) references to days, dates and times are to the days, dates and times of the Relevant Jurisdiction, unless otherwise indicated;

(v) any reference to a code, law, statute, statutory provision, statutory instrument, order, regulation or other instrument of similar effect shall include any re-enactment or amendment thereof for the time being in force;

(vi) the attached Exhibits, Appendices, Schedules, and Addenda referenced or attached hereto shall form part of this Agreement and shall have effect as if set out in full in the body of this Agreement, and any reference to this Agreement includes such attachments;

(vii) understanding and interpretation of this Agreement shall be based on the purpose of this Agreement and the original meaning of the context and prevailing understanding and practice in the industry, and provisions of this Agreement and relevant Appendix(es) shall be understood and interpreted as a whole; and

(viii) "**$**", "**US$**", "**US dollar**", "**US dollars**", "**dollar**" and "**dollars**" denote lawful currency of the United States of America.

2. SCOPE OF SERVICES

Subject to the terms and conditions of this Agreement, Host shall provide to Client, and Client shall receive from Host, the Services agreed in each of the applicable Service Orders.

3. COLOCATION FEE AND PAYMENT

3.1. Colocation Fee Calculation. The Colocation Fee is a base charge for Colocation hosting services provided by Host in addition to actual Power Consumption charges incurred and used by Client to operate its Colocation Servers. Host is not a power provider company but contracts with the power provider company to facilitate the supply of power, in part, to Client's Colocation Servers to allow Client to operate its Colocation Servers. The actual costs of power, including applicable sales and use taxes and fees charged by the Power Provider, for power consumed by Client under this Agreement are passed on directly from the Power Provider to client pursuant to Article 3.5. As a benchmark for Colocation services provided by Host, Host's Colocation Fees are a function of Client's Power Consumption as measured by the Power Consumption Meter. The Colocation Fee charged is in addition to and separate from the actual provision and billing of Power Consumption to Client.

3.2. The Colocation Fee for each Billing Period shall be calculated as follows:

Colocation Fee = Power Consumption × Colocation Fee Rate

The Colocation Fee is set forth in the applicable Service Order then in effect.

3.3. At any given time, if there is any rack space at less than 100% of capacity that is not occupied with functioning miners, Host will charge and Client shall pay for 95% uptime at contract power cost for the vacant rack spaces.

3.4. Other Fees. Other fees set forth in the applicable Service Order shall be paid in accordance with such Service Order. Fees charged on a pay-per-use basis and not set out in the Service Order may only be incurred after prior written approval of Client. Other services which may be provided by Host upon request include but are not limited to the following additional Services:

If such services are provided, they will be indicated in the applicable Service Order and invoiced and itemized separately. Client shall be responsible for any and all sales or use taxes which may be imposed on such services.

3.5. Deposit.

(a) Payment and Use of Deposit. Client shall pay to Host the Deposit in accordance with paragraph 4.2 of such Service Order on or before the Effective Date of such Service Order. Deposit will be held by Host as security for the full and faithful performance of Client's obligations under this Agreement, and at the sole discretion of Host as advanced payment for any sums, including without limitation all Colocation Fees and Power Reimbursement fees, and any such additional amounts as may be owing to Host under any provision hereof, and to maintain the services as required by this Agreement. If the deposit is paid in one or more payments or installments, or is paid as multiple deposits, then all such part-payments, instalments or deposits shall be treated as a single deposit. Host shall not be required to keep this Deposit separate from its general funds, and Client shall not be entitled to interest on the Deposit. Utilization of the Deposit is at the sole discretion of the Host. In no event may Client utilize all or any portion of the Deposit as a payment toward any sum due under this Agreement. If the Deposit falls below its original amount for any reason, Client must deposit new amounts with Host within 7 days of receipt of notice from Host.

(b) Delayed Compensation. The amount of the Delayed Compensation shall be calculated as follows:

Delayed Compensation = $\sum$ Rated Power of each delayed Colocation Server (kW) × US$0.01 × Number of delayed hours (any fractional delay of an hour shall be rounded up to next hour)

(c) Delay in Delivery of Colocation Servers. Client will deliver the respective batch of Colocation Servers to the Data Center Facility. Except as otherwise agreed by both Parties, in the event that Client fails to deliver the respective batch of Colocation Servers to the Data Center Facility on or before (x) the Initial Date, or (y) the estimated arrival date for the respective batch of Colocation Servers as set forth in paragraph 2.2 of the applicable Service Order, whichever is later:

(i) Host shall be entitled to deduct in whole or in part from the Deposit the corresponding Delayed Compensation in accordance with the corresponding number of hours and number of Colocation Servers delayed and any other compensation, expenses, fees, charges, or other sums which may be due Host by Client; and

(ii) if Client fails to remedy such delay within thirty (30) calendar days, Host shall be entitled to terminate this Agreement by notice with immediate effect. Host shall unconditionally remit the difference between the Deposit which has been paid by Client and the deducted Delayed Compensation to Client within three (3) Business Days from the termination of this Agreement, unless otherwise stipulated in the Agreement.

(d) Delay in Power-On of Colocation Servers.

(i) Except as otherwise agreed by both Parties, Host shall, to the satisfaction of Client, connect (1) the Data Center Facility to electrical power, and (2) enable the Data Center Facility to reach its standard operational conditions for the respective batch of Colocation Servers within fifteen (15) days of delivery of the relevant batch to Host ("Installation Period"). The Installation Period will be extended day-for-day when weather conditions at the Data Center Facility do not allow for installation to occur.

(ii) In the event that either of the conditions set forth in Article 3.5(d)(i) fails to be satisfied on time, Host shall be liable to pay to Client the corresponding Delayed Compensation in accordance with the corresponding number of hours and number of Colocation Servers delayed.

(iii) In the event that either of the conditions set forth in Article 3.5(d)(i) fails to be satisfied for more than thirty (30) calendar days, Client shall be entitled to terminate this Agreement by notice with immediate effect. Host shall unconditionally remit to Client the Deposit that has been paid by Client in full and all Delayed Compensation within seven (7) Business Days from the termination of this Agreement, unless otherwise stipulated in the Agreement.

(e) Unless otherwise stipulated in the Agreement, the Deposit that has been paid by Client and not yet returned shall be returned to Client in full unconditionally within seven (7) Business Days from the expiration or termination of this Agreement after deducting any fees or reimbursement payable under this Agreement to Host or compensation as follows, regardless of whether any disputes have occurred during the performance of this Agreement:

(i) In the event the Colocation Servers have connected to electrical power fully or partially, Host shall refund the remaining portion of the Deposit after deducting any payable and undisputed outstanding fees or reimbursement payable under this Agreement and any amount of applicable Delayed Compensation (if any), less the disputed amounts;

(ii) In the event the Colocation Servers have not connected to electrical power, Host shall refund the remaining portion of the Deposit after deducting any amount of applicable Delayed Compensation due to Host (if any).

3.6. Power Reimbursement. Prepayments of Power Reimbursement fees shall be made by Client to Host throughout the Term of the Agreement as follows:

(a) Prepayment. Client shall pay a prepayment to Host (the "**Prepayment**") ten (10) Business Days prior to the estimated power-on date for each batch of Colocation Servers as calculated and set forth in the applicable Service Order. Host shall maintain the Prepayment at the level required in the Service Order during the Term of the Agreement at all times and shall immediately make payments to Host to increase the Prepayment to the required amount if the amount of the Prepayment falls below the required amount.

(b) Return of Prepayment. Host may use a Prepayment to prepay or pay any power costs as required under the Power Purchase Agreement, or to offset the finally determined Power Reimbursement of the corresponding batch of Colocation Servers for the first Billing Period and the subsequent Billing Periods (if there is any Balance) in accordance with Article 3.7. If there is any unused Prepayment at the expiration or termination of this Agreement, Host shall unconditionally return such unused Prepayment in full to Client within seven (7) Business Days from the termination or expiration of this Agreement, or once Host has received a payment, set-off, credit or other value from its power supplier (whichever is later), regardless of whether any disputes have occurred during the Term of this Agreement unless outstanding invoices for Power Reimbursement are unsettled.

3.7. Mining Pool, Invoice, Payment and Settlement Mechanism.

(a) Mining Pool. Client may designate in its sole discretion (each a "**Mining Pool**", together the "**Mining Pools**"), and allocated to a subaccount ("**Subaccount**"),. Host will arrange to provide Client with API access or watcher links to the Subaccount(s) to enable Client to monitor performance of the Colocation Servers.

(b) Invoice. Host shall issue the invoice of the Colocation Fee, Power Reimbursement and any other fees for the previous Billing Period to Client within five (5) Business Days from the end of such Billing Period, with (i) the Reconciliation Statement for such Billing Period; and (ii) the supporting documents for the Power Consumption for the Billing Period (including, but not limited to, photos of the Power Consumption Meter showing the Power Consumption at the end of such Billing Period, and the rate of power for the period. During the Index Rate Periods a breakdown of hourly power costs incurred will be provided as support by Host.

(c) Revision Against Objection and Payment. Client shall be entitled to raise to Host any objection to an invoice (including its attachments) issued by Host in accordance with this Article by written notice to Host within seven (7) days upon receipt of such invoice. Host shall provide Client with reasonable information and assistance to Client for Client to understand how the invoice amounts were calculated. If the Client continues to object to any part of the invoice after 14 days, then senior executives from each party shall meet and negotiate in good faith to resolve the issue. If after 14 days the senior executives are unable to resolve the issue, then such an objection shall be treated as a dispute under article 18.5. Any undisputed amounts, or pass through costs (including without limitation, Power Reimbursement), must be paid in full despite any objection or disputes. Client cannot object to an invoice more than seven (7) days after receipt of the relevant invoice.

(d) Settlement Mechanism. Invoices are due ten (10) days from the date of issue. Host shall apply any remaining Prepayments already paid to Services Provider to each invoice and shall in each invoice charge Prepayments for the following two Billing Periods (if applicable), as well as charging the Power Reimbursement and any other Fees. If the invoice shows an amount owing to Client (ie a credit), Host may, before remitting any credit to Client, first deduct from the credit any amounts currently due and payable to Host (including unpaid invoices, or the credit can be used to increase the Deposit held by Host, if the amount held on deposit is less than the required amount). If there is a credit outstanding to Client after these deductions are made, then Host will remit a credit to Client within fifteen (15) days of the date of issue of the invoice.

(e) Payment terms. All sums due and payable by Client which are not timely paid in accordance with Paragraph 3, shall be subject to interest at 1.5% per annum or the maximum amount permitted by law (whichever is lower), computed from the original due date until paid. In the event that an attorney be employed or expenses be incurred to compel payment for any sums due the Host under this Agreement or to enforce any rights or remedies of Host in accordance therewith, Client shall pay all such attorney's fees, costs, and expenses incurred by Host including, without limitation, attorneys' fees, costs and expenses incurred in appellate proceedings or in any action or participation in, or in connection with, any case or proceeding under the United States Bankruptcy Code or any successor thereto.

3.8. Confirmation of Colocation Servers Security. Notwithstanding the foregoing, Host shall issue a Confirmation of Colocation Servers' Security (in the form as attached in APPENDIX III hereto) of providing Colocation Servers' latest information and the current business operation of Host within not more than five (5) Business Days before the due date of each of Client's payments hereunder, otherwise Client is entitled to postpone any payments until such confirmation is provided.

3.9. Payment Method of Colocation Fee. All payment of Colocation Fee pursuant to this Agreement, including any remittance or refund of Colocation Fee, shall be made in accordance with paragraph 4.2 of the applicable Service Order.

3.10. Suspension. Host may suspend the provision of Services under this Agreement if any amount due and payable under this Agreement has not been paid when due and payable; provided that, prior to any such suspension Host will provide Client with written notice of suspension and an opportunity to cure at least five days prior to any such suspension. Host must within three (3) Business Days reinstate the Services once all outstanding fees have been paid in cleared funds. If a suspension lasts longer than 30 days, the Host may terminate this Agreement.

3.11. Increased Cost. If there are any increases, changes in, or introduction or changes to the administration of, any fees taxes, levies, tariffs, utility cost increase, governmental fees or charges with respect to the provision of Services or the operation of the Data Center Facility, Host shall have the right to pass through any such amounts to Client.

3.12. Set-off. Each Party may set-off and deduct any amounts payable under this Agreement to the other Party against any amounts owing by the other Party to the first Party pursuant to this Agreement, including any credits owed by one Party to the other, or the Deposit.

3.13. Miner Redirection. If, Client has failed to pay any amounts due and payable to Host, then Host may reconfigure, point and/or redirect some or all of the Colocation Servers and use those Colocation Servers to generate cash and shall apply the proceeds (that is mining revenue, less all costs (including power, adders and tariffs), taxes and fees, and any losses incurred during exchange and exchange fees) to the amount unpaid to the Host until such time as all amounts outstanding to the Host is paid in full. If Host reconfigures, points and/or redirects some or all of the Colocation Servers, Host will report to Client on a monthly basis the proceeds it gains. This article survives termination, and the Host may continue to hold and operate the Colocation Servers beyond the termination date of this Agreement on the terms of this Article 3.13.

4. REPRESENTATIONS AND WARRANTIES

4.1. Each of the Parties hereby makes the following representations and warranties to the other Party:

(a) It has the full power and authority to own its assets and carry on its businesses.

(b) The obligations expressed to be assumed by it under this Agreement are legal, valid, binding and enforceable obligations.

(c) It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of, this Agreement and the transactions contemplated by this Agreement.

(d) The entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with: (i) any Applicable Law; (ii) its constitutional documents; or (iii) any agreement or instrument binding upon it or any of its assets.

(e) All authorizations required or desirable: (i) to enable it to lawfully enter into, exercise its rights under and comply with its obligations under this Agreement; (ii) to ensure that those obligations are legal, valid, binding and enforceable; and (iii) to make this Agreement admissible in evidence in its jurisdiction of organization, have been, or will have been by the time, obtained or effected and are, or will by the appropriate time be, in full force and effect.

(f) It is not aware of any circumstances which are likely to lead to: (i) any authorization obtained or effected not remaining in full force and effect; (ii) any authorization not being obtained, renewed or effected when required or desirable; or (iii) any authorization being subject to a condition or requirement which it does not reasonably expect to satisfy or the compliance with which has or could reasonably be expected to have a material adverse effect.

4.2. Host hereby makes the following representations and warranties to Client:

(a) The Services shall meet the specifications as stipulated herein, including but not limited to provisions of Article 6.

(b) Host represents and warrants that the entry into and performance by it off, and the transactions contemplated by, this Agreement does not conflict with the lease agreement between itself and the relevant landlord in connection with the Data Center Facility. The Host further represents and warrants that this Agreement is permitted under the use of the related premises. Client shall not in any event be liable for any obligations to the landlord of the Data Center Facility (the "**Landlord**"), including but not limited to rental or any other fees payable by the Host to the Landlord.

(c) Other than as expressly stated otherwise in this Agreement, nothing in this Agreement transfers any rights, title and interest in the Colocation Servers shall remain absolutely with Client or the owner of the Colocation Servers, and the Colocation Servers shall be identifiable and separate from the Host's own assets. Client must affix unique identifiers to all assets prior to delivery. For the avoidance of doubt, any claim over the Host in an event of default relating to the Host shall exclude the Colocation Servers.

4.3. Client hereby makes the following representations and warranties to Host:

(a) Client must use the Colocation Servers at the Data Center Facility solely for cryptocurrency mining operations.

(b) Client must secure and comply with all licenses as are required to operate any software and firmware installed by or accessed on the Colocation Servers.

5. VOLUNTARY POWER-OFF AND LOW POWER MODE

5.1. Client shall be entitled to voluntarily instruct Host to power off any or all of the Colocation Servers in Client's sole discretion or to instruct the Host to have the Colocation Servers operate in Low Power Mode to reduce the Colocation Servers' power consumption. Client will provide a minimum of 2 hours' notice of a planned material change in power load and will reimburse Host for any costs, expenses, or charges associated with shutting off load with less than 24 hours' notice.

5.2. Any Power-off Server may remain on rack at the Data Center Facility for a period of fourteen (14) calendar days (exclusive of the first day on which such Power-off Server is powered off, the "**Voluntary Power-off Period**"), during which period Client shall be entitled to re-power on such Colocation Server in its sole discretion with 2 hours' notice to Host. At the expiration of the Voluntary Power-off Period, the Parties shall negotiate in good faith to mitigate losses to the utmost extent. If the Voluntary Power-off Period exceeds 30 consecutive days, Host may terminate this Agreement.

5.3. Client's right to operate in Low Power Mode is subject to the limits set out in the Service Order.

5.4. In any Billing Period where the Colocation Fee is less than the Minimum Colocation Fee, Client shall pay the Minimum Colocation Fee for that Billing Period.

5.5. When Client voluntarily powers-off, and Host receives payments from its CSP for participating in the Curtailment Programs:

a) If provided for in an applicable Service Order, Client may receive a specific percentage of the revenue Host receives from the CSP net of all fees, commissions, and other charges for the reduction of power utilized by the Colocation Servers and the MDC Infrastructure at the time of curtailment ("**Client Curtailment Revenue**").

b) Client acknowledges and agrees that the Host is required to curtail for up to 250 hours annually for the purpose of transmission and distribution charge cost avoidance, occurring at varying amounts per month as determined by the CSP provider, and Client acknowledges and agrees that neither Host nor Client will receive revenue for such curtailment periods.

c) Revenue earned from the CSP from Client electing to curtail will be applied to the monthly invoice in the month that Host receives the Curtailment Program revenue.

d) If Client Curtailment Revenue exceeds the total amount of the invoice for any individual month, then that excess will be split 50/50 between the Parties, and Client's share of that excess amount shall be carried over as a credit to subsequent month(s).

5.6. Host need not comply with any voluntary power-off or curtailment instructions (including low power mode) where (i) Host is specifically prohibited from doing so under all Applicable Laws, including the customer baseline load requirements as set out in section 3.3A.2 of the PJM Manual; (ii) such instruction(s) is ambiguous, inconsistent, contradictory, impossible, or impractical to follow, (iii) such instruction would create material risks to safety of persons at, or physical preservation of, the Data Center Facility or other assets such as transformers, switchgear, fuses, or breakers, or other assets or property at the Data Center Facility, or (iv) such instruction would impose a material extra cost on Host. In such cases, Host shall provide written notice to Client specifying the reason(s) it has not complied with such instruction and the parties shall promptly and in good faith negotiate amendment(s) to the instruction. Once agreed, Host will promptly implement the instruction(s).

5.7. Client shall not, as part of providing Host an instruction under this Article 5, provide a strike price equal to or less than the Minimum Strike Price, unless otherwise agreed by the parties in writing.

6. OPERATION ENVIRONMENT OF DATA CENTER FACILITY

6.1. Conditions of the Data Center Facility. No later than the Initial Date and at all times up to and until the termination of this Agreement, Host shall provide Client with sufficient server rooms or containers, server positions, racks, power load and facilities, broadband network and network facilities, heat dissipation facilities, sand, rain and snow-proofing facilities, security monitoring and other equipment reasonably required for the normal operation of the Colocation Servers of the reasonable commercial standard, satisfying at least the following requirements:

(a) The power load provided by Host shall satisfy the requirements of this Agreement, the Service Orders and standard operational conditions. In the event that the power load is insufficient for any reason (including but not limited to damage to power supply equipment, insufficient supply from the power supplier, or policy changes at the location of the Data Center Facility) for a period of 14 days or more, Client may provide written notice to Host to remedy the issue. If Host fails to remedy the issue within 14 days, Client shall be entitled to proportionately reduce the Colocation Quantity of the Colocation Servers at its sole discretion, and Host shall (i) unconditionally cooperate with Client to move the de-racked Colocation Servers due to insufficient power load designated by Client out of the server room, and (ii) adjust the amount of the Deposit in accordance with the reduced Colocation Quantity and return the difference between the pre-adjustment Deposit and the post-adjustment Deposit in full to Client within three (3) Business Days from reduction of the Colocation Quantity. If Client reduces the Colocation Quantity under this Article, Client may only then increase the Colocation Quantity with the written consent of Host; and

(b) There shall be sufficient forklifts, lift trucks and other related machinery and equipment to provide timely racking and de-racking services for the Colocation Servers.

(c) THE ABOVE NOT WITHSTANDING, HOST MAKES NO WARRANTIES OR GUARANTEES RELATED TO THE AVAILABILITY OF THE SERVICES OR THE OPERATING TEMPERATURE OF THE DATA CENTER FACILITY. THE SERVICES AND THE DATA CENTER FACILITY PROVIDED BY HOST ARE PROVIDED “AS IS.” HOST DOES NOT PROVIDE MECHANICAL COOLING OR BACKUP POWER AND THE DATA CENTER FACILITY IS SUBJECT TO SWINGS IN LOCAL WEATHER, FLOODING, CLIMATE, TEMPERATURE, WIND, HUMIDITY, ETC. INTERNET ACCESS IS NOT REDUNDANT OR PROTECTED AND IS NOT GUARANTEED AT ALL TIMES.

6.2. Hazardous Conditions. If, in the reasonable discretion of Host, its employees, or its agents, any hazardous conditions arise on, from, or affecting the Data Center Facility, Host is hereby authorized to suspend service under this Agreement for the affected site without subjecting Host to any liability. In the event of an emergency, Host may rearrange, remove, or relocate Colocation Servers, Client Equipment, and Host Equipment without any liability to Host. For the avoidance of doubt, Host shall not be liable or responsible for any obligations under this Agreement during such period of suspended service.

6.3. Intermittent Outages. Client acknowledges that Host may curtail the Colocation Servers, Client Equipment, and Host Equipment upon the occurrence and continuation of a Force Majeure event, during outages for maintenance purposes, in the event Host identifies a hazardous condition, or if Host determines that it is in the best interest of, and more economical for, all Parties to the Agreement to sell power to the grid. Host agrees to provide written notice to Client of any of the foregoing events, as specified in this Agreement.

6.4. Outage Notifications. Host shall provide written notice of any suspension of Service to Client within a reasonable time, but shall endeavor to provide such notice within 24 hours of such suspension.

6.5. Exclusive Server Room. Host shall provide exclusive containers or server room(s) for the operation of the Colocation Servers, which shall be physically separated from containers or server rooms at the Data Center Facility for use by other customers of Host. No server and/or other hardware equipment other than the Colocation Servers may be allowed in such exclusive containers or server room(s) unless with prior written approval of Client. Host shall take necessary measures satisfactory to Client to separate the Colocation Servers from other servers and/or hardware equipment, including but not limited to labeling the Colocation Servers. Besides, Host shall provide room, network and power supply for the Monitoring Software, separate from the Colocation Servers.

6.6. Standard Colocation Environment. Host shall maintain the standard Colocation environment for the Colocation Servers in accordance with the conditions set forth in the applicable Service Order and the Information Memorandum.

6.7. Safety and Security. Server Provider shall take standard industry efforts to ensure safety and security of the Data Center Facility and the Colocation Servers against any safety accidents such as damage, loss or fire outbreak, etc. or any faults caused by dust ingress, water ingress or snow ingress, etc., including maintaining Host Equipment to a reasonable standard.

6.8. Compliance with Applicable Law. Host shall ensure that the operation of the Data Center Facility, the individuals of Host and provision of Services is at all times in compliance with Applicable Laws and that any and all applicable approvals, certificates, orders, authorizations, permits, qualifications and consents required for the operation of the Data Center Facility and provision of Services have been obtained no later than the Initial Date and are not revoked, cancelled or expired (unless properly renewed on or prior to such expiration) up to and until the termination of this Agreement. The Parties recognize that it is Host's sole and exclusive responsibility to maintain a safe and healthy work environment at the Data Center Facility that is free from recognized hazards and fully complies with the Applicable Laws, including without limitation, the federal Occupational Safety and Health Act ("**OSHA**", if applicable), as well as any similar state or local laws. Accordingly, Host promises and hereby covenants to maintain a safe and healthy work environment at the work places including but not limited to the Data Center Facility and the necessary onsite production facilities including office rooms, maintenance rooms, canteen, and toilets, that is free from recognized hazards and fully compliant with OSHA (if applicable), and any similar state or local laws, to ensure the safety of Client Personal (as defined below) during their work. Besides, Host shall organize necessary safety training and safety drills for Client Personal at least as regularly as its own personnel.

6.9. Access by Client Personnel. Client may appoint one individual ("**Client Personnel**") that are pre-approved and registered with the Host to carry out inspections of the Colocation Servers onsite at the Data Center Facility during regular business hours. Host may revoke its approval for any Client Personnel who fails to comply with the Host's reasonable directions, policies or procedures, has violated Applicable Laws, or unreasonably interferes with Host's business or operations at the Data Center Facility, or works in an unsafe manner.

6.10. Responsibility for Client Personnel. Client Personnel will remain the sole responsibility of Client and will not be deemed to be employees or contractors of Host. Client shall remain responsible for any acts or omissions of Client Personnel while they are at the Data Center Facility. Client will be responsible to ensure that all required employment benefits are provided to employees, including but not limited to, retirement plans, health insurance, vacation time-off, sick pay, personal leave, pay, and that all necessary insurances are maintained.

6.11. Covenant Against Liens. Client has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Client, operation of law or otherwise, to attach to or be placed upon Host Equipment, the Data Center Facility and/or any other real property owned or controlled by Host (collectively the "**Host's Property**"), and any and all liens and encumbrances created by Client shall attach to Client's interests only. Host shall have the right at all times to post and keep posted on the Host's Property any notice which it deems necessary for protection from such liens. Client shall not cause or permit any lien of mechanics or materialmen or others to be placed against the Host's Property and/or the Facility with respect to work or Services claimed to have been performed for or materials claimed to have been furnished to Client or the Host's Property, provided, however, in case of any such lien attaching or notice of any lien, Client shall cause it to be immediately released and removed of record (by payment, statutory bond or other lawful means). If any such lien is not released and removed (by payment, statutory bond or other lawful means) within ten (10) days after written notice of such lien is delivered to Client, then Host may, at its option, take all reasonable actions necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Host in connection with such lien shall be immediately be due and payable by Client.

6.12. Host Directions. Client must ensure that and will instruct Client Personnel to follow any reasonable directions of Host, including but not limited to, all of Host's safety, workplace, policies, and laws. Client must ensure that and will instruct Client Personnel to not access, use or interfere with the Data Center Facility, Host Equipment or Host's Property unless directed to by Host.

6.13. Installation and Accuracy of Power Consumption Meter. Host shall install Power Consumption Meter(s) at the Data Center Facility to monitor the electrical power consumed in the operation of the Colocation Servers and MDC Infrastructure, and shall cooperate with Client to check and calibrate the accuracy of the Power Consumption Meter(s) regularly or occasionally, but no more than once during any 12 month period, in accordance with Client's request and instructions, to ensure the constant accuracy of the Power Consumption Meter(s). Power Consumption Meter shall be located as set out in the Information Memorandum.

6.14. Inventory Audit. Client shall be entitled to conduct inventory audits of the Colocation Servers at its own cost, and Host shall provide assistance and convenience accordingly, however Host is not required to incur any costs and may seek reimbursement from Client for any costs incurred during such an inventory audit. If the result of the inventory audit does not match the information as stipulated in the applicable Service Order, Host shall reasonably assist Client to discover the reasons. Client shall take all reasonable steps to ensure that an inventory audit does not adversely affect the Host's business or operations.

6.15. Maintenance. If provided for in an applicable Service Order, Host may provide routine technical support services, such as diagnosis, maintenance and repair of the Colocation Servers (such as replacement of fans and power cord replacement), subject to the Parties agreeing the relevant fees and charges. Client shall be responsible for the costs of replacement parts to be installed in or used with the Colocation Servers in connection with any routine maintenance or repairs required to service the Colocation Servers. Whether or not itemized in an applicable invoice, Client will be responsible for all sales, use, and other Taxes which may be imposed by a relevant taxing authority.

7. INSURANCE

7.1. In the event of any damage or loss of the Colocation Servers and upon request of Client, Host shall provide Client and/or the owner of the Colocation Servers (as applicable) with documents and information in support of the insurance claim made to the insurance company, as requested by Client. Client shall reimburse Host's reasonable costs and expenses actually expended on third parties for the preparation or delivery of such documents and information, if such costs and expenses are material, and Host shall notify Client of those costs and expenses prior to incurring them.

7.2. Client shall obtain and maintain all relevant insurance policy or coverage that a prudent owner of the Colocation Servers would obtain. Host is not required to maintain an insurance policy or coverage for the Colocation Servers or the Inventory Assets.

7.3. Each Party shall obtain and maintain insurances as follows: (a) commercial general liability insurance in an amount of at least $2,000,000 per occurrence and $4,000,000 aggregate; (b) workers' compensation insurance in an amount not less than that required by Applicable Law.

8. TITLE AND OWNERSHIP

8.1. Ownership of Colocation Servers. Host acknowledges and agrees that the Colocation Servers and Inventory Assets are assets of Client or any third party designated by Client (as applicable) (collectively, the "**Owner of Colocation Servers**") and the Owner of Colocation Servers shall solely have the proprietary interest in the Colocation Servers unless such interest is transferred to Host under Section 11.3(b). The Owner of the Colocation Servers shall not be affected by any factors, including but not limited to Host's operating conditions, financial conditions or any disputes or lawsuits against its shareholders or any third parties. In no event shall Host's creditors, shareholders or other third parties be entitled to file disputes regarding the ownership of the Owner of Colocation Servers. Without prejudice to the foregoing, in the event that any such dispute occurs, Host shall provide the Owner of Colocation Servers with all reasonable assistance in proving the Owner of Colocation Servers' proprietary interest in the Colocation Servers.

8.2. Ownership Host Equipment. Client acknowledges and agrees that all Host Equipment are assets of Host or any third party designated by Host (as applicable) and Host or such third parties shall solely have the proprietary interest in the Host Equipment.

9. INDEMNIFICATION AND LIMITATION OF LIABILITY

9.1. Each Party (the "Indemnifier") shall indemnify, defend and hold the other Party (the "Indemnitee") along with the Indemnitee's Affiliates, officers, directors, agents, and employees, from and against any third-party action, claim, suit, proceeding, demand, investigation, or charge alleging any costs, losses, liabilities, damages, fines, judgments, fees, or expenses (including reasonable attorneys' fees and court costs) to the extent directly caused by:

i. any failure by Indemnifier to comply with Applicable Law in connection with this Agreement;

ii. any liability or damage incurred by reason of any negligent act or omission of such Party or its officers, directors, agents, and employees.

9.2. Subject to other provisions of this Article 9, each Indemnifier hereby agrees to indemnify, defend and hold harmless the Indemnitee and its respective Affiliates, officers, directors, agents and employees from and against any and all losses, liabilities, damages, liens, claims, obligations, judgments, penalties, deficiencies, costs and expenses (including reasonable attorneys' fees and court costs) ("Loss") to the extent resulting from or arising out of any negligence or breach or omission of performance by Indemnifier of any of the representations, covenants or other terms in this Agreement.

9.3. Any Party claiming to be an Indemnitee shall promptly notify the Indemnifier in writing of the potential Loss, and the breach, act or omission which lead to the Loss, and shall use reasonable efforts, including cooperating with the Indemnifier, to mitigate the Loss. The Indemnifier shall not be liable for Losses to the extent they can be attributed to the acts or omissions of the Party claiming to be the Indemnitee.

In addition, and subject to other provisions of this Article 9, if any Colocation Server is damaged or lost due to reasons solely attributable to Host, Host hereby agrees to indemnify, defend and hold harmless Client and its respective Affiliates, officers, directors, agents and employees from and against any damage or loss of a Colocation Server, based on the fair market value of such Colocation Server.

9.4. OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, SERVICE PROVIDER DISCLAIMS ANY AND ALL EXPRESS WARRANTIES AND ALL IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT IN TITLE, AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICE.

9.5. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR LOSS OF REVENUE, LOSS OF PROFITS, LOSS OF USE, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, WHETHER BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SERVICE PROVIDER WILL NOT BE LIABLE TO CLIENT FOR ANY LOSSES INCURRED BY CLIENT TO THE EXTENT CAUSED BY THE USE OF CLIENT'S PREFERRED MONITORING SOFTWARE.

9.6. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL SERVICE PROVIDER'S LIABILITY (WHETHER BY STATUTE, IN TORT OR CONTRACT, OR OTHERWISE) TO THE CLIENT, OTHER THAN THE LIABILITY FOR THE PAYMENT OF DELAYED COMPENSATION OR FEES, EXCEED THE FEES PAID TO SERVICE PROVIDER DURING THE TWELVE MONTH PERIOD PRIOR TO THE EVENT THAT RESULTED IN THE LIABILITY (NOT INCLUDING ANY REIMBURSEMENTS FOR POWER).

9.7. THE PARTIES HEREBY WAIVE ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE THEM OF AN ADEQUATE REMEDY OR CAUSE THIS AGREEMENT TO FAIL ITS ESSENTIAL PURPOSE.

10. FORCE MAJEURE

10.1. A Party shall not be considered to be in default or breach of this Agreement and shall be excused from performance or liability for Loss to the other Party, except for the payment, insurance, and indemnity obligations of Client to Host, if and to the extent that the performance of any obligation of such Party under this Agreement (other than an obligation to make payment) is prevented, frustrated, hindered or delayed as a consequence of an event of Force Majeure, *provided* that:

(a) such Party claiming to benefit under this Article 10.1 (the "**Affected Party**") shall promptly and in any event no later than 3 days from the occurrence of such event of Force Majeure, give the other Party (the "**Non-Affected Party**") a written notice (which may be via email) setting out details of such event of Force Majeure; and

(b) the Affected Party shall take all commercially reasonable measures to mitigate the impact of such event of Force Majeure and shall resume normal performance of this Agreement promptly after the removal of such event of Force Majeure, unless it is impracticable or unnecessary to resume the performance of this Agreement.

10.2. If the normal performance of this Agreement cannot be resumed within thirty (30) calendar days from the occurrence of such event of Force Majeure, either Party shall be entitled to terminate this Agreement with immediate effect without any liability for breach of contract.

11. DEFAULT

11.1. The following events shall be "**Events of Default**":

11.1.1. Failure by Client to pay any undisputed amount due hereunder when due;

11.1.2. Failure of Client or Host, as applicable, to perform any other material obligation hereunder and such failure continues uncured for thirty (30) Days after receipt by the defaulting Party of written notice of such failure; provided, that so long as a defaulting Party has initiated and is diligently attempting to effect a cure (provided such obligation is curable), the defaulting Party's cure period shall extend for an additional thirty (30) days;

11.1.3. Any representation or warranty made by Host or the Client, as applicable, under this Agreement shall have been false or inaccurate in any material respect when made or becomes false or inaccurate in any material respect, and such falsity or inaccuracy continues uncured for thirty (30) Days after receipt by the defaulting Party of written notice of such falsity or inaccuracy; provided that so long as a defaulting Party has initiated and is diligently attempting to effect a cure (provided such representation or warranty is curable), the defaulting Party's cure period shall extend for an additional thirty (30) days.

11.1.4. A Party becomes, under Applicable Law the subject of a voluntary or involuntary proceeding relating to insolvency, bankruptcy, receivership, liquidation, or reorganization for the benefit of creditors, and such petition or proceeding is not dismissed within sixty (60) calendar days of the filing thereof;

11.2. In the event of a Client Default, Host has the right to use the Security Deposit to cover the financial impact of Client Default.

11.3. If Client has failed to pay any amounts due and payable to Host, then Host may reconfigure, point and/or redirect some or all of the Client Equipment and use Client Equipment

11.4. to generate cash and shall apply the proceeds (including mining revenue, less all costs (including power, adders and tariffs), taxes and fees, and any losses incurred during exchange and exchange fees) to the amounts owed to Host until such time as the outstanding debt of Client is paid in full. If Host reconfigures, points and/or redirects some or all of Client Equipment, Host will report to Client on a weekly basis the proceeds it gains.

11.5. In the case of an Event of Default which is not timely cured as set forth in this Agreement, the non-defaulting Party may terminate this Agreement without prejudice to any claim to damages.

12. TERM AND TERMINATION

12.1. Term. This Agreement shall have a term effective from the Effective Date hereof and expiring on the first (1st) anniversary of the Initial Date (the "**Initial Term**" and together with the Holdover Period the "**Term**"). Client may request to extend the Term beyond the Initial Term by providing Host with 75 days' notice prior to the end of the Initial Term ("**Holdover Period**"). Host may elect to approve or reject the request to extend the Term to the Holdover Period for any reason and must provide their approval or rejection of such a request within 15 days. The Holdover Period, if approved by Host, will be one month with automatic monthly renewals. Client or Host may terminate the Holdover Period with 60 days' notice to the other Party. The terms herein applicable to the Initial Term will apply to the Holdover Period.

12.2. Host reserves the right to change the Colocation Fee upon renewal. Host will notify Client of the proposed new Colocation Fee no later than 75 days before the end of the Initial Period or relevant Holdover Period.

12.3. Termination. This Agreement may be terminated prior to the expiration of the Term:

(a) Upon mutual agreement in writing of the Parties;

(b) Host may terminate this Agreement immediately and without further notice if Client fails to pay any sum for Services when such payment is due and such failure remains uncured for a period of ten (10) calendar days;

(c) upon a Party giving a written notice to the other Party to terminate pursuant to the Force Majeure provisions of Article 10.2;

(d) upon either Party giving a written notice of its intention to terminate this Agreement in whole or in part of no less than sixty (60) calendar days to the other Party, *provided that* a compensation in an amount equal to Monthly Theoretical Colocation Fee shall be paid by the terminating Party to the non-terminating Party upon termination and the termination shall be effective only to the extent of such notice;

(e) upon Host giving written notice to Client to terminate pursuant to Article 3.5(c)(ii) or other Event of Default by Client if the situation has not been improved after negotiation between the Parties, and compensation in an amount equal to Monthly Theoretical Colocation Fee shall be paid by Client to Host upon termination; or,

(f) Upon a non-defaulting Party giving 30 days written notice of termination for any other Event of Default which is not timely cured by the defaulting Party.

12.4. Effects of Termination. Upon termination of this Agreement:

(a) Host. Provided Client is not in Default of any of its obligations under this Agreement, Host shall:

(i) return the remaining Deposit to Client including in accordance with Articles 3.5(c)(ii), 3.5(d)(iii), or 3.5(e);

(ii) pay any and all amounts owing to Client including any Delayed Compensation under Articles 3.5(c)(ii) or 3.5(d)(iii), and Monthly Theoretical Colocation Fee under Articles 12.3(d) or 12.3(e);

(iii) any Balance remaining;

(iv) subject to Articles 6.6 and 6.7, provide access to Client Personnel to the Data Center Facility and any reasonable assistance required by such Client Personnel to remove the Colocation Servers and Inventory Assets;

(v) issue final invoices; and

(vi) return all Confidential Information of Client to Client and delete all electronic copies thereof from its systems.

(b) Client. Client shall:

(i) pay all finally determined invoice amounts outstanding;

(ii) promptly remove all the Colocation Servers and Inventory Assets from the Data Center Facilities at its own risk and cost. Host may charge storage costs for any Colocation Servers which have not been removed by Client within 10 Business Days of Host giving Client written notice that Host has commenced the de-racking of the Colocation Servers. Any Colocation Servers or Inventory Assets not removed within thirty (30) days of the termination date of a relevant service order or this Agreement will be deemed 'abandoned' ("**Abandoned Assets**"), and title to the Abandoned Assets will then automatically transfer to Host. If Host elects to dispose of Abandoned Assets, it may do so at Client's cost, and Client shall pay the cost upon receipt of a relevant invoice from Host; and

(iii) return all Confidential Information of Host to Host and delete all electronic copies thereof from its systems.

12.5. Survival.

(a) Neither the expiration nor the termination of this Agreement will release either of the Parties from any obligation or liability that accrued prior to such expiration or termination.

(b) The provisions of this Agreement requiring performance or fulfillment after the expiration or termination of this Agreement will survive the expiration or termination of this Agreement including, but not limited to, Article 8 through Article 18 and such other provisions as are necessary for the interpretation therefor and any other provisions hereof, the nature and intent of which is to survive termination or expiration of this Agreement.

13. CONFIDENTIALITY

13.1. From the Effective Date of this Agreement and for two (2) years following the expiration of the Term or the earlier termination pursuant to Article 12, each Party hereby agrees that it will, and will cause its Affiliates and its and their respective directors, officers, employees, professional advisors, agents and other Persons acting on their behalf (including the Client Personnel) (collectively, "**Representatives**") to hold, in strict confidence the terms and conditions of this Agreement, all exhibits and schedules attached hereto and the Service Order(s), including their existence, and all non-public records, books, contracts, instruments, computer data and other data and information, whether in written, verbal, graphic, electronic or any other form, provided by any other Party and its Representatives (except to the extent that such information has been (a) already in such Party's possession prior to the disclosure or obtained by such Party from a source other than any other Party or its Representatives, provided that, to such Party's knowledge, such source is not prohibited from disclosing such information to such Party or its Representatives by a contractual, legal or fiduciary obligation to any other Party or its Representatives, (b) in the public domain through no breach of the confidentiality obligations under this Agreement by such Party, or (c) independently developed by such Party or on its behalf without reference to any such non-public information) (the "**Confidential Information**").

13.2. Notwithstanding the foregoing, each Party may disclose the Confidential Information (i) to its Affiliates and its and their respective Representatives so long as such persons are subject to appropriate nondisclosure obligations, (ii) as required by Applicable Law or requests or requirements from any controlling governmental authority or other applicable judicial or governmental order, or (iii) in connection with any enforcement of, or dispute with respect to or arising out of, this Agreement, or (iv) with the prior written consent of the other Party.

13.3. The content of this Agreement and any information disclosed hereunder by the other Party in the course of negotiating or performing this Agreement is Confidential Information under this Agreement and shall only be used in accordance with this Agreement.

14. Securities Law Compliance.

14.1. Each Party hereby acknowledges that it understands that: (a) Confidential Information exchanged by the Parties and their respective Affiliates to this Agreement may contain or constitute material non-public information concerning the other Party and its Affiliates; and (b) trading in Mawson's securities while in possession of material nonpublic information or communicating that information to any other person who trades in such securities could subject that Party to liability under the U.S. federal and state securities laws, and the rules and regulations promulgated thereunder, including Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder. Each Party agrees that it and its Affiliates will not trade in Mawson's securities while in possession of material nonpublic information or at all until such Party and such Affiliates can do so in compliance with all applicable laws and without breach of this Agreement.

15. INJUNCTIVE RELIEF

15.1. The Parties acknowledge that a breach or threatened breach of this Agreement shall cause serious and irreparable harm to the non-breaching Party for which monetary damages alone would not be a sufficient remedy. Accordingly, the Parties agree that in the event of a breach or threatened breach, the non-breaching Party shall be entitled to injunctive relief and specific performance in addition to any other remedy available to such Party in equity or at law without the necessity of obtaining any form of bond or undertaking whatsoever, and the breaching Party hereby waives any claim or defense that damages may be adequate or ascertainable or otherwise preclude injunctive relief.

16. NOTICES

16.1. All notices, requirements, requests, claims, and other communications in relation to this Agreement shall be in writing, and shall be given or made by delivery in person, by an internationally recognized overnight courier service, by registered or certified mail (postage prepaid, return receipt requested) or electronic mail to the respective Parties at the addresses specified below or at such other address for a Party as may be specified in a notice given in accordance with this Article. Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day, on the next following Business Day).

16.2. The following are the initial contact information of each Party:

If to Host:

Address: 950 Railroad Ave, Midland, PA 15059

Attn:

Email: _____,
copies to:
and to:

If to Client: Gryphon Digital Mining, Inc.

Address: **1180 N. Town Center Drive, Ste 100, Las Vegas, Nevada 89144**

Attn: **Accounting**

Email:

The Parties may rely on this contact information for all notices. However, a Party may change its contact information by submitting any changes in writing to the other Party, but such contact information shall remain valid unless and until such changes are made and received by the other Party.

17. ANTI-COMMERCIAL BRIBERY, ANTI-MONEY LAUNDERING

17.1. Client shall not, and shall procure its directors, officers, employees, consultants, agents and other representatives (collectively with Client, the "**Client Associates**") not to, directly or indirectly engage in any activity of commercial bribery, i.e. providing any unjustified interests in any form including but not limited to cash, cheque, credit card gifts, negotiable securities (including bonds and stocks), physical objects (including all kinds of high-end household goods, luxury consumer goods, handicrafts and collections, as well as housing, vehicles and other commodities), entertainment coupon, membership card, currency or rebate in the form of goods, kickback, non-property interests such as schooling, honor, special treatment, and employment for relatives and friends, traveling, entertaining and personal service etc. in order to obtain any immediate or future business opportunity with Host or otherwise, whether under this Agreement or any other business or governmental relationship.

17.2. If any of Client Associates commits any act or omission in contravention of Article 17, Host shall be entitled to terminate this Agreement and any other existing business cooperation with Client and claim for damages against Client.

17.3. Promptly following any request therefor, Client shall provide information and documentation reasonably requested by Host for purposes of compliance with applicable "know your customer" requirements and anti-money-laundering rules and regulations, including, without limitation, the USA PATRIOT Act of 2001.

18. GENERAL

18.1. Entire Agreement and Amendment. This Agreement, together with all Services Orders, appendixes, schedules, annexes and exhibits, constitute the full and entire understating and agreement between the Parties, and supersede all other agreements between or among any of the Parties with respect to the subject matters hereof and thereof. This Agreement may only be amended with the written consent of both Parties or otherwise as mutually agreed by both Parties.

18.2. Assignment.

(a) Host may freely assign or transfer any of its rights, benefits or obligations under this Agreement in whole or in part to its Affiliates without Client's consent.

(b) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

18.3. Non-Solicitation. Each Party agrees that from the date of this Agreement until the first (1st) year anniversary of the expiration of the Term or the earlier termination pursuant to Article 12.3, unless mutually agreed by both Parties, neither Party shall (1) directly or indirectly, solicit, recruit, encourage or induce employees or consultants of the other Party to (i) terminate such person's employment or consulting relationship or (ii) become employed or engaged as an employee, officer, director, member, manager, partner or any other type of the soliciting Party or any other third party; or (2) use any Confidential Information, directly or indirectly, to solicit customers or suppliers of the other Party or otherwise divert or attempt to divert business away from the other Party, nor will the employee encourage or assist others to do the same.

18.4. Governing Law. This Agreement shall be solely governed by and construed in accordance with the laws of the Relevant Jurisdiction, without regard to principles of conflict of laws.

18.5. Dispute Resolution. Without prejudice to any other remedies available to the Parties, in the event that a Party disputes a matter arising in connection with this Agreement that Party shall notify the other Parties as soon as reasonably practicable with details of the dispute and all of the Parties shall meet within ten (10) Business Days of receipt of such notice in order to try and resolve the dispute in good faith. All disputes arising under this Agreement which cannot be resolved amicably by the parties shall be submitted to arbitration in the Relevant Jurisdiction before a single arbitrator of the American Arbitration Association ("AAA"). The arbitrator shall be selected by application of the rules of the AAA, or by mutual agreement of the parties. Nothing contained herein shall prevent the Party from seeking or obtaining an injunction in a court of the Relevant Jurisdiction. The decision of the arbitrator shall be final and binding on the parties, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Each party shall bear its own costs and expenses in connection with the arbitration, and the parties shall equally share the arbitrator's fees and the administrative fees of the arbitration. Notwithstanding the foregoing, either party may seek preliminary injunctive relief from a court of competent jurisdiction in order to prevent immediate and irreparable harm, pending the resolution of the arbitration. The prevailing Party shall be entitled to recovery of its legal fees and costs incurred. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY.

18.6. Severability. In case any provision of the Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. If, however, any provision of this Agreement shall be invalid, illegal or unenforceable under any Applicable Law in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such Applicable Law, or, if for any reason it is not deemed so modified, it shall be invalid, illegal or unenforceable only to the extent of such invalidity, illegality or limitation on enforceability without affecting the remaining provisions of this Agreement, or the validity, legality or enforceability of such provision in any other jurisdiction.

18.7. Counterparts This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument but shall not take effect until each Party has executed at least one counterpart. Facsimile, e-mailed copies of signatures, and electronic signatures shall be deemed to be originals for purposes of the effectiveness of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective on the date first written above once all Parties have properly affixed their signatures hereto.

Signed for and on behalf of Host:

Mawson Hosting LLC

Signature: /s/ Rahul Mewawalla
Name: Rahul Mewawalla
Title: Authorized Signatory

Signed for and on behalf of Client:

Gryphon Digital Mining, Inc.

Signature: /s/ Steve Gutterman
Name: Steve Gutterman
Title: Chief Executive Officer

Exhibit 99.1

Gryphon Digital Mining Signs Definitive Agreement for HPC/AI Asset Scalable to 4GW of Green Energy Through Natural Gas and Carbon Sequestration

Groundbreaking acquisition of major energy site in Southern Alberta expected to catapult Gryphon into elite tier of global computing infrastructure providers

Acquisition Highlights Include:

- Massive 850 industrial zoned acreage with access to dual natural gas supply, grid connection, non-potable water resources, and dual high-speed fiber connection providers
- World class carbon capture and sequestration capabilities on-site can make this a truly green source of energy combined with redundant sources of power
- Expansive footprint expected to allow up to 4GW of total capacity; up to ~130MW anticipated by the end of 2026
- Experienced technical team comes with the asset and has over 100 years of combined industry expertise, led by Harry Andersen (former COO of Pembina Pipeline)

Las Vegas, NV — January 10, 2025 – Gryphon Digital Mining, Inc. (Nasdaq: GRYP) ("Gryphon" or the "Company"), an innovative venture in the bitcoin and AI space dedicated to helping bring digital assets to the market, has signed a definitive agreement to acquire Captus Energy's 850-acre industrial site in Southern Alberta, Canada, which the Company believes will enable a substantial expansion into AI and high-performance computing (HPC) data center infrastructure. The acquired asset has the potential to scale to 4 gigawatts (GW) of reliable, sustainable power generation capacity through gas to power generation and carbon sequestration on site. The closing of this agreement is expected to occur in or before April, 2025.

Industry analysts and comparable companies project substantial revenue potential in the HPC/AI infrastructure space, with estimates of $1.5 million in annual revenue per MW, while VanEck's research suggests potential revenues of up to $9.11 million per MW. At full capacity, assuming $1.5 million of revenue per MW, the Captus asset could generate over $5.0 billion of annual revenue.

This monumental acquisition follows the Company's recent strategic moves in December 2024, creating a massive combined potential power capacity exceeding 5GW:

- December 10: Secured British Columbia natural gas assets featuring:
    - 5+ Tcf contingent natural gas resources
    - Initial 100 MW generation capacity
    - Scalability to 1 GW
    - Projected power cost under $0.03/kWh
    - 140 mmcf/d infrastructure capacity at 100% working interest
- December 12: Appointed energy veteran Eric Gallie as SVP of Energy Strategy, bringing 18 years of energy sector expertise and experience managing $1.5 billion in upstream and integrated oil & gas portfolios

Steve Gutterman, Chief Executive Officer of Gryphon, commented:

"We believe that this acquisition represents a transformative moment for Gryphon as we aggressively expand into the AI/HPC infrastructure market. With 850 acres of industrial land in Southern Alberta and the potential to scale to 4GW of power capacity, this site positions us to capitalize on the surging demand from AI compute requirements. The combination of dual natural gas supply, on-site carbon sequestration and abundant water access makes it one of the few locations in North America with all the critical elements needed for large-scale AI computing. We believe that Alberta should be at the forefront of AI/HPC power given its forward-facing government, industry expertise and abundant resources. We are excited to be working in Western Canada. We are equally excited in welcoming Harry Andersen and his team to the fold. They are true energy experts and the development of Captus could not be in better hands."

Total consideration for the transaction is CAD $27 million, which includes CAD $3 million in restricted shares for the incoming Captus management team which vest in four equal installments over four years and all of which are subject to forfeiture if the definitive agreement does not close.

Gutterman continued, "We are extremely pleased with the company's progress. In a few short months, we have transformed our balance sheet, strengthened our team and added significant power assets. We believe that the Captus acquisition, when combined with our recent British Columbia acquisition and the additions to our team, fundamentally transform Gryphon's trajectory and potential scale. Our goal remains to build a company that is worth over a billion dollars."

About Gryphon Digital Mining

Gryphon Digital Mining, Inc. is an innovative venture in the bitcoin and AI space dedicated to helping bring digital assets to the market. With a talented leadership team coming from globally recognized brands, Gryphon has assembled thought leaders to improve digital asset network infrastructure. More information is available on https://gryphondigitalmining.com/

Cautionary Statements Regarding Forward-Looking Statements

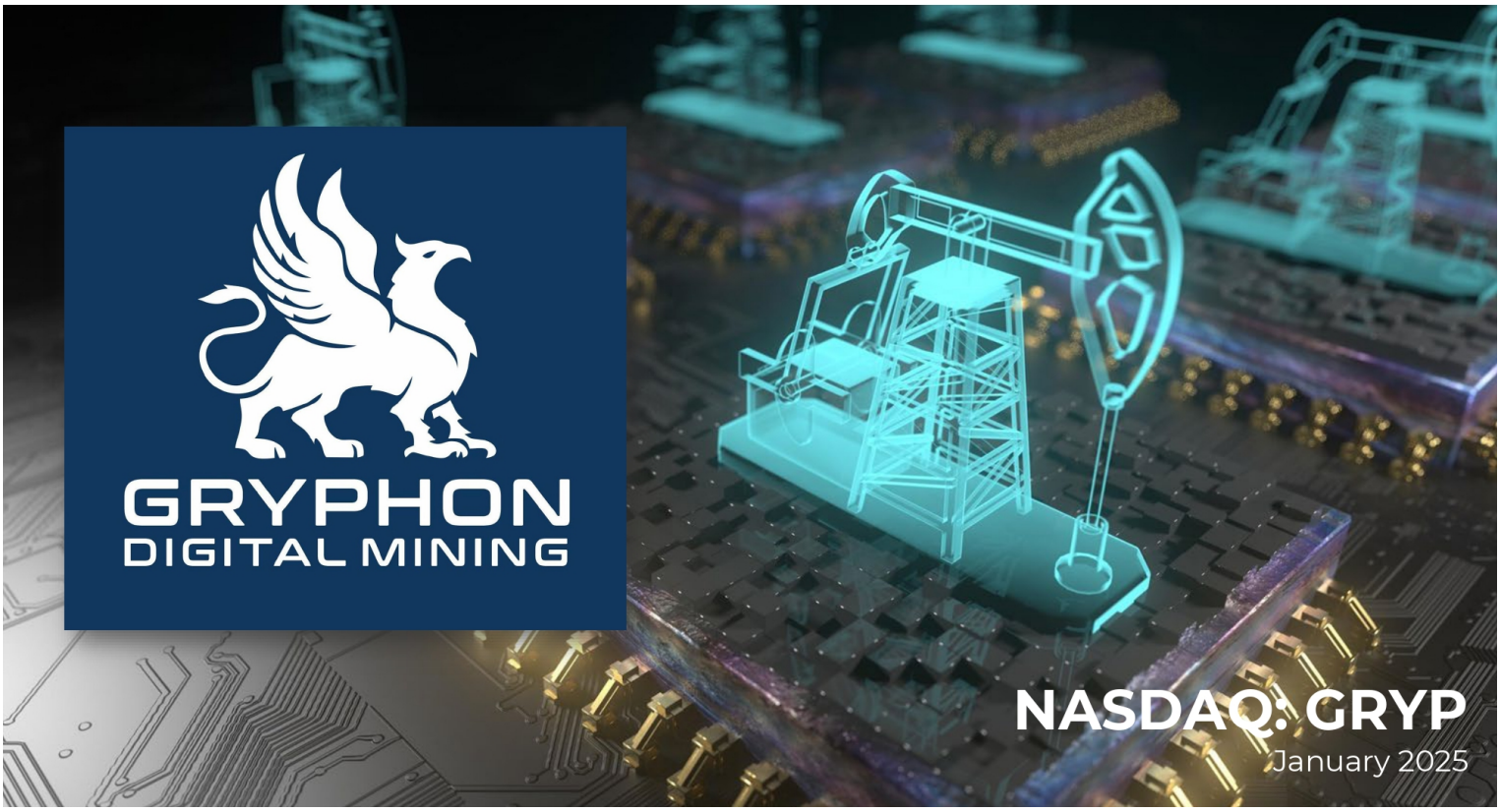
This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements may include, for example, statements about the Company's ability to close the acquisition with Captus Energy and in British Columbia; the total consideration for the acquisition; the ability of the assets acquired or to be acquired to produce energy at both the cost and the volume anticipated; the results of diligence reviews; the engagement, and the results of such engagement, with regulatory bodies, First Nations, local stakeholders and norther communities; green initiatives; plans to expand the Company's business to include AI and high performance computing; the future financial performance of the Company; changes in the Company's strategy and future operations; financial position; estimated revenues and losses; projected costs; prospects, plans and objectives of management; and future acquisition activity.

The forward-looking statements are based on management's current expectations and assumptions about future events and financial results and are based on currently available information as to the outcome and timing of future events. The forward-looking statements speak only as of the date of this press release or as of the date they are made. Except as otherwise required by applicable law, Gryphon disclaims any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this press release. Gryphon cautions you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Gryphon. In addition, Gryphon cautions you that the forward-looking statements contained in this press release are subject to the risks set forth in our filings with the Securities and Exchange Commission (the "SEC"), including the section titled "Risk Factors" in the Annual Report on Form 10-K filed with the SEC by Gryphon on April 1, 2024, as updated by the Company's subsequent filings.

INVESTOR CONTACT:

Name: James Carbonara
Company: Hayden IR
Phone: (646)-755-7412
Email: james@haydenir.com

Exhibit 99.2



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Investment Summary

Power Leader: AI Hosting & Bitcoin Mining Services

A Transformative 4 Months: Major Progress, Team in Place and Ready to Execute.

- 1/6/2025 Alberta definitive agreement of HPC/AI Asset Scalable to 4GW
- 12/12/2024 Added SVP of Energy
- 12/10/2024 BC agreement for low-cost power scalable to 1GW
- 10/2024 - Debt Restructured and now <$5M with favorable terms/duration;
- 9/2024 – Added new CEO and new Chairman

5GW+ development pipeline across Canada, once agreements close

- Expected to quickly catapult GRYP into the high end of peers for potential MW

Dual Market Focus

- *AI/HPC infrastructure*
  - Plan to aggressively move into AI/HPC data centers, utilizing our world class energy team to optimize acquired assets.
  - Captus asset projected to provide us a strong hold to compete globally.
- *Cryptocurrency mining*
  - Expand bitcoin mining operations through acquisition of low-cost energy assets.

Management Team and Board

Industry leading management team and board

Steven Gutterman
CEO & Director

E*TRADE
HARVEST

Sim Salzman
CFO

MARATHON
LAS VEGAS MONORAIL

Eric Gallie
SVP Energy

Jimmy Vaiopoulos
CPA, CA Chairman

HUT 8
KPMG

Heather Cox
Independent Director

nrg
citigroup

Dan Tolhurst
Director

NETFLIX

Dan Grigorin
Director

BMO

Jessica Billingsley
Independent Director

OARO

Rob Chang
Director

RIOT
CANTOR Fitzgerald

Brittany Kaiser
Independent Director

#OWN YOUR DATA

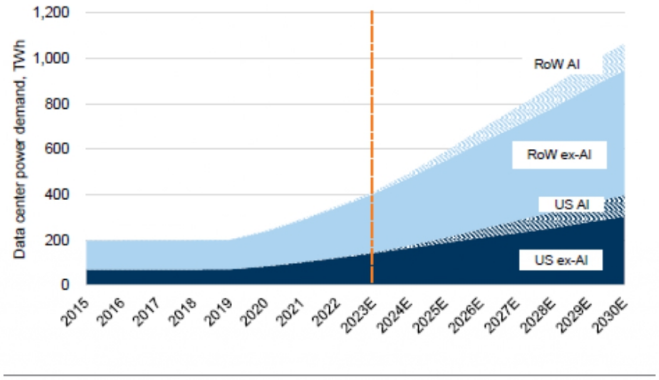
Introducing Captus

A World Class AI/HPC Site

Demand for AI

Generational growth on the horizon

- We see AI compute fundamentally transforming the business landscape. AI requires considerable power for operations.
- Combined electricity use by Amazon, Microsoft, Google, and Meta more than doubled between 2017 and 2021, reaching around 72 TWh in 2021 due to increased demand from AI and data centers. - *the International Energy Agency (IEA)*
- Demand for power will exceed supply: an estimated additional ~50 GW of power will be needed by 2030 in the United States to support US data center power demand (15% CAGR in data center power demand from 2023-2030). This is equivalent to the power needs of 50 million households! – Goldman Sachs
- Infrastructure investment is estimated to be $50 billion through 2030. – Goldman Sachs



Source: Masanet et al. (2020), Cisco, IEA, Goldman Sachs Global Investment Research

Power is the Name of the Game . . .

. . . and natural gas is the obvious choice of power source

There are several potential sources of power to meet additional demand. However, only natural gas is scalable, cost efficient and sustainability:

	Scalability	Cost Efficient	Sustainability	Time necessary for approvals	Cost to build
Nuclear	High	High	High	Long	Expensive
Wind / Solar	Low	Low	High	Medium	Expensive
Hydrogen	TBD	TBD	High	Medium	Expensive
Grid	Low	Medium/Low	Low	Medium/Low	Low
Natural Gas	**High**	**Medium/Low**	**High***	**Medium/Low**	**Medium**

* With sequestration

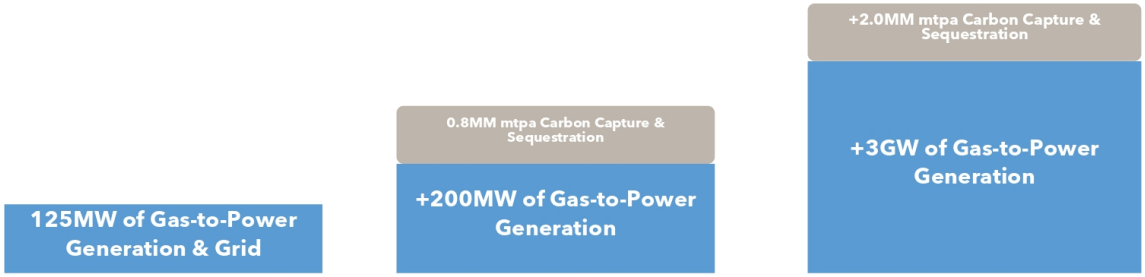
Introducing the Captus Definitive Agreement

Gryphon can enter AI as a market leader

- **Strategically Located:** *Industrial zoned 850 acres located in Southern Alberta. Proximate to existing infrastructure of* ***power, gas supply, non-potable water, fiber, cooler climate and carbon capture on site****.*
- **Power Redundancy:** *Access to two ample supplies of natural gas, provides +2 bcf/d of gas combined and grid access.*
- **Regulatory in Place:** *Initial regulatory in place and progressing to FID in 2025. Alberta government continues to be the most energy industry facing district, consistently proving to be the Texas of the North.*
- **Technical Team in Place:** *Seasoned technical team in place with a combined 100 yrs of experience.*
- **Green Power on Site:** *Combination of saline aquifer plus depleted gas reservoir provides compelling sequestration of CO2.*
- **Scalable to 4GW:** *Compelling scalability with up to ~130MW by the end of 2026, followed by 200MW by YE 2029 and 100MW every 6 months following.*

Captus Agreement
Phased Growth Plan to 4GW

Building a generational, long-life, world class business



Phase 1 (Now to end of 2026)
Final Regulatory, FID & Close

- Finish all regulatory and engineering. Close acquisition.
- Final Investment Decision expected in the fall of 2025 on main project
- In parallel with customers growth demand, add 50-130MW of power on site through existing grid connection and gas connection.

Phase 2 (2026 to 2029)
First 200MW operational by 2029

- Initial build-out of 200MW of gas-to-power generation
- Carbon capture & sequestration infrastructure build-out
- Option to significantly speed up growth if we see the opportunity

Phase 3 (2029+)
More Power, Data Centers/AI & Potential Transition Industries

- Additional build-out of 3GW of gas-to-power generation and associated CO2 sequestration infrastructure

Gryphon Power/Infrastructure Operators

Captus power and ops team has over 100 years of industry experience

- **Harry Andersen**
  25+ years of diverse Canadian and American midstream and energy experience. Involved in executing over $15 billion of M&A, financings, and over $10 billion of brownfield and greenfield projects. Former SVP, Chief Operating Officer and 10+ years C-Suite member at Pembina Pipelines (US$25bln Market Cap.)
- **Mark Taylor**
  30+ years of diverse WCSB midstream and upstream experience. Team lead for execution of marquee projects at Encana Corporation for 10+ years. Founder and Principal at Taylor Energy Advisors, former Chief Operating Officer at Mosaic Energy, former Vice President of Operations at the Alberta Energy Regulator and former Vice President Deep Basin at Sinopec
- **Paul Connolly**
  30+ years of diverse experience in the energy industry and North American midstream sectors. Held senior positions at companies including Veresen Midstream, Plains Midstream Canada and MEG Energy
- **Steve Giacomin**
  30+ years of diverse experience in energy and midstream industry sectors Held senior positions at E&P and Midstream companies in capital project execution and operations Held various senior operating positions at Pembina Pipelines, including being responsible for the largest business unit within Pembina that comprised (in part) natural gas and carbon dioxide handling facilities and power cogeneration facilities

Comparatives in the Market – Value Per Potential Capacity

- All MW are not created equal. We believe efficient, reliable, sustainable energy sources will trade at a premium in the future as premier locations speak for themselves.
- We believe that green power sources will eventually trade at a premium, setting up Captus to capture value.
- Even using median comps, Captus' 4,000 MW potential is measured in the billions of dollars

Comps	Peer A	Peer B	Peer C	Peer D	Peer E	Peer F
Market Cap ($mm)	$ 2,980	$ 978	$ 1,610	$ 3,900	$ 2,140	$ 2,100
Potential Capacity (MW)	2,541	1,682	2,627	1,197	2,310	870
Mrkt Value per MW	$ 1,172,767	$ 581,653	$ 612,866	$ 3,258,145	$ 926,407	$ 2,413,793

Average	$ 1,494,272
High	$ 3,258,145
Low	$ 581,653

Gryphon (GRYP)	
Martket Cap ($mm)	$ 20
Potential Capacity* (MW)	4,000
Mrkt Value per MW	$ 5,000

*Captus Assets Only

Source: Cantor: "Cantor's Deep Dive on AI/HPC"

Cryptocurrency mining

Helmet Agreement - Northeast British Colombia

Expected Low-Cost Power with Ability to Vertically Integrate

Scalable Asset

- *100 MW of power anticipated by end of 2025;*
  - Phased approach of building first 100MW in 20 - 30 MW blocks expected to derisk build out and minimizes dilution
- *Scalable to 1,000 MW*
- *Projected sub $0.03power cost (30 to 50% lower than large cap BTC miners)*

Significant Revenue Potential

- *Serving as hosting provider for BTC miners*
- *Self-mining*
- *Physical hedge for Captus, allow us to control another variable costs at our Alberta AI/HPC site Captus. Gas can flow from point to point allowing us to secure the economics for our AI/HPC customers.*

Company Highlights

Join us in powering the future of digital infrastructure

- Over the last 4 months, aggressively changed the business trajectory onto a best-in-class path. Since September 2024:
  - Proven Leadership is in place
  - Debt Restructured
  - Signed definitive agreements to acquire compelling assets and technical team
- 5 GW Potential in assets under definitive agreement
  - Caputs in Alberta for AI/HPC computing expected to be a world leading campus that has a differentiated green angle
  - Bitcoin assets under agreement expected to provide additional upside and can be converted in the future should there be a demand for AI/HPC. In the near term, once closed, expected to be industry leading sub $0.03/kWh power cost.
- Strategic in location
  - Partnering with the right regulatory and governing areas where the power industry expertise exist and the regulatory bodies are excited for the opportunity ahead.

Summary

- $20M market cap (1/02/24)
- $5B annual revenue potential from just one asset that is under definitive agreement*
- Management is excited for the months and years to come to close on these definitive agreements to acquire and showcase these asset potentials and close this gap

**At full capacity, assuming $1.5 million of revenue per MW, the Captus asset could generate over $5.0 billion of annual revenue.*

GRYPHON
DIGITAL MINING

Nasdaq: GRYP

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james@haydenir.com