

## PRE-DEVELOPMENT AGREEMENT

**BETWEEN:**

The **NASKAPI NATION OF KAWAWACHIKAMACH**, a Naskapi band constituted as a corporation under the *Naskapi (of Québec) Act* (S.C. 1984, c. 18), and continued as a Naskapi Nation and as the same legal person under the paragraph 7.1.1 of the *Northeastern Québec Agreement* and subsection 14(1) of the *Naskapi and the Cree-Naskapi Commission Act*, SC 1984, c. 18, the said act being legislation to implement the *Northeastern Québec Agreement* and the *James Bay and Northern Québec Agreement* which has its headquarters at 1009 Naskapi Road, P.O. Box 5111, Kawawachikamach, province of Québec, G0G 2Z0, acting and represented herein by Chief Theresa Chemaganish, duly authorized to execute this Agreement;

[hereinafter referred to as the "**NNK**" or "**Kawawachikamach**"]

**AND:**

**Scandium Canada Ltd.**, a company duly constituted under the *Canada Business Corporations Act*, R.S.C 1985, c. C-44, having its head office at 236-410 rue Saint-Nicolas, Montréal (Québec) H2Y 2P5, herein acting and represented by Mr. Guy Bourassa, its Chief Executive Officer duly authorized for the purposes hereof;

[hereinafter referred to as "**Scandium Canada**"]

All parties are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**"

- WHEREAS** the area known and referred to as the Crater Lake Project (the "**Property**"), described in **Schedule A** of this Agreement and consisting of 96 claims listed in **Schedule B** and covering an area of 47.0 km<sup>2</sup>, is located about 200 km northeast of Schefferville, in Northern Quebec, within Category III lands as defined in the *Northeastern-Quebec Agreement* (the "**NEQA**");
- WHEREAS** Scandium Canada has conducted surface Pre-development Activities in the last years, drilling results show high grades of scandium and rare earth intersections;
- WHEREAS** Scandium Canada seeks, throughout the term of this Agreement, to conduct Pre-development Activities with respect to the scandium and rare earth elements and any other mineral of interest on the Property (the "**Project**");
- WHEREAS** the NNK, as represented by its Chief and Council, serves the collective interest of the Naskapi Nation and its members;
- WHEREAS** different organizations under the control or under the direction of the NNK may be called upon to carry out or fulfill certain responsibilities, obligations or activities discussed in the Agreement, for the benefit of the NNK;
- WHEREAS** Scandium Canada is aware of and adheres to the principles of the *United Nations Declaration on the Rights of Indigenous Peoples* as recently ratified by Canada, particularly with regards to obtaining the free, prior, and informed consent of the Indigenous peoples for the development and use of their lands, territories, and other resources;
- WHEREAS** the Parties agree to establish a framework, through various undertakings, for Scandium Canada and the NNK to continue their current relationship in a mutually beneficial manner with regards to Scandium Canada's Pre-development Activities on the Property for the duration of this Agreement;
- WHEREAS** the NNK and the Naskapi beneficiaries hold Aboriginal rights as well as treaty rights in Québec and in Labrador, within the meaning of section 35 of the *Constitutional Act*, 1982, and pursuant to the NEQA and the JBNQA (the "**Rights**");
- WHEREAS** the Project's development will impact the Nuchimiyuschiy and their Rights, including the practice of traditional activities, the way of life and



the culture, which shall have to be avoided or tempered, and a compensation will be granted in view of the terms hereof;

**WHEREAS** Scandium Canada acknowledges that the Project is subject to the environmental review process set out in Section 14 of the NEQA, which will require Scandium Canada to prepare the ESIS for the Project in accordance with section 160 of the *Environment Quality Act* (CQLR, c. Q-2), and the *Regulation respecting the environmental and social impact assessment and review procedure applicable to the territory of James Bay and Northern Québec* (CQLR, c. Q-2, r. 25), and in accordance with the *Impact Assessment Act* (SC 2019, c 28, s1) if the Project is a designated project, the whole with a view to obtaining the necessary approvals, permits and authorizations by the Authorities Having Jurisdiction in respect thereof;

**WHEREAS** Scandium Canada also acknowledges that the Project is subject to an environmental assessment under the Newfoundland and Labrador legislation, more particularly the *Environment Assessment Regulations (2003)* under the *Environmental Protection Act* (O.C. 2003-220), for the planned access road;

**WHEREAS** the Parties, in the spirit of current and future collaboration, will enter into a separate Contribution Agreement relating to the conduct of an Indigenous Knowledge Land Use ("IKLU") study by the NNK in relation to the Potential Mine;

**WHEREAS** in the spirit of current and future cooperation, the Parties have entered into this Agreement as a binding declaration of the principles they intend to build on for the negotiations of a final agreement – a Socio-Economic Participation Agreement ("SEPA"), also commonly known as an Impact and Benefit Agreement ("IBA") for the Property – at the earliest reasonable opportunity and before the commencement of any Construction Works;

**WHEREAS** Scandium Canada has or will have when needed at the relevant stages of the Project all necessary governmental authorizations to execute the Project in accordance with the applicable best practices and with the highest regards towards the environment, which shall include the protection of caribous.

**NOW THEREFORE, in consideration of the foregoing terms, the Parties agree as follows:**

  
TC

## TABLES OF CONTENT

ARTICLE 1.	PREAMBLE AND SCHEDULES .....	5
ARTICLE 2.	DEFINITIONS .....	5
ARTICLE 3.	PARTIES' RELATIONSHIP AND CONSENT TO EXPLORATION AND PRE-DEVELOPMENT ACTIVITIES.....	9
ARTICLE 4.	PROJECT INFORMATION EXCHANGE.....	10
ARTICLE 5.	CONFIDENTIALITY OBLIGATIONS.....	11
ARTICLE 6.	SCANDIUM CANADA'S UNDERTAKINGS.....	13
ARTICLE 7.	NNK'S UNDERTAKINGS .....	16
ARTICLE 8.	JOINT UNDERTAKINGS OF THE PARTIES .....	17
ARTICLE 9.	JOINT IMPLEMENTATION COMMITTEE.....	18
ARTICLE 10.	NEGOTIATION OF A FINAL AGREEMENT .....	19
ARTICLE 11.	COMPENSATION FOR PROJECT EXPLORATION AND PRE- DEVELOPMENT ACTIVITIES .....	22
ARTICLE 12.	DISPUTE RESOLUTION PROCESS .....	23
ARTICLE 13.	REPRESENTATIONS AND WARRANTIES .....	23
ARTICLE 14.	NO IMPROPER BENEFIT AND COMPLIANCE WITH ANTI- CORRUPTION LAWS .....	24
ARTICLE 15.	GENERAL AND FINAL PROVISIONS.....	25
	SCHEDULE A	30
	SCHEDULE B	31
	SCHEDULE C	34
	SCHEDULE D	35
	SCHEDULE E	36
	SCHEDULE F	38

## ARTICLE 1. PREAMBLE AND SCHEDULES

1.1 The preamble and schedules of this Agreement form an integral part thereof.

1.2 The following schedules are attached hereto:

**Schedule A:** Description of the Property;

**Schedule B:** List of mining claims;

**Schedule C:** Map of the Nuchimiyuschiiy;

**Schedule D:** Job description for the Liaison Officer;

**Schedule E:** Resolution of Scandium Canada;

**Schedule F:** Resolution of the NNK;

## ARTICLE 2. DEFINITIONS

2.1 For the purpose of this Agreement:

**"Agreement"** means this Pre-development Agreement;

**"Applicable Laws"** means all laws, rules (including administrative rules), regulations, statutes, orders, ordinances, by-laws, codes, decrees, court orders, directives, policies, and standards of Authorities Having Jurisdiction, in each case having force of law, as they may be replaced from time to time;

**"Authorities Having Jurisdiction"** means such federal, provincial, regional, municipal, or local authorities and organizations exercising executive, legislative, judicial, regulatory, administrative, expropriation, tax, police, or other functions, that legally have authority to exercise some measure of control over the Parties or the Pre-development Activities, including any ministry, court, tribunal, council, department, stock exchange and securities regulatory authority;

**"Business and Employment Capacity Study"** has the meaning ascribed to it in Article 8.2;

**"Confidential Information"** means the following information, which may be communicated in any manner between the Parties, is deemed to constitute "Confidential Information":

- (a) the Naskapi Knowledge;
- (b) information of a commercial, financial, strategic, environmental or economic nature, including trade and technical secrets and technical, geological and scientific

TC



- data relating to Scandium Canada operations or the operations of its affiliated, if applicable; and
- (c) any other information that is not in the public domain and that a Party identifies as being confidential information.

**"Consideration Shares"** has the meaning ascribed to it in Article 11.4;

**"Construction Works"** means any construction activity, including any preparatory work, relating to the construction of the Potential Mine. For sake of clarity, Pre-Development Activities are not considered Construction Work;

**"Culturally Significant Sites"** means the areas which have a tangible or intangible cultural importance for the NNK including but not limited to potential archeological sites, burial grounds, and areas where traditional activities are performed;

**"Dispute"** means any disagreement, litigation, controversy, or claim arising out of the interpretation, administration, or implementation of this Agreement;

**"Dispute Resolution Process"** means the process described in ARTICLE 12;

**"ESIS"** means the environmental and social impact statement for the development of the Project required pursuant to section 14 of the NEQA, section 160 of the *Environment Quality Act* (R.S.Q., c. Q-2), and with the *Impact Assessment Act* (SC 2019, c 28, s1) if the Project is a designated project;

**"IKLU"** means, in respect of any area, a body of knowledge regarding that area built up by a group of people occupying and/or using such area through generations in close contact with nature;

**"IKLU Study"** means the report prepared by the NNK or the NNK's consultant and provided to Scandium Canada under a Contribution Agreement, to be discussed and concluded after the signature of this Agreement;

**"Interests"** means elements of social, cultural, patrimonial or archaeological significance to the NNK;

**"Joint Committee"** or **"Committee"** has the meaning ascribed to it in Article 9.1;

**"Liaison Officer"** refers to the Naskapi hired by Scandium Canada under paragraph 7.2 a), endorsing the role and responsibilities ascribed to him/her in Schedule D;

**"Naskapi"** or **"Naskapi Beneficiary"** means an individual whose name appears on the Naskapi register kept by the secretary general appointed by the *Ministère de la Santé et*



*des Services sociaux du Québec*, pursuant to section 16 of *An Act respecting Cree, Inuit and Naskapi Native persons*, (CQLR, c. A-33.1);

**"Naskapi Business"** means:

- (i) any Naskapi Entity, or any unincorporated business belonging to a Naskapi Beneficiary, as well as any corporation in which one or more Naskapi Beneficiary, Naskapi Nation, Naskapi Entity or any trust, foundation or fund instituted to the benefit of any one or more of the aforementioned, holds more than fifty percent (50%) of the voting shares or a sufficient participation to appoint the majority of directors, as well as any partnership, joint venture, not-for-profit corporation or other business or legal entity in which one or more Naskapi Beneficiaries, Naskapi Nation, Naskapi Entity or any trust foundation or fund instituted to the benefit of any one or more of the aforementioned, holds, directly or indirectly, a controlling interest, as well as any Affiliate controlled by any such corporation, partnership, joint venture, not-for-profit corporation or other business or legal entity;
- (ii) any business in which the majority of employees who are dedicated to the contracts to be awarded by Scandium Canada are Naskapi Beneficiaries and in which one (1) or more Naskapi Beneficiary, Naskapi Business or Kawawachikamach Naskapi Business is entitled, directly or indirectly, to more than fifty percent (50%) or more of the profits of the arrangement; or
- (iii) any other business that qualifies under the rules and regulations, and is registered in the Naskapi Business Registry;

**"Naskapis' Impact Assessment"** means the report prepared by the NNK or the NNK's consultants and provided to Scandium Canada which identifies impacts from the Project and/or the Potential Mine on Naskapis' Interests and Rights;

**"Naskapi Knowledge"** shall mean knowledge, practices and customs acquired, developed, and adapted over time by the Naskapi on various matters through their occupation and use of the land, and through the exercise thereon of their Rights, including land use, hunting, fishing, trapping and environmental management;

**"Nuchimiyuschiy"** refers to the lands traditionally occupied and/or used by the Naskapis in the provinces of Québec and Newfoundland and Labrador;

**"Northeastern Québec Agreement"** or **"NEQA"** means the *Northeastern Québec Agreement* approved, given effect to, and declared valid by in Canada Order in Council P.C. 1978-502 of February 23, 1978 and *An Act Approving the Northeastern Québec Agreement* (CQLR c C-67.1);

**"Official"** has the meaning ascribed to it in Article 14.1;

**"Officers"** has the meaning ascribed to it in Article 12.1a);

**"Person"** means an individual, corporation or company (with or without share capital), limited liability company, limited liability partnership, sole proprietorship, body corporate, firm, general or limited partnership, joint venture, trust, association, unincorporated organization, an Authority Having Jurisdiction, or any other entity;

**"Potential Mine"** refers to the activities related to the exploitation and extraction of scandium, rare earths or any other mineralization on the Property, and includes the construction, operation or decommissioning of any mine, mill, processing facility or related facility, including haul and access roads and materials handling infrastructure;

**"Pre-development Activities"** means any on-site activities undertaken by or on behalf of Scandium Canada on the Property, which are normally considered to be exploration activities in the Province, to determine the extent, geology and grade of target mineral deposits until a positive feasibility study compliant to 43-101 regulation is completed. These activities may include, but are not limited to, bedrock sampling, ground surveys within control grids (cut lines), including geological mapping and geophysical/geochemical surveys, airborne geophysical surveys, limited overburden stripping and trenching, bulk sampling and drilling and related exploration activities. For greater certainty, Pre-development Activities do not include the construction, operation or decommissioning of any mine, mill or related facility;

**"Project"** has the meaning ascribed to it in the Preamble. For greater certainty, the Project does not include a Potential Mine;

**"Property"** has the meaning ascribed to it in the Preamble;

**"Province"** means the province of Québec, Canada;

**"Rights"** means Aboriginal rights and treaty rights protected under section 35 of the *Constitution Act*, 1982, and any rights ancillary thereto as further described in the Preamble;

**"SEPA"** has the meaning ascribed to it in the Preamble;

TC  
TC





"Term" has the meaning ascribed to it in Article 15.10.

### **ARTICLE 3. PARTIES' RELATIONSHIP AND CONSENT TO PRE-DEVELOPMENT ACTIVITIES**

- 3.1 Nothing in this Agreement should be considered as creating a partnership, association, employment relationship or agency relationship between the Parties. The agents, mandataries, employees, and other representatives of each Party shall not be considered as agents, mandataries, employees, and other representatives of the other Party for any purpose whatsoever.
- 3.2 The Parties are committed to developing a positive relationship, which recognizes the need for each Party in the relationship to mutually benefit and co-exist. Through a process of mutual respect, ongoing dialogue and regular interaction, the Parties shall work together to:
- a) understand each other's needs and values;
  - b) ensure open, honest, transparent, and fair communications; and
  - c) ensure a good faith relationship.
- 3.3 The Parties wish to ensure that Pre-development Activities conducted within Nuchimiyuschiy are conducted with mutual benefit for the NNK and Scandium Canada, while recognizing the importance of the Naskapis' traditional and cultural activities and history.
- 3.4 At the time of the signature of this Agreement and only considering the information made available to it, the NNK hereby agrees with the continuation of the Project provided that and for so long as Scandium Canada fulfills all of its obligations under this Agreement and Applicable Law. The NNK specifically covenants and agrees that it:
- a) shall not knowingly direct, permit and/or encourage any interference with or other activity that may obstruct Scandium Canada's Pre-development Activities on the Property other than as specifically permitted in this Agreement; and
  - b) shall, upon the reasonable request of Scandium Canada, provide written acknowledgement to any Authorities Having Jurisdiction or other third parties (such as investors or lenders to Scandium Canada) that the NNK has entered into this Agreement and consents to the Project pursuant to the terms and conditions in this Agreement.

11  
TC



- 3.5 Notwithstanding any other provision in this Agreement, the NNK reserves the right to take any position with respect to:
- a) any permits, licenses, or other regulatory matters in respect of any matter other than Scandium Canada's Pre-development Activities; and
  - b) any activity other than exploration and Pre-development Activities by or on behalf of Scandium Canada in, or that could adversely affect the Naskapi's activities, Rights and Interests.

The Parties may enter into further agreements prior to the conclusion of a SEPA that govern the Parties' relationship including matters set out in this Article 3.5.

- 3.6 The NNK acknowledges that the Province may have issued certain mining claims to Scandium Canada (or its predecessors in title) which mining claims come with certain rights and obligations. The NNK also acknowledges that the Province will issue or has issued certain permits to enable certain exploration and Pre-development Activities to be undertaken by Scandium Canada under the terms and conditions of such permits. This Agreement does not and is not intended to, relieve the Province of any of its duties to adequately consult and accommodate the NNK with respect to the issuance of the mining claims or permits or other relevant approval or any exploration and Pre-development Activities, but it is acknowledged that this Agreement may serve as evidence of certain accommodation measures.
- 3.7 This Agreement does not constitute, nor may it be construed to imply NNK consent for a Potential Mine, which consent, if it is forthcoming, must be set out in a SEPA pursuant to the requirements of ARTICLE 10.
- 3.8 The Parties acknowledge and agree to implement this Agreement with a view to complete the negotiation on measures aiming at providing social and economic benefits to the NNK, including preferred opportunities for training, employment and business contracting, in relation to all phases of the Project prior to and as a condition of the start of a Potential Mine by Scandium Canada.
- 3.9 The Parties agree to collaborate with a view to identifying mechanisms to enable the NNK to purchase shares of Scandium Canada, the details of which will be defined in a separate agreement.

#### **ARTICLE 4. PROJECT INFORMATION EXCHANGE**

- 4.1 The Parties agree that the methods and modalities for the communication between Parties are as follows:

TC  


- a) All notices and information shall be sent by email to the Liaison Officer, Director General, Economic Development Officer and Mining Advisor. The appropriate contact information shall be provided and updated by the Nation when needed.
- b) At least twice a year, Scandium Canada and the Liaison Officer will coordinate and organize an information meeting on the Project and present it:
  - (i) at a General Assembly of Kawawachikamach; and
  - (ii) at an NNK Council meeting.
- c) Scandium Canada will send to the Liaison Officer press releases and other publicly disseminated reports concerning or related to the Project at the time of the release, including documents filed on SEDAR.
- d) Scandium Canada will send to the Liaison Officer all correspondence with companies or government bodies regarding the activities on the Nuchimiyuschiy, which could adversely affect the Naskapi's activities, Interests and Rights.

## **ARTICLE 5. CONFIDENTIALITY OBLIGATIONS**

- 5.1 The Parties acknowledge that in the course of their discussions regarding the Project, they will have access to and will be entrusted with Confidential Information from each other, in whatever form and, however, communicated.
- 5.2 The Parties undertake to ensure the strict confidentiality of the Confidential Information disclosed by the other Party when such information is disclosed with the specific mention "Confidential Information," pursuant to the terms hereof. Without limiting the generality of the foregoing, the Parties undertake not to copy, reproduce, disclose, publish, circulate, or allow such actions to be done by one of their representatives, employees and/or consultants with the Confidential Information of the other Party, except where expressly provided herein.
- 5.3 Each party undertakes to use the other Party's Confidential Information within the limits of what is reasonably necessary to evaluate the Project and only to disclose the other Party's Confidential Information to its directors, officers, employees, consultants, agents, subcontractors, financial, legal, or other advisors and other representatives or third parties on a need-to-know basis. Each Party undertakes to ensure that such persons are informed of the confidential nature of this Confidential Information and are held to the same confidentiality obligations, it being understood that any violation of the confidentiality obligations pursuant to this Agreement by

one or the other Party or any person to whom the Confidential Information was provided by a Party pursuant to 0 hereof will entail the liability of this Party. The provisions of this Agreement shall not be construed as conferring to the Parties any title, licence or other right or interest regarding the Confidential Information of the other Party, except with regards to the right to use the Confidential Information pursuant to the provisions hereof.

- 5.4 Notwithstanding any provision to the contrary herein, the foregoing confidentiality obligations shall not apply with regards to Confidential Information that:
- a) is part of the public domain without being a violation by the Parties;
  - b) is already known to one or the other Party before initiating any discussion; and
  - c) has been or is provided to either party by third parties who, in doing so, do not violate a confidentiality undertaking.
- 5.5 If any law requires the disclosure of Confidential Information, the Parties shall immediately notify each other of this requirement for any applicable protection order to be obtained. If such a protection order is not obtained, the parties must:
- a) consult in advance regarding such disclosure;
  - b) disclose only the legally required part of the Confidential Information; and
  - c) make reasonable efforts to obtain reliable assurance that the information will be treated as confidential.
- 5.6 In consideration of the Confidential Information, upon written request of a Party, each Party agrees to return to the other Party all such Confidential Information received by it, or to destroy all Confidential Information received through technological process and all additional copies, if there are, and confirm said destruction, in writing, received hereunder.
- 5.7 The Parties recognize that the unauthorized disclosure or use of Confidential Information may cause the other Party irreparable harm which may be difficult to quantify. The Parties therefore recognize that a Party may, in addition to any possible recourse in law, file an injunction to enforce the confidentiality obligations provided for herein.
- 5.8 The Parties understand and agree that the confidentiality obligations described in this 0 will continue indefinitely following the termination of the Agreement and have unlimited territorial scope.

## **ARTICLE 6. SCANDIUM CANADA'S UNDERTAKINGS**

### **6.1 Scandium Canada undertakes to:**

- a) notify the NNK at least thirty (30) business days in advance of:
  - anticipated or actual employment and training opportunities for the Project;
  - the measures to maximize employment and training of Naskapis, with Scandium Canada, its contractors and subcontractors, which shall include preferential hiring of qualified Naskapis;
- b) provide the NNK with information on its contracting policies and procedures;
- c) notify the NNK in a timely manner of its supplies and service requirements for the Project, and inform the NNK of anticipated or actual supplies and services business opportunities, by providing to the Joint Committee, twice a year, a list of the contracts to be awarded by Scandium Canada for the twelve (12) months that follow;
- e) At least thirty (30) business days, or other mutually agreeable timeframe, prior to any request for proposals or call for tenders for all Pre-development Activities on the Property, Scandium Canada must notify the NNK in a letter sent by email to the Liaison Officer, Director General, Economic Development Officer and Mining Advisor, detailing the following:
  - (i) the type and nature of the Pre-development Activities to be performed;
  - (ii) the map of the location of the Pre-development Activities;
  - (iii) the estimated commencement date and expected duration of the Pre-development Activities;
  - (iv) the potential for disturbance at Culturally Significant Sites;
  - (v) a list of the employment, training and business opportunities;
  - (vi) the name and contact information of the person in charge of the Pre-development Activities; and
- d) offer by preference, to Naskapi Businesses if such businesses are available, qualified, and competitive in terms of cost competitiveness and quality, services and/or supply contracts for such services, for the Project;



- e) ideally thirty (30) days prior to filing, provide the NNK with draft versions of its Summary of Project Description, its Environmental and Social Impact Statement ("**ESIS**") and the main applications for approvals, permits and authorizations from Authorities Having Jurisdiction. A copy of these documents will be available at the Liaison Officer's Office. Other relevant documents submitted by Scandium Canada to the Authorities Having Jurisdiction with regards to the development of the Project, the Property or the Potential Mine shall be provided to the NNK, provided that such documents be identified or deemed as Confidential Information and that, in the event that they are provided by the NNK to any advisor or third party, the latter undertakes to be bound by the provisions of 0 hereof, *mutatis mutandis*;
- f) consider and accommodate, as the case may be, the Rights and Interests of the Naskapis affected by Scandium Canada's Pre-development Activities on the Property, and surrounding the Property, throughout the duration of this Agreement, in particular those related to traditional hunting, fishing and trapping activities, and consider that the approval of its ESIS and the applicable environmental laws do not currently ensure that the Crown's duty to consult and accommodate is fully met towards the Naskapis. Therefore, Scandium Canada must make its best efforts, be attentive and work with the NNK to ensure that the Crown's duty to consult and accommodate is met at every stage of the Project.

6.2 The Parties recognize the importance of the IKLU Study as well as the Naskapis' Impact Assessment relating to the Potential Mine and will fulfill the undertakings outlined in a Contribution Agreement.

6.3 Scandium Canada recognizes the importance to avoid significant damage to Culturally Significant Sites as well as preventing inadvertent damage to unidentified ones during Pre-development Activities, and therefore, undertakes to make background studies and property inspections to determine whether there are potential Culturally Significant Sites on the Property before Pre-development Activities by:

- a) identifying, in collaboration with the NNK, if there is local knowledge of Culturally Significant Sites on or within three hundred (300) metres on the Property;
- b) identifying, in collaboration with the NNK, if there is knowledge or historically documented evidence of past NNK use on or within three hundred (300) metres on the Property; and



- c) conducting surveys, in collaboration with the NNK, to check for Culturally Significant Sites before undertaking any ground disturbance work such as clearing vegetation.

6.4 If potential or Culturally Significant Sites are on or within three hundred (300) metres on the Property, Scandium Canada undertakes to avoid and help prevent inadvertently damaging the sites in all stages of the Project's development. The procedures include but are not limited to:

- a) implementing procedures to protect Culturally Significant Sites;
- b) ensuring the conservation of Culturally Significant Sites including but not limited to creating buffers around sites, fire management, feral animal management, erosion control, installation of protective and interpretative signage, auditing, monitoring, and measuring the condition of sites, and managing public access;
- c) hiring a NNK consultant to monitor work around and look after the Culturally Significant Sites, to work with Scandium Canada on the ground during all stages of the Project's development, if necessary, and provide advice on the appropriate way to manage any Culturally Significant Sites that may not have been identified before Pre-development Activities;
- d) if applicable, hiring a licensed consultant archaeologist chosen by the NNK before Pre-development Activities, to notably review geographic, land use and historical information on the Property and the relevant surrounding area, and visit the Property to inspect its current condition;
- e) in collaboration with the NNK, providing cultural awareness training and Cultural Significant Sites introduction for Scandium Canada's employees who are doing the work, such as drill crews or bulldozer operators, so they know what to look for and can report on potential Cultural Significant Sites to NNK;
- f) if disturbance is unavoidable, notifying NNK in advance and obtaining NNK's approval before proceeding to ensure that minimum precautions are taken in due time.

- 6.5 Scandium Canada recognizes that the Project has had and will continue to have impacts on the Nuchimiyuschiy and, therefore, recognizes the requirement that they must restore the site as it was before the commencement of the works. Scandium Canada agrees to carry out this restoration and clean-up work subject to the approval of the NNK. Scandium Canada will keep the NNK and its subsidiaries, directors, officers, elected officials, consultants, and insurers harmless of all costs that this cleanup might cost and agree pre-emptively to cover all costs related to those operations.
- 6.6 Scandium Canada and the NNK agree that, in the event Scandium Canada terminates its Pre-development Activities and abandons or relinquishes the Project for any reason whatsoever, the property and rights pertaining to any permanent facility erected by Scandium Canada on the Nuchimiyuschiy shall be transferred to the NNK, upon the NNK's request. The said agreement will be the subject of a separate agreement to the Agreement and will not be affected in the event of the termination of the Agreement.

## **ARTICLE 7. NNK'S UNDERTAKINGS**

- 7.1 The NNK undertakes to, subject to Scandium Canada's full compliance with this Agreement:
- a) support and facilitate Scandium Canada's Pre-development Activities on the Property for the duration hereof, as long as the terms and conditions of this agreement are met and followed by Scandium Canada;
  - b) assist Scandium Canada in the preparation of the ESIS and other relevant environmental and social impact assessment studies for all components of the development of the Project, including through the IKLU Study and Naskapis' Impact Assessment completed in accordance with the Contribution Agreement;
  - c) within the scope of what is acceptable in regards to the Naskapis' traditional and cultural activities, to assist Scandium Canada to ensure that the development of the Project proceeds diligently through the environmental and social impact assessment and review procedure provided for in Section 14 of the NEQA and, if the requirements thereof are met, along with those of this agreement, to collaborate with Scandium Canada to obtain the necessary governmental approvals, permits and authorizations for the development of

16  
TC



the Project, it being understood that the NNK will respond to any information or comments request from Scandium Canada or any Authority Having Jurisdiction within a reasonable period of time agreed to between Scandium Canada and the NNK; and

- d) ensure that the representatives are available to work jointly and to cooperate with Scandium Canada for the purpose of this Agreement and the preparation of the ESIS, the IKLU Study and Naskapis' Impact Assessment, as provided in a Contribution Agreement.

7.2 The NNK undertakes to, subject to Scandium Canada's full compliance with this Agreement:

- a) hire a Naskapi as the Liaison Officer to endorse the role and responsibilities defined in Schedule D, and notify Scandium Canada of this hiring by communicating the identity and contact information of said Liaison Officer;
- b) provide Scandium Canada with a list of Naskapis who may be qualified or are interested in becoming qualified for employment with Scandium Canada or its contractors working at the Property, which will facilitate the introduction of Naskapis to Scandium Canada's human resources personnel or its contractors; and
- c) assist Scandium Canada in posting job openings in English and Naskapi where the NNK deems appropriate in order to reach a maximum of Naskapis.

## **ARTICLE 8. JOINT UNDERTAKINGS OF THE PARTIES**

8.1 The Parties recognize that the IKLU Study and the Naskapis' Impact Assessment are mutually beneficial.

8.2 Nothing in this Agreement should be construed as limiting the content of the Contribution Agreement to be signed by the Parties.

8.3 The Parties undertake to :

  
TC



- a) establish specific measures which promote or support employment, training, and skill development of Naskapis, and collaborate to facilitate access to government programs;
- b) under the management of the NNK, prepare a study determining the business and employment capacity within the community of Kawawachikamach (the "**Business and Employment Capacity Study**"); such study will be conducted with specific reference to the potential needs of a Potential Mine, and will focus on the identification of skill areas to be fostered in the establishment of training programs for the preparation of qualified Naskapi candidates for employment, but also on the identification of contractor deficiencies to be addressed, being agreed that:
  - (i) the Parties shall begin to define the terms of reference of the Business and Employment Capacity Study within sixty (60) days after having submitted a Project Description pursuant to an environmental assessment process;
  - (ii) the Parties shall agree upon a budget [REDACTED] [REDACTED] for the Business and Employment Capacity Study prior to the conduct of the Business and Employment Capacity Study;
  - (iii) Scandium Canada shall be solely and entirely responsible for all fees and costs related to the Business and Employment Capacity Study;
  - (iv) the Business and Employment Capacity Study shall remain the joint property of the Parties; and
  - (v) each of the Parties shall be entitled to use the Business and Employment Capacity Study for purposes other than the Project with the prior written consent of the other Parties, provided that such consent shall not be unreasonably withheld;

## ARTICLE 9. JOINT IMPLEMENTATION COMMITTEE

9.1 The Parties agree to establish, upon execution of this Agreement, a joint implementation committee ("**Joint Committee**" or "**Committee**"), composed of six (6) members, three (3) of which shall be appointed by Scandium Canada and three (3) of which shall be appointed by the NNK, in order to:

- a) ensure that the Pre-development Activities of Scandium Canada on the Property during the Term of this Agreement are carried out in accordance with Applicable Laws, including the *Environment Quality Act*, (CQLR, c. Q-2), the *Mining Act*, (CQLR, c. M-13.1) and the *Impact Assessment Act* (SC 2019, c 28, s1) if the Project is a designated project;

- b) cooperate in the preparation of the ESIS and other relevant environmental and social assessment studies for all components of the development of the Project, as provided in the Contribution Agreement;
- c) more generally, discharge their respective undertakings towards the provision of economic, employment and business opportunities to the Naskapis, pursuant hereto; and
- d) address any other issue relevant to the implementation of this Agreement.

9.2 The Committee, taking into account the methods and modalities listed at ARTICLE 4, shall work on the development of a communication strategy to facilitate dialog, access to employment opportunities and to minimize misunderstandings between the Parties, with the objective of sharing relevant concerns and information regarding the Project, including by the following means:

- a) through the Joint Committee itself;
- b) upon request from the NNK or at least once a year, through meetings between Scandium Canada and the NNK;
- c) upon request from the NNK, through an annual public meeting of Scandium Canada with the Naskapis and an annual field visit with representatives designated by the NNK; and
- d) upon request of the NNK, through additional public meetings of Scandium Canada with the Naskapis, as may be advisable from time to time, including as may be advised by the members appointed by the NNK on the Joint Committee.

## **ARTICLE 10. NEGOTIATION OF A FINAL AGREEMENT**

10.1 Upon execution of this Agreement, the Parties shall pursue in a timely manner their negotiations in good faith to develop and execute the SEPA in respect to the Potential Mine in a mutually beneficial manner, and shall conclude said SEPA prior to the implementation by Scandium Canada of the Potential Mine and the potential granting of authorizations issued by the Authorities Having Jurisdiction.

10.2 The SEPA shall address the following matters:

- a) Education and Training: to provide ongoing opportunities for Naskapis, to become qualified for employment opportunities during all phases of the Potential Mine;
- b) Employment Opportunities: to provide employment and advancement opportunities for Naskapis, during all phases of the Potential Mine and to remove any undue barriers to employment and advancement of Naskapis;
- c) Workplace Conditions and Operating Procedures: to provide for certain adaptations of working conditions and operating procedures, including measures applicable to all employees, to ensure that Naskapi employees work in a safe and secure environment, free of discrimination, harassment and where their cultural particularities, including language, are considered and respected;
- d) Business Opportunities: to provide business opportunities in the Potential Mine for Naskapi Businesses, to provide for a contract-awarding process, and to encourage and facilitate the development of Naskapi Businesses in the context of the Potential Mine;
- e) Financial Matters: to provide for financial benefits payable to the NNK in consideration of the NNK's consent to and support for the development and operation of the Potential Mine;
- f) Social and Cultural Matters: to ensure the respect, preservation, and promotion of the Naskapi culture as well as Culturally Significant Sites, and more particularly the traditional activities occurring on the Nuchimiyuschiiy, during all phases of the Potential Mine;
- g) Environmental Protection, Mitigation, Monitoring and Reporting: to establish measures that will allow for the development and operation of the Potential Mine on the basis of best environmental practices and to allow the NNK to contribute to Scandium Canada's environmental management and monitoring processes;



- h) Hunting, Fishing and Trapping: to promote the maintenance of wildlife populations, and establish hunting, trapping, and fishing restrictions applicable to workers on or around the Potential Mine; and
- i) Access to the territory: to develop a process to control and limit access to historical and traditional Nuchimiyuschiy to avoid depletion of resources, to prevent occupation of the land by non-Naskapis other than for the immediate needs of the Potential Mine.
- j) Such other subject matters as the Parties may agree.

10.3 Before commencing negotiations of the SEPA, the NNK shall develop a negotiation budget, including, but not limited to:

- a) Reasonable legal, financial, and other professional and consulting fees and expenses;
- b) Community consultation costs, including community consultation, personnel, material, development, translation and distribution, meetings, and similar needs;
- c) Technical expertise and review costs; and
- d) Reasonable travel, administrative and other costs.

10.4 Upon review of the negotiation budget submitted by the NNK, Scandium Canada shall cover all reasonable costs incurred by the NNK for the negotiation of the SEPA between the Parties, as set out in the budget developed by the NNK.

10.5 There shall be no commencement of construction or operations of a Potential Mine or related facility on any of the Properties within the Nuchimiyuschiy until a SEPA is executed.

## ARTICLE 11. COMPENSATION FOR PROJECT EXPLORATION AND PRE-DEVELOPMENT ACTIVITIES

- 11.1 Scandium Canada shall pay the NNK's reasonable costs for the negotiation and drafting of this Agreement in the thirty (30) days following receipt by Scandium Canada of the NNK's expense reports. On the first negotiation meeting, [REDACTED] shall be payable by Scandium Canada to the NNK.
- 11.2 Scandium Canada acknowledges that its Pre-development Activities on the Property shall require the NNK to assign Naskapis to periodically monitor such activities, through on-site visits. In compensation thereof, Scandium Canada shall pay to the NNK an annual amount of [REDACTED] throughout the Term of this Agreement, starting on the date of the execution of this Agreement and on every anniversary thereof.
- 11.3 Scandium Canada acknowledges that its Pre-development Activities on the Property have generated and will continue generating adverse impacts in the Nuchimiyuschiy. Thereof, as a sign of good faith, Scandium Canada will pay to the NNK an amount of [REDACTED] payable upon public filing of a NI43-101 compliant Pre-Feasibility study on the Property. For greater certainty, this is without prejudice of any Rights or Interests of the Naskapis.
- 11.4 Upon the filing by Scandium Canada of a Pre-Feasibility study with respect to the Potential Mine, Scandium Canada undertakes to pay off the debt referred to in Article 11.3 by issuing to the benefit of the NNK, common shares of Scandium Canada in an amount equal to the above debt (the "**Consideration Shares**"), the number of which will be determined at the date of the filing of the Pre-Feasibility study.
- 11.5 Throughout the Term of this Agreement, Scandium Canada and the NNK undertake to engage in further discussions regarding the purchase of additional equity from Scandium Canada by the NNK, based on a mutually acceptable commercial arrangement and subject to Applicable Laws.

  
TC



## ARTICLE 12. DISPUTE RESOLUTION PROCESS

12.1 The Parties shall endeavour to resolve amicably by negotiation between their representatives appointed to the Joint Committee pursuant to Article 9.1 hereof, any Dispute which arises between them in connection with this Agreement. In the event of failure to resolve directly through their representatives on the Committee any Dispute arising in connection with this Agreement within thirty (30) days thereof, the Parties agree that:

- a) the Dispute shall be submitted in writing to the General Manager of Scandium Canada and to the Chief of Kawawachikamach (hereinafter collectively the "**Officers**") to resolve the Dispute to the satisfaction of all Parties;
- b) the Officers shall make all efforts required to resolve the Dispute to the satisfaction of the Parties, which may include participation in a mediation process; if this avenue does not produce satisfactory results within thirty (30) days of the Dispute being referred, the Officers shall jointly refer the Dispute to binding arbitration;
- c) any Dispute referred to binding arbitration shall be settled pursuant to Section 620 and seq. of the *Code of Civil Procedure* (CQLR, c. C-25.01); and
- d) any Dispute which requires the interpretation or application of Aboriginal or treaty rights of the Naskapi or any financial dispute (in particular, a dispute in relation to the provisions of ARTICLE 11) is excluded from arbitration.

## ARTICLE 13. REPRESENTATIONS AND WARRANTIES

13.1 Scandium Canada represents and warrants to NNK that the execution, delivery, and performance of this Agreement has been duly authorized by all necessary corporate action on the part of Scandium Canada, as appears from the certified extract of a resolution of the board of directors of Scandium Canada, attached hereto as **Schedule E**.

13.2 The NNK represents and warrants to Scandium Canada that:

- a) the execution, delivery and performance of this Agreement have been duly authorized by the NNK, as appears from the resolution of the NNK, attached hereto as **Schedule F**; and

TC



- b) the NNK duly represents all Naskapis and is entering into this Agreement on its own behalf and on behalf of all Naskapis.

#### **ARTICLE 14. NO IMPROPER BENEFIT AND COMPLIANCE WITH ANTI-CORRUPTION LAWS**

14.1 The Parties acknowledge and agree that the funds provided pursuant to this Agreement are provided exclusively for the purposes set out in 0 and Article 8.1 shall not be used for any other purpose. In particular, it is not, and shall not, be offered, paid, promised or transferred to any elected official, officer, representative or employee of the NNK (collectively an "**Official**") to secure any improper advantage or benefit in relation to the matters covered by this Agreement, either directly or indirectly through a third party.

14.2 The Parties covenant that:

- a) each Party will not, directly or indirectly, in connection with this Agreement, offer, pay, promise to pay, solicit, or authorize the giving of money or anything of value to an Official or to any other person that either Party has reason to believe will, or is likely to, offer, pay, promise to pay or transfer to an Official, for the purpose of influencing an act or decision, or the omission of any act or decision, by such an Official in order to obtain or retain any business with or relating to the NNK, to direct business with or relating to the NNK or to obtain any improper advantage or benefit in respect of retaining any business with or relating to the NNK; and
- b) in respect of the covenants provided for in Article 14.2a), each Party will comply with all applicable anti-bribery corruption laws to their applicable full extent, including the *United States Foreign Corrupt Practices Act*, the *Bribery Act 2010* (United Kingdom), the *Corruption of Foreign Public Officials Act* (Canada), the provisions of the *Criminal Code* (Canada) on corruption, as they may be amended from time to time (the "**Anti-corruption Laws**").

14.3 Without limiting the other provisions of this ARTICLE 14, the Parties each acknowledge that Scandium Canada and its Affiliates must comply with all provisions of the Anti-corruption Laws, each will not take action of any nature which would contravene to any provision of the Anti-corruption Laws and the NNK hereby agrees to cooperate with and assist Scandium Canada and its Affiliates with respect to such compliance, including compliance with disclosure requirements pursuant to the *Extractive Sector Transparency Measures Act* (Canada).

## ARTICLE 15. GENERAL AND FINAL PROVISIONS

- 15.1 The words "including" or "includes" or any variation thereof, when followed by a list of items or things, are to be read as though the word "including" or "includes" or the variation is followed by the words "but without restricting the generality of the foregoing". It shall not be presumed that the items or things are complete.
- 15.2 Unless otherwise indicated, all dollar amounts mentioned herein are in Canadian currency.
- 15.3 In case any of the provisions of this Agreement should be held to be invalid, illegal or unenforceable in any respect, the Parties shall make best efforts to replace such provision(s) to maintain the intent and effect of this Agreement and to the extent practicable the validity, legality or enforceability of the remaining provisions contained herein are not to be in any way impaired by such holding of invalidity, illegality or unenforceability.
- 15.4 The Parties shall work jointly in order for all undertakings herein to be implemented in a mutually beneficial manner and within parameters of Applicable Laws.
- 15.5 The Parties hereby acknowledge that this Agreement does not affect, restrict, prejudice, waive or otherwise address, in any manner whatsoever, Naskapi Aboriginal rights and NEQA treaty rights. By virtue of this Agreement, no such Rights of the NNK are waived or renounced upon.
- 15.6 The Parties agree that while the execution of this Agreement may be broadly shared by any of the Parties without consultation with the other, the provisions, terms and conditions hereof must be kept confidential unless required to be disclosed by Applicable Laws, in compliance with securities regulations or accounting requirements or with the prior written consent of the other Party.
- 15.7 Scandium Canada and the NNK will each issue a coordinated press release at a date agreed upon beforehand and only after the execution of this Agreement by all Parties. Subsequently, the Parties shall coordinate the preparation, issuance and publication of all press releases or similar public announcements with respect to the Property or the Project as intended. Notwithstanding the foregoing, Scandium Canada may independently prepare, issue, and publish any press release or public announcement, if required in the normal course of business or in compliance with its internal policies or as may be required by Applicable Laws, in which case,

  
TC



Scandium Canada shall promptly notify the NNK beforehand of such an independent issuance or publication thereof.

- 15.8 This Agreement is binding upon and enures to the benefit of the Parties hereto and their respective successors and permitted assigns including any purchasers, transferees, or acquirers of any part of the Project, the Properties or Scandium Canada. The NNK may not assign its rights under the Agreement. Any purchaser, transferee, acquirer, successor or assignee of the Project, Properties or Scandium Canada must agree in writing to be so bound as a condition of such purchase, transfer, acquisition, succession, or assignment, and should any such purchaser, transferee, acquirer, successor, or assignee have its own agreement with the Naskapis in respect of exploration in the Nuchimiyuschiy, this Agreement shall apply in respect of the Properties.
- 15.9 For greater certainty, should Scandium Canada sell, transfer, assign or convey any right or interest in or with respect to the Property and the Project, they hereby undertake to transfer any obligation assumed under this Agreement so that it be assumed by the recipient of the right or interest subject of the sale, transfer, assignment, or conveyance and/or the beneficiary of such transaction.
- 15.10 This Agreement shall come into force on the date of its execution by the Parties and shall terminate at the earliest of the following dates, herein the **"Term"**:
- a) the date of the coming into force of a SEPA in respect of the development of the Project if such an agreement is entered into by the Parties;
  - b) the date on which the Parties voluntarily and jointly terminate this Agreement by written agreement, and, in any event, not earlier than thirty-six (36) months after the date of execution of this Agreement;
  - c) the date of a formal notice by Scandium Canada to the NNK confirming the abandonment or cancellation of the Project or of any further Pre-development Activities on the Property;
  - d) the date on which all rights and interests of Scandium Canada in the Property are extinguished;
  - e) the date of formal notice from the NNK outlining its decision to withdraw from the SEPA negotiations; or



- f) the date of a formal notice from the NNK outlining its decision to withdraw from this Agreement due Scandium Canada's failure to comply to this Agreement. NNK shall consider that Scandium Canada is in failure to comply to this Agreement if, after receiving a default notice from NNK describing Scandium Canada's default, it has failed to remedy the said default within thirty (30) days after receiving the default notice.

15.11 Any notice related to this Agreement shall be conveyed in writing and shall be either personally delivered or sent by registered mail or were sent by facsimile or email, with subsequent transmission by registered mail to the following addresses:

**If to Scandium Canada:**

Scandium Canada Ltd.

To the attention of: Mr. Guy Bourassa or the CEO with a copy to the CFO

Email:

**If to the NNK:**

The Naskapi Nation of Kawawachikamach

1009, Naskapi Road

Kawawachikamach (Québec) G0G 2Z0

To the attention of: Chief Theresa Chemaganish

Email:

Copied to: Director General, Stella Pien [stellapien@naskapi.ca]  
Christopher Coggan, Atmacinta [coggan@atmacinta.com]

or to any other address that may be specified from time to time in a written notice to the other Parties given in accordance with the foregoing for notification purposes under this Article. Such notice shall be deemed to have been received on the day of its delivery whether remitted personally or by registered mail.

15.12 This Agreement does not preclude the Parties to enter into agreements on different matters of mutual interest before of during the negotiations of a SEPA.

15.13 Any amendments to this Agreement shall be in writing and agreed to by the Parties.

15.14 This Agreement shall be governed by, interpreted, and construed in accordance with Applicable Laws.

  
TC

15.15 For all jurisdictional purposes, this Agreement is deemed to have been executed in the judicial district of Mingan, in the Province of Québec.

15.16 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same Agreement. Delivery, by any Party, by electronic transmission of a copy of this Agreement containing a signature page executed by such Party shall be as effective as delivery of a manually executed copy of this Agreement by such Party.

15.17 The Parties hereto have expressly required that this Agreement and all pertaining documents and notices be drafted in the English language. *Les Parties aux présentes ont expressément exigé que cette entente et tous les documents et avis qui y sont afférents soient rédigés en langue anglaise.*

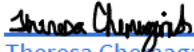
  
TC



**IN WITNESS WHEREOF**, the Parties have signed:

In Kawawachikamach, on 19/04/24

**NASKAPI NATION OF KAWAWACHIKAMACH**

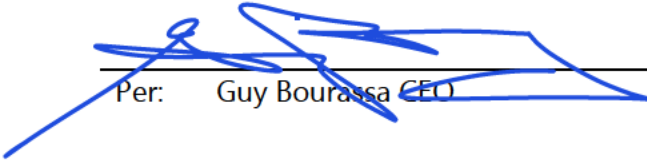


Theresa Chemaganish (Apr 19, 2024 13:48 EDT)

Per: Chief Theresa Chemaganish

In Montréal, on 19/04/24, 2024

**Scandium Canada Ltd.**

  
Per: Guy Bourassa CEO

## SCHEDULE A

### Description of the Property



**SCANDIUM  
CANADA**

Préparé par:



April 2024  
IPGcr22G104

TC



## SCHEDULE B

### List of mining claims

[illegible]





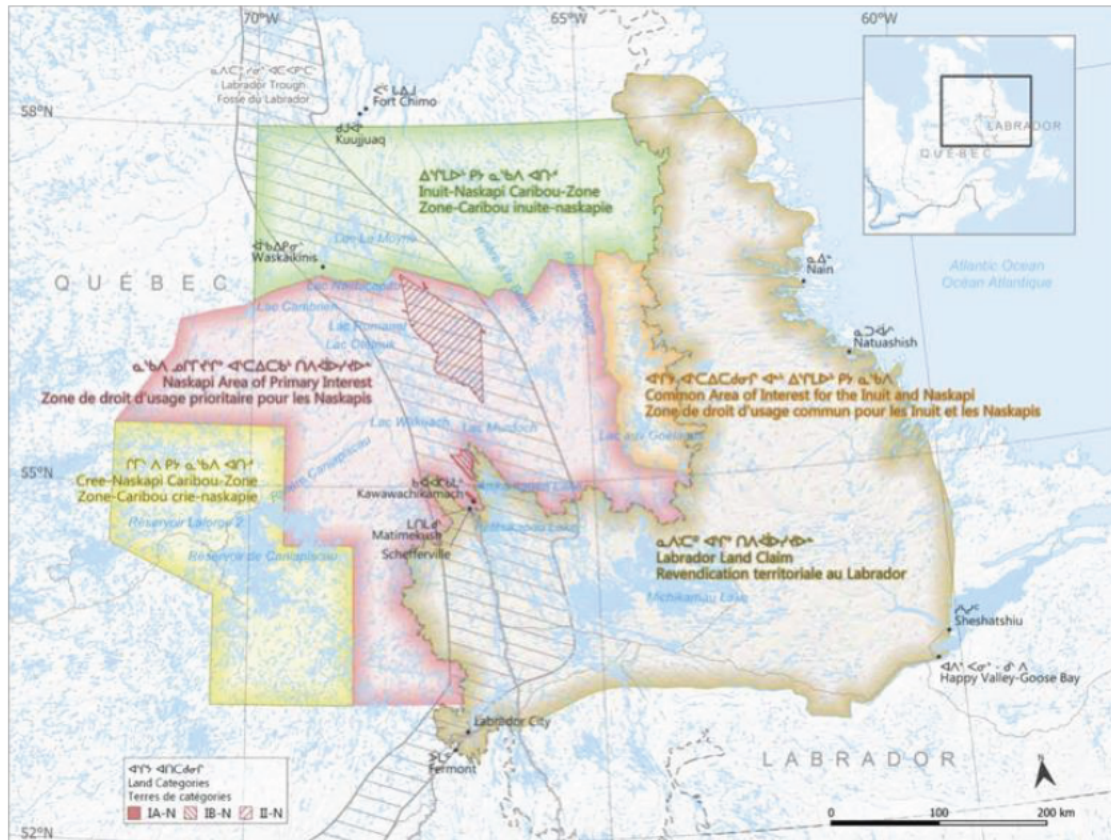


2526961	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526962	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526963	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526964	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526965	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526966	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526967	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97
2526968	SNRC 13M05	2018-11-12	11-Nov-25	Scandium Canada Ltée. (105110) (100%)	48,97



TC

# **SCHEDULE C** **Map of the Nuchimiyuschiy**



TC

*[Handwritten signature]*

**SCHEDULE D**  
**Detailed mandate for the Liaison Officer**

1. Upon execution of this Agreement, the NNK shall hire a Naskapi from the community of Kawawachikamach, to act as a Liaison Officer in regard of the Project, being agreed that:
  - a) the Liaison Officer's role will be
    - (i) to provide information to Scandium Canada on events in the community of Kawawachikamach in which it may wish to participate or contribute;
    - (ii) to direct any request to Scandium Canada for information from Naskapis on the Property for appropriate and timely follow-up;
    - (iii) to receive, keep and make accessible to the members of the community of Kawawachikamach the documents and information prepared and/or communicated by Scandium Canada regarding the Project and/or the Potential Mine;
    - (iv) to prepare and keep updated a list of Naskapis who may be qualified or are interested in becoming qualified for employment with Scandium Canada or its contractors, as referred to in paragraph 7.2 c) of the Agreement; and
    - (v) to assume any other responsibilities given to him/her by the NNK;
  - b) prior to the selection process, one of the members of the Committee, representing the NNK, will ensure temporary fulfillment of the role of Liaison Officer so that continued communication can take place between the Parties. Scandium Canada shall provide reimbursement for the member of the Committee's remuneration which is directly related to fulfilling his role as temporary Liaison Officer; and
  - c) the Liaison Officer shall be under the authority of the NNK.

12  
TC



**SCHEDULE E**  
**Resolution of Scandium Canada**

SCANDIUM CANADA LTD.  
(the "Corporation")

THE FOLLOWING IS A RESOLUTION OF THE DIRECTORS OF THE CORPORATION CONSENTED TO IN WRITING BY ALL OF THE DIRECTORS OF THE CORPORATION (the "Board") DATED EFFECTIVE APRIL 17, 2024.

---

**APPROVAL OF THE PRE-DEVELOPMENT AGREEMENT WITH THE NASKAPI  
NATION OF KAWAWACHIKAMACH**

**WHEREAS** the Corporation is aware of and adheres to the principles of the *United Nations Declaration on the Rights of Indigenous Peoples* as recently ratified by Canada, particularly with regards to obtaining the free, prior, and informed consent of the Indigenous peoples for the development and use of their lands, territories, and other resources;

**WHEREAS** the Corporation wished to establish a framework, through various undertaking with the Naskapi Nation on Kawawachikamach to continue the current relationship in a mutually beneficial manner with regards to the Corporation's activities on the Crater Lake property;

**WHEREAS** the Corporation wishes to pursue on-site activities on the Crater Lake property, which are normally considered to be exploration activities to determine the extent, geology and grade of target mineral deposits until a positive feasibility study compliant to 43-101 regulation is completed, including, but not limited to, bedrock sampling, ground surveys within control grids (cut lines), including geological mapping and geophysical/geochemical surveys, airborne geophysical surveys, limited overburden stripping and trenching, bulk sampling and drilling and related exploration activities.

**WHEREAS** in the spirit of current and future cooperation, the Corporation and the Naskapi Nation of Kawawachikamach have negotiated this Pre-Development Agreement to be a binding declaration of the principles they intend to build on for the negotiations of a final agreement – a Socio-Economic Participation Agreement ("**SEPA**"), also commonly known as an Impact and Benefit Agreement ("**IBA**") for the Property – at the earliest reasonable opportunity and before the commencement of any Construction Works;

  
TC

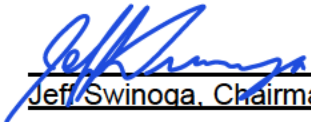
**BE IT RESOLVED:**

**TO APPROVE** the Pre-Development Agreement with the Naskapi Nation of Kawawachikamach presented to the Board for review; and

**TO AUTHORIZE** Mr. Guy Bourassa, Chief Executive Officer of the Corporation, or failing him, Mr. Pierre Neatby, President and Chief Operating Officer, to sign the Pre-Development Agreement for and on behalf of the Corporation, with any other document or modifications they may deem necessary or appropriate to give full effect to this resolution.

I, Jeff Swinoga,, Chairman of the Board of directors of Scandium Canada Ltd., certify that the above resolution was duly adopted by the Board of directors and is valid as of this date,

April 17, 2024

  
Jeff Swinoga, Chairman of the Board

  
TC



**SCHEDULE F**  
**Resolution of the NNK**

**WHEREAS** Council has reviewed the Pre-Development Agreement with Scandium Canada dated April 2<sup>nd</sup>, 2024 (the “PDA”).

**IT IS RESOLVED**

**THAT** the PDA be, and it is hereby, approved in a form substantially as reviewed on April 2<sup>nd</sup>.

**THAT** Chief Theresa Chemaganish be, and she is hereby, mandated to execute the PDA.

**THAT** the following individuals be, and they are hereby, appointed as the Nation’s representatives on the PDA Joint Implementation Committee:

- Mr Michel Bacon, Mining Liaison Officer
- Mr Jeremy Einish, Councillor – Mining Portfolio
- Mr Christopher Coggan – Mining Advisor

**THAT** Mr Michel Bacon be, and he is hereby, mandated to oversee the implementation of the present resolution and keep Council apprised of developments.

I, the undersigned, Ms Stella Pien, being the Secretary of the Naskapi Nation of Kawawachikamach, certify that the preceding is a true copy of a resolution duly adopted by the Council of said Nation at a meeting held at Kawawachikamach, Quebec, on the 2<sup>nd</sup> Day of April, 2024.



Stella Pien (Apr 19, 2024 14:48 EDT)

Stella Pien, Secretary

