

These materials are important and require your immediate attention. The shareholders of Uranium Participation Corporation are required to make important decisions. If you have any doubt as to how to make such decisions, please contact your tax, financial, legal or other professional advisors. Shareholders that require further assistance, please contact the proxy solicitation agent, Gryphon Advisors Inc.: (i) toll-free in Canada and the United States at 1.833.248.5458; (ii) from outside Canada and the United States at 416.902.5565; or (iii) e-mail to inquiries@gryphonadvisors.ca.



URANIUM PARTICIPATION CORPORATION

NOTICE OF SPECIAL MEETING

to be held on July 7, 2021

AND

**MANAGEMENT INFORMATION CIRCULAR
FOR THE SPECIAL MEETING OF
THE SHAREHOLDERS OF
URANIUM PARTICIPATION CORPORATION**

**CONCERNING
A PLAN OF ARRANGEMENT
INVOLVING**

URANIUM PARTICIPATION CORPORATION AND ITS SHAREHOLDERS

AND

SPROTT ASSET MANAGEMENT LP

AND

SPROTT PHYSICAL URANIUM TRUST

AND

2834819 ONTARIO INC.

JUNE 7, 2021

**The UPC Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution.
VOTE YOUR PROXY TODAY.**

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June 7, 2021

Dear Shareholders:

You are invited to attend electronically a special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Uranium Participation Corporation ("**UPC**"). The Meeting will be held in a virtual-only format, which will be conducted via live webcast available online using <https://web.lumiagm.com/233521073> on July 7, 2021 at 10:00 a.m. (Toronto Time). At the Meeting, Shareholders will each be asked to consider and vote on a special resolution (the "**Arrangement Resolution**") to approve a proposed arrangement (the "**Arrangement**") under section 182 of the *Business Corporations Act* (Ontario) involving UPC and the Shareholders, the newly-formed Sprott Physical Uranium Trust (the "**Trust**"), Sprott Asset Management LP ("**SAM LP**"), an affiliate of Sprott Inc., and the newly formed 2834819 Ontario Inc. ("**Exchangeco**"), a wholly-owned subsidiary of the Trust.

The transactions completed or to be completed in connection with the Arrangement include, among other things, the following:

- (i) The Trust has been formed pursuant to the laws of Ontario, and the provisions and features of the Trust will be set out in an amended and restated trust agreement;
- (ii) Shareholders of UPC will receive one-half of one unit of the Trust (each whole unit of the Trust, a "**Trust Unit**") in exchange for each Common Share (unless, and subject to certain limits and eligibility, an eligible holder elects to receive, for each Common Share, one-half of one redeemable preferred share of Exchangeco (each whole redeemable preferred share of Exchangeco, an "**Exchangeable Share**"), which are exchangeable on a one Exchangeable Share for one Trust Unit basis);
- (iii) UPC will become a subsidiary of the Trust;
- (iv) The management services agreement between Denison Mines Inc. and UPC will be terminated and the ongoing operation of the Trust will be managed by SAM LP, pursuant to a new management agreement with the Trust (the "**Management Agreement**");
- (v) SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to 1% of UPC's NAV as of March 31, 2021; and
- (vi) Under the management of SAM LP, the Trust is expected to continue to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Arrangement.

Pursuant to the terms of the Arrangement Agreement, it is a condition of closing of the Arrangement that conditional approval for the listing of the Trust Units on the TSX shall have been obtained. In the event that such condition of closing is met, in connection with closing of the Arrangement, it is intended that the Common Shares will be delisted from the TSX.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, SAM LP, as the manager of the Trust, will submit to the New York Stock Exchange Arca ("**NYSE Arca**") a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca. There is no assurance that listing of the Trust Units on NYSE Arca will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of NYSE Arca.

If approved, the Arrangement is currently anticipated to be completed in the early third quarter of 2021.

Your vote is important. The Arrangement cannot proceed unless it is approved by Shareholders. The Board of Directors of UPC (the "**UPC Board**") has received an opinion of Cormark Securities Inc. (the "**Fairness Opinion**") to the effect that the consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Shareholders.

The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

Please review the section of the enclosed Information Circular (the "**Circular**") entitled "*Part I - The Arrangement – Background to the Arrangement*" which describes the history and events leading up to the proposed Arrangement, as well as "*Part I - The Arrangement – Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement*" for details of the reasons why the UPC Board is recommending that Shareholders vote in favour of the Arrangement.

ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM. Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.

Registered Shareholders should complete the accompanying form of proxy and submit it to Computershare Investor Services Inc., as soon as possible but no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) prior to the time of any adjournment or postponement of the Meeting. **You can also submit your proxy votes online through www.investorvote.com and using the control number that will be provided on the form of proxy.** Beneficial (non-registered) holders of Common Shares who receive materials through their broker, bank, trust company or other intermediary or nominee should follow the instructions provided by their broker, bank, trust company or other intermediary or nominee.

Notwithstanding the foregoing, the Chair of the Meeting, subject to the terms and conditions of the Arrangement Agreement, has the discretion to accept proxies received after such deadline. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice, subject to the terms and conditions of the Arrangement Agreement.

Any Shareholder that would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live webcast available online using <https://web.lumiagm.com/233521073>. Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Common Shares during the Meeting by voting when prompted during the Meeting.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. **If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.**

Shareholders that require further assistance, please contact the proxy solicitation agent, Gryphon Advisors Inc.: (i) toll-free in Canada and the United States at 1.833.248.5458; (ii) from outside Canada and the United States at 416.902.5565; or (iii) e-mail to inquiries@gryphonadvisors.ca.

Enclosed with this Circular is a Letter of Transmittal explaining how Registered Shareholders may exchange their Common Shares for Trust Units or, subject to certain limits and eligibility, elect to receive Exchangeable Shares. Non-Registered Shareholders whose Common Shares are registered in the name of a broker, dealer, bank, trust company or other nominee must contact such broker, dealer, bank, trust company or nominee and provide instructions regarding the exchange of their Common Shares. If the aggregate number of Trust Units or Exchangeable Shares to which a Shareholder would otherwise be entitled would include a fractional unit or share, then the number of Trust Units or Exchangeable Shares that such former Shareholder is entitled to receive shall be rounded down to the next whole number and no former Shareholder will be entitled to any compensation in respect of such fractional Trust Unit or Exchangeable Share.

The Arrangement Resolution, the full text of which is set out in Appendix A-1 to the Circular, must be approved by at least 66⅔% of the votes cast by Shareholders and by a "majority of the minority" of the votes cast by Shareholders, in each case, present in person or represented by proxy at the Meeting.

In addition, completion of the Arrangement is subject to, among other things, the approval of the Ontario Superior Court of Justice (Commercial List) and the receipt of all necessary regulatory approvals.

The Circular contains a detailed description of the Arrangement, as well as detailed information regarding the Trust and certain pro forma and other information regarding the Trust after giving effect to the Arrangement. Also contained in the Circular are certain risk factors relating to completion of the Arrangement and certain implications of owning Trust Units or Exchangeable Shares instead of Common Shares. Please give this material your careful consideration and, if you require assistance, consult your financial, tax or other professional advisors.

We look forward to hearing from you.

Yours very truly,

“Jeff Kennedy”

Chairman of the Board
Uranium Participation Corporation

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF
URANIUM PARTICIPATION CORPORATION**

TO BE HELD ON JULY 7, 2021

NOTICE IS HEREBY GIVEN that, pursuant to an order (the "**Interim Order**") of the Ontario Superior Court of Justice (*Commercial List*) dated June 7, 2021, a special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Uranium Participation Corporation ("**UPC**") will be held in a virtual-only format, which will be conducted via live webcast available online using <https://web.lumiagm.com/233521073> on July 7, 2021 at 10:00 a.m. (Toronto Time) for the following purposes:

- (a) for the Shareholders to consider, and if thought advisable, to approve, with or without variation, a special resolution (the "**Arrangement Resolution**") of the Shareholders, the full text of which is set forth in Appendix A-1 to the accompanying management information circular dated June 7, 2021 (the "**Circular**"), to approve a plan of arrangement (the "**Arrangement**") under section 182 of the *Business Corporations Act* (Ontario) ("**OBCA**") involving UPC and the Shareholders, Sprott Physical Uranium Trust (the "**Trust**"), Sprott Asset Management LP ("**SAM LP**"), and 2834819 Ontario Inc.; and
- (b) to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Specific details of the matter to be put before the Meeting are set forth in the Circular.

If the Arrangement Resolution is not approved by the Shareholders at the Meeting, the Arrangement cannot be completed. Further details in this regard are provided in the Circular which accompanies this Notice.

The Board of Directors of UPC (the "**UPC Board**") has received an opinion of Cormark Securities Inc. (the "**Fairness Opinion**") to the effect that the consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Shareholders.

The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution.

The Arrangement Resolution must be approved by at least 66⅔% of the votes cast by Shareholders present in person or represented by proxy at the Meeting and a "majority of the minority" of the votes cast by Shareholders, in each case, present in person or represented by proxy at the Meeting.

The record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is May 17, 2021. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting; provided that, to the extent a Shareholder transfers the ownership of any Common Shares after the Record Date and the transferee of those Common Shares produces a properly endorsed certificate representing Common Share or otherwise establishes ownership of such Common Shares and demands, not later than ten days before the Meeting, to be included on the list of Shareholders entitled to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting. Each Common Share entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting.

ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM. Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.

Registered Shareholders should complete the accompanying form of proxy and submit it to Computershare Investor Services Inc. as soon as possible but no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) prior to the time of any adjournment or postponement of the Meeting. **You can also submit your proxy votes online through www.investorvote.com and using the control number that will be provided on the form of proxy.** Beneficial (non-registered) holders of Common Shares who receive materials through their broker, bank, trust company or other intermediary or nominee should follow the instructions provided by their broker, bank, trust company or other intermediary or nominee.

Notwithstanding the foregoing, the Chair of the Meeting, subject to the terms and conditions of the Arrangement Agreement, has the discretion to accept proxies received after such deadline. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice, subject to the terms and conditions of the Arrangement Agreement.

Any Shareholder that would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live webcast available online using <https://web.lumiagm.com/233521073>. Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Common Shares during the Meeting by voting when prompted during the Meeting.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. **If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.**

Pursuant to the Interim Order, registered holders of Common Shares have the right to dissent in respect of the Arrangement Resolution and to be paid an amount equal to the fair value of their Common Shares in respect of which such right to dissent was validly exercised. These dissent rights and the dissent procedures are described in the Circular. The dissent procedures require that in order for a Registered Shareholder (a "**Dissenting Shareholder**") to exercise the right to dissent, the Dissenting Shareholder's written objection to the applicable Arrangement Resolution must be received by UPC, 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 Attention: Corporate Secretary (email: info@uraniumparticipation.com), not later than 5:00 p.m. (Toronto Time) on July 5, 2021 or, in the case of any adjournment or postponement of the Meeting, by no later than 5:00 p.m. (Toronto Time) on the second business day immediately preceding the day of the adjourned or postponed Meeting, and must otherwise strictly comply with the dissent procedures described in the Circular. Failure to strictly comply with the dissent procedures set forth in section 185 of the OBCA, as modified by the plan of arrangement and the Interim Order, will result in loss of the right to dissent. See the section entitled "*Part I – The Arrangement – Right to Dissent*" in the Circular.

The proxyholder has discretion under the accompanying form of proxy or voting instruction form with respect to any amendments or variations of the matter of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. As of the date hereof, UPC knows of no amendments, variations or other matters to come before the Meeting other than the matter set forth in this Notice of Meeting. Shareholders are encouraged to review the Circular carefully before submitting the form of proxy or voting instruction form.

Dated at Toronto, Ontario, this 7th day of June, 2021.

**BY ORDER OF THE BOARD OF URANIUM
PARTICIPATION CORPORATION**

Jeff Kennedy
Chairman of the Board

FREQUENTLY ASKED QUESTIONS

Questions relating to the Arrangement

The following are general questions that you, as a holder (a “**Shareholder**”) of common shares (the “**Common Shares**”) of Uranium Participation Corporation (“**UPC**”), may have regarding the proposed plan of arrangement (the “**Arrangement**”) under section 182 of the *Business Corporations Act* (Ontario) (“**OBCA**”) involving UPC and the Shareholders, Sprott Physical Uranium Trust (the “**Trust**”), Sprott Asset Management LP (“**SAM LP**”), and a newly formed Ontario corporation, 2834819 Ontario Inc. (“**Exchangeco**”), to be considered at the special meeting (the “**Meeting**”) of Shareholders. You are urged to carefully read the remainder of the Circular as the information in this section does not provide all the information that might be important to you with respect to the Arrangement. Additional important information is also contained in the Appendices to, and the documents incorporated by reference into, the Circular. Capitalized terms used but not otherwise defined in this “*Frequently Asked Questions*” section have the meanings attributed thereto under “*Glossary of Terms*” in the Circular.

Q. What are the material terms of the proposed transaction as it relates to UPC and Shareholders?

A. The proposed transaction is an arrangement under the OBCA. The terms and effects of the Arrangement and the Arrangement Agreement are, among other things, proposed to be as follows:

- (i) The Trust has been formed pursuant to the laws of Ontario, and the provisions and features of the Trust will be set out in the Trust Agreement (as defined below);
- (ii) Shareholders of UPC will receive one-half of one unit of the Trust (each whole unit of the Trust, a “**Trust Unit**”) in exchange for each Common Share (unless, and subject to certain limits and eligibility, an eligible holder elects to receive, for each Common Share, one-half of one redeemable preferred share of Exchangeco (each whole redeemable preferred share of Exchangeco, an “**Exchangeable Share**”), which are exchangeable on a one Exchangeable Share for one Trust Unit basis);
- (iii) UPC will become a subsidiary of the Trust;
- (iv) The management services agreement between Denison Mines Inc. (“**DMI**”) and UPC (the “**DMI MSA**”) will be terminated and the ongoing operation of the Trust will be managed by SAM LP (the “**Manager**”), an affiliate of Sprott Inc. (“**Sprott**”), pursuant to the new Management Agreement (as defined below);
- (v) SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to approximately 1% of UPC’s NAV as of March 31, 2021; and
- (vi) Under the management of SAM LP, the Trust will continue to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Arrangement.

Pursuant to the terms of the Arrangement Agreement, it is a condition of closing of the Arrangement that conditional approval for the listing of the Trust Units on the TSX shall have been obtained. In the event that such condition of closing is met, in connection with closing of the Arrangement, it is intended that the Common Shares will be delisted from the TSX.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, SAM LP, as the manager of the Trust, will submit to the New York Stock Exchange Arca (“**NYSE Arca**”) a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca. There is no assurance that listing of the Trust Units on NYSE Arca will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of NYSE Arca.

The Exchangeable Shares will not be listed on any stock exchange.

Q. What agreements will be terminated and entered into in connection with the Arrangement?

A. The Trust was formed pursuant to a trust agreement dated April 27, 2021, which will be amended and restated among the Settlor, SAM LP and the Trustee (the “**Trust Agreement**”) in connection with the Arrangement.

As a condition to the Arrangement, the DMI MSA will be terminated. Pursuant to the Arrangement Agreement, SAM LP will fund the termination payment due from UPC to DMI, calculated in accordance with the termination provisions of the DMI MSA, and currently estimated to be approximately \$5.8 million.

In respect of the ongoing operation of the Trust, a management agreement (the “**Management Agreement**”) will be entered into between the Manager and the Trust. Pursuant to the Management Agreement, the ongoing operation of the Trust will be managed by the Manager and the Trust will pay the Manager a management fee equal to 1/12 of 0.35% of the NAV of the Trust plus any applicable federal and provincial taxes (the “**Management Fee**”). The Management Fee shall be calculated and accrued daily and payable monthly in arrears on the last day of each month. In addition, the Manager will be entitled to: (i) a commission of 1.0% of the gross value of any purchases or sales of U₃O₈ or UF₆ provided that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all such transactions; and (ii) for certain other value-added services, an additional fee equal to the amount that would be paid an arm’s length party for comparable services, which shall generally be between \$25,000 and \$75,000 per transaction but shall not exceed the economic benefit to the Trust of such value-added service (collectively, the “**Additional Fees**”). In addition to the Management Fees and Additional Fees, the Trust shall reimburse the Manager for all reasonable out-of-pocket expenses incurred by the Manager in accordance with the Management Agreement.

In respect of Exchangeco and the Exchangeable Shares, the Trust and Exchangeco will enter into an exchangeable share support agreement (the “**Exchangeable Share Support Agreement**”) and the Trust, Exchangeco, and TSX Trust Company, as trustee, will enter into a voting and exchange trust agreement (the “**Voting and Exchange Trust Agreement**”).

Q. Does the UPC Board recommend that I vote "FOR" the Arrangement Resolution?

- A. **Yes.** The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

The full text of the Arrangement Resolution is set forth in Appendix A-1 to the Circular.

Q. What are the reasons the UPC Board is recommending I vote in favour of the Arrangement?

- A. The UPC Board, along with their respective legal and financial advisors, reviewed, and considered a number of factors relating to the Arrangement. The following are the principal reasons for the unanimous recommendation of the UPC Board that Shareholders vote **FOR** the Arrangement Resolution:

- **Modernized business structure with lower corporate costs** – The Trust structure offers lower annual corporate costs and aligns UPC’s business with the world’s leading physical commodity investment vehicles.
- **The Trust is contractually required to make an application for a U.S. listing** – UPC previously evaluated the potential for a U.S. listing and determined that it would not meet listing requirements under its current corporate form. As a trust, the prospect of obtaining a U.S. listing on the NYSE Arca or similar exchange is significantly improved. Sprott has a very good track record of listing physical commodity investment vehicles in the U.S. and has committed to fund up to \$1.5 million in costs associated with seeking a U.S. listing. A listing in the U.S. is expected to increase the profile of the Trust with U.S. and international investors, potentially resulting in an increase both in trading liquidity and in access to capital, which could be used to support future uranium purchases.
- **Access to Sprott’s robust sales and marketing capabilities** – Sprott is a global brand with a highly successful fund marketing platform and extensive client base providing access to more than 200,000 investors. Leveraging this platform is expected to grow the Trust Unitholder base and increase liquidity.
- **UPC to receive a cash contribution of ~\$6.7 million** – On closing of the Arrangement, SAM LP will make a cash contribution equal to 1% of UPC’s NAV as of March 31, 2021, the proceeds of which may be used by the Trust to purchase additional uranium holdings.

- **SAM LP to fund UPC's transaction costs** – As part of the Arrangement, SAM LP will reimburse UPC for up to \$1.0 million in direct transaction costs and will fund approximately \$5.8 million in fees related to the termination of the DMI MSA.
- **Continued exposure to uranium** – Shareholders, as Trust Unitholders, will retain the same indirect exposure to UPC's underlying uranium holdings on a per Common Share / per Trust Unit basis.
- **Fairness opinion** – Cormark Securities Inc. ("**Cormark**") is serving as financial advisor to UPC and has delivered the Fairness Opinion to the UPC Board, concluding that the consideration to be received by the Shareholders is fair from a financial point of view.
- **Tax-free basis** – The Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes for U.S. Holders that exchange Common Shares for Trust Units, and, optionally, Canadian federal income tax-free for Resident Shareholders that exchange Common Shares for Exchangeable Shares.

Q. What am I eligible to receive as consideration for my Common Shares under the Arrangement?

- A. Upon closing of the Arrangement, Shareholders will receive in exchange for each Common Share, at the election of each Shareholder and subject to certain limits and eligibility (discussed below), either: (a) one-half of one Trust Unit; or (b) one-half of one Exchangeable Share, which are exchangeable on a one Exchangeable Share for one Trust Unit basis).

Non-Eligible Holders

Each Shareholder who is not an Eligible Holder (defined below) will receive, in respect of each Common Share held by such person, one-half of one Trust Unit.

Eligible Holders

Each Shareholder who is an Eligible Holder will receive, in respect of each Common Share held by such person, one-half of one Trust Unit or may make a Consideration Election to receive one-half of one Exchangeable Share. Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration.

However, Eligible Holders should be aware that, pursuant to the Arrangement Agreement and Plan of Arrangement:

- (i) the creation and issuance of the Exchangeable Shares pursuant to the Plan of Arrangement is subject to the Common Shares being exchanged under the Plan of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$10.04 per Exchangeable Share). If the foregoing condition is not satisfied, then no Exchangeable Share will be issued pursuant to the Plan of Arrangement and any holders of Common Shares that made a Consideration Election for Exchangeable Shares in accordance with the Plan of Arrangement will receive instead Trust Units in lieu of such Exchangeable Shares, as specified in their Letter of Transmittal; and
- (ii) no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than dissenting Common Shares) may be exchanged for Exchangeable Shares (the "**Maximum Election Amount**"). In the event the Maximum Election Amount is exceeded, the number of Exchangeable Shares that the Eligible Holders elected to receive will be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement.

As a result of the foregoing, in certain circumstances no Exchangeable Shares will be issuable pursuant to the Arrangement.

If Eligible Holders have any questions as to the implications of electing to receive Exchangeable Shares, please contact your tax, financial, legal or other professional advisors.

If the aggregate number of Trust Units or Exchangeable Shares to which a Shareholder would otherwise be entitled would include a fractional unit or share, then the number of Trust Units or Exchangeable Shares that such former

Shareholder is entitled to receive shall be rounded down to the next whole number and no former Shareholder will be entitled to any compensation in respect of such fractional Trust Unit or Exchangeable Share.

Q: Am I an Eligible Holder?

A: An Eligible Holder is a Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act. Eligible Holders must also be able to provide the Regulation S Confirmations in connection with a Consideration Election to receive Exchangeable Shares.

Q: If I am an Eligible Holder, what are the differences between holding Trust Units and Exchangeable Shares?

A. *Trust Units*

The Trust is a trust and the rights of Trust Unitholders are established by the Trust Agreement, unlike UPC, which is a corporation existing under the laws of Ontario, where the rights of Shareholders are governed by the OBCA and by the articles and by-laws of UPC.

Although the Trust Agreement, which is comparable to many closed-end fund products, will confer upon a Trust Unitholder many of the same protections, rights and remedies a Shareholder would have as a shareholder of a corporation governed by the OBCA, significant differences exist. See "*Part II – Information Concerning the Trust*", "*Part III – Information Concerning UPC*" and "*Schedule B – Comparison of Rights as a Unitholder of the Trust and as a Shareholder of UPC*".

It is a condition of the Arrangement that the Trust Units be listed on the TSX upon closing of the Arrangement and, within six months following the completion of the Arrangement, pursuant to the Management Agreement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca. There is no assurance that listing of the Trust Units on NYSE Arca will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of NYSE Arca.

Exchangeable Shares

Exchangeco is a corporation existing under the laws of Ontario. All of the common shares of Exchangeco will be held, directly or indirectly, by the Trust and all of the Exchangeable Shares of Exchangeco will be held directly or indirectly by Eligible Holders that elected to receive Exchangeable Shares in accordance with the Arrangement Agreement and Plan of Arrangement. Each Exchangeable Share will be exchangeable for one Trust Unit at the election of the holder of an Exchangeable Share. Additionally, holders of Exchangeable Shares will be entitled to certain dividend and other distribution rights pursuant to the Exchangeable Share Support Agreement and certain voting rights pursuant to the Voting and Exchange Trust Agreement.

Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration. See "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

The Exchangeable Shares will not be listed on any stock exchange.

Q. What is required for the Arrangement to become effective?

A. Completion of the Arrangement is subject to, among other things, the approval of the Arrangement Resolution by 66⅔% of the votes cast by Shareholders and a "majority of the minority" of the votes cast by Shareholders, in each case, present in person or represented by proxy at the Meeting; the approval of the Court; the approval of the listing of the Trust Units on the TSX; and the receipt of all necessary regulatory approvals.

If the Arrangement Resolution is not approved by the Shareholders, the Arrangement will not be completed.

Additionally, if the Arrangement receives the necessary Shareholder approvals, but does not receive all other necessary Court, stock exchange or regulatory approvals, the Arrangement cannot be completed.

Q. When do you expect the Arrangement to be completed?

- A. UPC currently anticipates that the Arrangement will be completed in the early third quarter of 2021. However, completion of the Arrangement is subject to a number of conditions and it is possible that factors outside the control of UPC could result in the Arrangement being completed at a later time, or not at all.

Q. How will I know when all required approvals have been obtained?

- A. UPC intends to issue a press release once all the necessary approvals have been received and conditions to the completion of the Arrangement have been satisfied or waived.

Q. What happens if the Arrangement is not completed?

- A. If the Arrangement is not completed for any reason: (i) Shareholders will not receive the Shareholder Consideration; (ii) the DMI MSA will not be terminated; and (iii) the other transactions contemplated by the Arrangement Agreement will not be completed.

There are also certain termination fees payable by UPC to SAM LP in the event that the Arrangement Agreement is terminated in certain circumstances, and an obligation of SAM LP to reimburse certain expenses of UPC in certain circumstances, as described in the Circular. For more information, see "*Part I — The Arrangement — The Arrangement Agreement — Agreement as to Termination Fee*" and "*Part I — The Arrangement — The Arrangement Agreement — Expenses*".

Q. What are the Canadian federal income tax consequences of the Arrangement to Shareholders?

- A. Shareholders should read carefully the information in the Circular under "*Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations*" which qualifies the information set out below and should consult their own tax advisors.

Shareholders who are Residents (including Eligible Holders that do not make a valid tax election as discussed below) will generally realize a taxable disposition of their Common Shares under the Arrangement. Shareholders who are Eligible Holders may elect to receive consideration that includes Exchangeable Shares. Such an Eligible Holder who elects to receive Exchangeable Shares and makes a valid tax election with Exchangeco may generally defer all or part of the Canadian income tax on any capital gain that would otherwise arise on the exchange of such Eligible Holder's Common Shares under the Arrangement.

Shareholders who are Non-Residents and who do not hold their Common Shares as "taxable Canadian property" will generally not be subject to tax under the Tax Act on the disposition of their Common Shares under the Arrangement.

Q. What are the United States federal income tax consequences of the Arrangement to Shareholders?

- A. Shareholders should carefully read the information in the Circular under "*Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*" which qualifies the information set out below and should consult their own tax advisors.

The exchange of Common Shares for Trust Units pursuant to the Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes. Subject to the passive foreign investment company ("PFIC") rules discussed below under "*Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*", if the Arrangement so qualifies, a U.S. Holder that exchanged Common Shares for Trust Units pursuant to the Arrangement would not recognize gain or loss on such exchange. A U.S. Holder's initial aggregate tax basis in the Trust Units received would be equal to the U.S. Holder's aggregate adjusted tax basis in the Common Shares exchanged, and a U.S. Holder's holding period in the Trust Units received would generally include the U.S. Holder's holding period in the Common Shares exchanged.

If, however, the exchange of Common Shares for Trust Units does not qualify as a tax-free exchange for U.S. federal income tax purposes, subject to the PFIC rules discussed below under "*Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*", a U.S. Holder that, pursuant to the Arrangement, exchanged Common Shares for Trust Units generally would recognize gain or loss on the exchange

equal to the difference, if any, between: (i) the fair market value of the Trust Units (determined as of the Effective Date) received in exchange for Common Shares pursuant to the Arrangement; and (ii) the U.S. Holder's adjusted tax basis in the Common Shares exchanged therefor. In such event, a U.S. Holder's initial tax basis in its Trust Units received would be equal to the fair market value of the Trust Units (determined as of the Effective Date), and the U.S. Holder's holding period in the Trust Units received would begin on the day after the Effective Date.

Q. How do I receive Trust Units or Exchangeable Shares in exchange for my Common Shares?

A. *Registered Shareholders*

If you are a Registered Shareholder, you must deposit with the Depositary (at the address specified on the last page of the Letter of Transmittal) the validly completed and duly signed Letter of Transmittal together with the certificates representing the Registered Shareholder's Common Shares and such other documents and instruments as the Depositary may reasonably require. Registered Shareholders who do not have their share certificates should refer to "*Part I – The Arrangement – Procedure for Exchange of Common Shares – Lost Certificates*".

You will receive, at your election and subject to certain eligibility requirements and other limits, either: (i) Trust Unit certificates of the Trust; (ii) Exchangeable Share certificates of Exchangeco; or (iii) other evidence of ownership for any of your exchanged Common Shares as soon as practicable following completion of the Arrangement, provided you have sent all of the necessary documentation to the Depositary.

If electing to receive Exchangeable Shares, each Eligible Holder registered as a holder of Common Shares prior to the Election Deadline, being 5:00 p.m. (Toronto Time) on July 8, 2021 (being the business day immediately following the date of the Meeting or, if the Meeting is adjourned or postponed, such time on the business day immediately following the date of such adjourned or postponed Meeting) can make a Consideration Election in the Letter of Transmittal (printed on pink paper) properly completed and delivered to the Depositary. All Shareholders that do not make such Consideration Election in accordance with the above procedures shall receive Trust Units in exchange for their Common Shares. Eligible Holders that elect to receive Exchangeable Shares should be aware that the number of Exchangeable Shares that they will be entitled to receive may be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement. In certain circumstances, no Exchangeable Shares will be issuable pursuant to the Arrangement.

The use of the mail to transmit certificates representing the Common Shares and the Letter of Transmittal will be at the risk of the Registered Shareholder. UPC recommends that registered mail be used.

Except as otherwise provided in the instructions in the Letter of Transmittal, all signatures on (i) the Letter of Transmittal, and (ii) certificates representing the Common Shares, must be guaranteed by an Eligible Institution.

Non-Registered Shareholders

If you are a Non-Registered Shareholder, contact your nominee for further instructions. The exchange of Common Shares for the Shareholder Consideration in respect of any Non-Registered Shareholder is expected to be made with the Non-Registered Shareholder's Intermediary account through the procedures in place for such purposes between CDS & Co. and such Intermediary. Non-Registered Shareholders should contact their Intermediary if they have any questions regarding this process and to arrange for their Intermediary to complete the necessary steps to ensure that they receive the Shareholder Consideration in respect of their Common Shares.

See "*Part I – The Arrangement – Procedure for Exchange of Common Shares*".

Questions relating to General Proxy Matters

This Circular is furnished in connection with the solicitation of proxies by or on behalf of management of UPC to be used at the Meeting. UPC has retained Gryphon Advisors Inc. ("**Gryphon**") to assist in connection with communication with Shareholders. It is expected that solicitations of proxies will be primarily by mail and electronic means, but proxies may also be solicited by newspaper publication, in person or by telephone, facsimile or oral communication by directors, officers, employees or agents of UPC. Custodians and fiduciaries will be supplied with proxy materials to forward to Non-Registered Shareholders and normal handling charges will be paid for such forwarding services. The Meeting materials will also be available on SEDAR at www.sedar.com on June 16, 2021. The record date to determine Shareholders entitled to receive notice of and vote at the Meeting is May 17, 2021.

Your vote is very important and you are encouraged to exercise your vote using any of the voting methods described below. If you are a registered holder of Common Shares, your form of proxy must be received by Computershare Investor Services Inc. by no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) prior to the time of any adjournment or postponement of the Meeting. If your Common Shares are not registered in your name, but are held in the name of a nominee (usually a bank, trust company, securities broker or other financial institution), your nominee may require that you complete your vote at an earlier date.

Please read the following for commonly asked questions and answers regarding general guidance on voting and proxies.

Q. Am I entitled to vote?

- A. You are entitled to vote in respect of the Arrangement Resolution if you were a Shareholder as of the close of business on May 17, 2021, the record date for the Meeting; provided that, to the extent a Shareholder transfers the ownership of any Common Shares after such record date and the transferee of those Common Shares produces properly endorsed Common Share certificates or otherwise establishes ownership of such Common Shares and demands, not later than ten days before the Meeting, to be included on the list of Shareholders entitled to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting. Each Shareholder will be entitled to one vote on the Arrangement Resolution for each Common Share held.

Q. When and where is the Meeting?

- A. The Meeting will be held in a virtual-only format, which will be conducted via live webcast available online using <https://web.lumiagm.com/233521073> on July 7, 2021 at 10:00 a.m. (Toronto Time). Due to COVID-19 concerns, there is no physical location at which the Meeting will take place. Any Shareholder that would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live webcast available online using the link above.

Q. Who is soliciting my proxy?

- A. UPC is soliciting your proxy and has engaged Gryphon to act as the proxy solicitation agent with respect to the matters to be considered at the Meeting.

Solicitation of proxies is done primarily by mail and electronic means, but proxies may also be solicited by newspaper publication, in person or by telephone, facsimile or oral communication by directors, officers, employees or agents of UPC.

Q. How can I vote?

- A. **ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM. Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.**

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. **If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.**

Registered Shareholders

If you are eligible to vote and your Common Shares are registered in your name (i.e. you are a Registered Shareholder), you can vote your Common Shares using any one of the following methods:

1. Via the internet at www.investorvote.com;

2. Signing and returning the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a Shareholder, to represent you as proxyholder and vote your Common Shares at the Meeting; **OR**
3. Attending the virtual Meeting on July 7, 2021 and voting during the live webcast as follows:
 - a. Log into **<https://web.lumiagm.com/233521073>** at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the Meeting and to complete the related procedures.
 - b. Click **"I have a login"** and enter your 15-digit control number on your form of proxy as your username.
 - c. Enter the password (case sensitive): uranium2021
 - d. Follow the instructions to access the Meeting and vote when prompted.

Non-Registered Shareholders

If your Common Shares are not registered in your name, but are held in the name of a nominee (usually a bank, trust company, securities broker or other financial institution) then you are a Non-Registered Shareholder and your nominee is required to seek your instructions as to how to vote your Common Shares. Your nominee will have provided you with a package of information, including these meeting materials and either a proxy or a voting instruction form. Carefully follow the instructions accompanying the proxy or voting instruction form.

Non-Registered Shareholders may view a live webcast of the Meeting by going to **<https://web.lumiagm.com/233521073>** and clicking on **"I am a guest"**. Non-Registered Shareholders who do not have a 15-digit control number or username will only be able to attend as a guest which allows them listen to the Meeting however will not be able to vote or submit questions. Only Registered Shareholders or their proxyholders are entitled to vote electronically at the Meeting. If you wish to vote in person electronically at the Meeting, insert your name in the space provided on the applicable form of proxy, or voting instruction form, sent to you by your nominee. In doing so you are instructing your nominee to appoint you as a proxyholder. Complete the form by following the return instructions provided by your nominee. You should report to a representative of the Transfer Agent upon logging into the Meeting. **In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder MUST register with Computershare at <https://www.computershare.com/uranium> after submitting their voting instruction form in order to receive a username. Failure to register the proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.**

Additionally, UPC may use the Broadridge QuickVote™ service to assist Non-Registered Shareholders with voting their Common Shares. Non-Registered Shareholders may be contacted by Gryphon, UPC's proxy solicitation agent, to conveniently obtain a vote directly over the telephone. Broadridge then tabulates the results of all instructions received and provides the appropriate instructions with respect to the Common Shares to be represented at the Meeting.

Proxyholders

Duly appointed proxyholders, including Non-Registered Shareholders who have been duly appointed by a Registered Shareholder as proxyholder, can access and vote at the Meeting during the live webcast as follows:

1. Log into **<https://web.lumiagm.com/233521073>** at least 15 minutes before the start of the Meeting. Duly appointed proxyholders should allow ample time to check into the Meeting and to complete the related procedures.
2. Enter the control number (the control number will be provided by Computershare provided that you have been duly appointed in accordance with the procedures outlined in this Circular).
3. Enter the password (case sensitive): uranium2021
4. Follow the instructions to access the Meeting and vote when prompted.

The grant of a proxy on the enclosed form of proxy or voting instruction form does not preclude a Shareholder from voting in person electronically. Registered Shareholders that attend electronically and that have not already voted by

proxy will be permitted to vote their Common Shares during the Meeting by voting when prompted during the Meeting.

United States Non-Registered Shareholders

To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting by submitting a copy of your legal proxy to Computershare. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a legal proxy form. Requests for registration should be directed to:

Computershare Investor Services Inc.
100 University Avenue
8th Floor
Toronto, Ontario M5J 2Y1

Requests for registration must be labeled as "Legal Proxy" and be received no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment or postponement of the Meeting. You will receive a confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your Common Shares at <https://web.lumiagm.com/233521073> during the Meeting. Please note that you are required to register your appointment at www.computershare.com/uranium.

Q. Who votes my Common Shares and how will they be voted if I return a form of proxy?

- A. By properly completing and returning the form of proxy or voting instruction form, as applicable, you are authorizing the persons named in the form of proxy or voting instruction form, as applicable, to electronically attend the Meeting and to vote your Common Shares. You can use the enclosed form of proxy, or any other proper form of proxy permitted by law, to appoint your proxyholder.

The Common Shares represented by your proxy or voting instruction form, as applicable, must be voted according to your instructions in the proxy or voting instruction form, as applicable. If you properly complete and return your proxy but do not specify how you wish the votes cast, your proxyholder will vote your Common Shares as they see fit. Unless you provide contrary instructions, Common Shares represented by proxies received by the Transfer Agent will be voted "**FOR**" the Arrangement Resolution.

Q. Can I appoint someone other than the individuals named in the enclosed form of proxy to vote my Common Shares?

- A. Yes, you have the right to appoint the person of your choice, who does not need to be a Shareholder to attend and act on your behalf at the Meeting. **To exercise this right, the Shareholder should strike out the names of UPC designees in the enclosed form of proxy or voting instruction form and insert the name of the desired representative in the blank space provided in such form of proxy or voting instruction form or submit another appropriate form of proxy permitted by law, and in either case, send or deliver the completed proxy to the office of Computershare Investor Services Inc., by mail: at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 Attention: Proxy Department, or by telephone at 1-800-564-6253 or by email at services@computershare.com.** The applicable form of proxy must be received by Computershare Investor Services Inc. no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment or postponement of the Meeting. Failure to deposit a form of proxy shall result in its invalidation. **Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.**

Registering the proxyholder is an additional step once the Shareholder has submitted their form of proxy or voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the Meeting. To register a proxyholder, Shareholders **MUST** visit <https://www.computershare.com/uranium> by July 5, 2021 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a username via email.

It is important to ensure that any other person you appoint electronically attends the Meeting and is aware that his or her appointment to vote your Common Shares has been made. Duly appointed proxyholders should follow the instructions above under the question **“How can I vote?”**.

Each Non-Registered Shareholder has the right to direct your broker, trustee or nominee how to vote. However, because a Non-Registered Shareholder is not the holder of record, a Non-Registered Shareholder will not be entitled to vote its Common Shares in person electronically at the Meeting and must use the voting instruction form it receives to vote its Common Shares directly at the Meeting. The voting instruction form must be returned as directed well in advance of the Meeting in order to have the Common Shares voted.

If your Common Shares are held in "street name" by a U.S. brokerage account, trustee or another nominee, you are considered the "beneficial owner" or "non-registered holder" of those Common Shares. As the beneficial owner of those Common Shares, you have the right to direct your broker, trustee or nominee how to vote. However, because a beneficial owner is not the shareholder of record, you will not be entitled to vote your beneficially-owned Common Shares in person at the Meeting unless you obtain a "legal proxy" from the U.S. broker, trustee or nominee that holds your Common Shares, giving you the right to vote the Common Shares at the Meeting and then register in advance to attend the Meeting by submitting a copy of your legal proxy to Computershare.

Q. What if my Common Shares are registered in more than one name or in the name of a company?

A. If your Common Shares are registered in more than one name, all registered persons must sign the applicable form of proxy. If your Common Shares are registered in a company's name or any name other than your own, you must provide documents proving your authorization to sign the form of proxy for that company or name. For any questions about the proper supporting documents, contact Computershare Investor Services Inc. by telephone at 1-800-564-6253 or by email at services@computershare.com before submitting your form of proxy.

Q. Can I revoke a proxy or voting instruction?

A. Yes. If you are a Registered Shareholder and have returned a form of proxy, you may revoke it by:

- completing and signing a proxy bearing a later date, and delivering it to Computershare Investor Services Inc. any time up to 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) preceding the time to which the Meeting was adjourned or postponed; or
- delivering a written statement, signed by you or your authorized attorney: (i) to Computershare Investor Services Inc. any time up to 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding Saturdays, Sundays and statutory holidays in Toronto, Ontario) preceding the time to which the Meeting was adjourned or postponed; or (ii) at the registered office of UPC at any time up to and including the last Business Day preceding the Meeting, or an adjournment of the Meeting; or (iii) to the Chair of the Meeting prior to the start of such Meeting; or (iv) in any other manner permitted by law.

If you are a Non-Registered Shareholder, contact your nominee.

Q. What if amendments are made to this matter or if other matters of business are brought before the Meeting?

A. If you have completed and returned a form of proxy or, in the case of the Non-Registered Shareholders, a voting instruction form, the persons named in the form of proxy or voting instruction form, as applicable, will have discretionary authority with respect to amendments or variations to the matter identified in the Notice of Special Meeting of Shareholders and to other matters that may properly come before the Meeting. As of the date of the Circular, UPC knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy or voting instruction form, as applicable, will vote on them in accordance with their best judgment.

Q. What do I need to do now?

A. Carefully read and consider the information contained in, and incorporated by reference into, the Circular. You are required to make an important decision. If you have any questions about deciding how to vote, you should contact

your own legal, tax, financial or other professional advisor. **Your vote is important and you are encouraged to vote promptly.**

Shareholders should also refer to the instructions above under the question “**How do I receive Trust Units or Exchangeable Shares in exchange for my Common Shares?**” for guidance on receiving their Shareholder Consideration upon completion of the Arrangement.

Q. What if I have other questions?

- A. Shareholders that require further assistance, please contact the proxy solicitation agent, Gryphon: (i) toll-free in Canada and the United States at 1.833.248.5458 (ii) from outside Canada and the United States at 416.902.5565; or (iii) e-mail to inquiries@gryphonadvisors.ca.

MANAGEMENT INFORMATION CIRCULAR

Introduction

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of UPC for use at the Meeting and any adjournment(s) or postponement(s) thereof. No person has been authorized to give any information or make any representation in connection with the Arrangement other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by UPC.

This Circular does not constitute an offer to sell, offer to acquire or a solicitation of an offer to sell or acquire any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own legal, tax, financial and other professional advisors.

The information concerning SAM LP and the Trust (including pro forma information of the Trust after giving effect to the Arrangement) contained or incorporated by reference in this Circular has been provided by SAM LP and the Trust. Although UPC has no knowledge that would indicate that any of such information is untrue or incomplete, UPC does not assume any responsibility for the accuracy or completeness of such information or the failure by SAM LP to disclose events which may have occurred or may affect SAM LP, or the Trust, but which are unknown to UPC.

This Circular and the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement have not been approved or disapproved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of such transactions or upon the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is an offence.

All summaries of, and references to, the Arrangement in this Circular are qualified in their entirety by reference to the complete text of the Plan of Arrangement, a copy of which is attached as Appendix D to this Circular. **You are urged to read carefully the full text of the Plan of Arrangement.** Additionally, this Circular contains summaries of certain agreements that UPC or the Trust has entered into or will enter into in connection with the Arrangement and the other transactions contemplated by this Circular. The descriptions of these agreements contained in this Circular do not purport to be complete and are subject to, and qualified in their entirety by reference to, the definitive agreements. Copies of certain documents referred to herein are attached as Appendices to this Circular. **You are urged to read carefully the full text of such documents.** In addition, copies of the definitive agreements will be made available without charge to you in response to a written request to UPC.

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth under "*Glossary of Terms*". Information contained in this Circular is given as of June 7, 2021 unless otherwise specifically stated.

Cautionary Notice Regarding Forward-Looking Information

This Circular contains "forward-looking information" within the meaning of applicable Canadian Securities Laws. All information contained in this Circular, other than statements of current and historical fact, is forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "scheduled", "estimates", "target", "intends", "objective", "goal", "understands", "anticipates" and "believes" (and variations of these or similar words) and statements that certain actions, events or results "may", "could", "would", "should", "might occur" or "be achieved" or "will be taken" (and variations of these or similar expressions). All of the forward-looking information in this Circular is qualified by this cautionary note.

Forward-looking information in this Circular includes, but is not limited to, statements with respect to the anticipated timing, mechanics, completion and settlement of the Arrangement, the market for and listing of the Trust Units on the TSX, the filing of a draft application pursuant to Rule 19b-4 under the U.S. Exchange Act seeking a listing of the Trust Units on NYSE Arca, the ability of certain Shareholders to acquire Exchangeable Shares, the ability of the parties to the Arrangement to complete the transactions contemplated by the Arrangement, anticipated benefits of the Arrangement, the completion of the Arrangement, and the Trust's objectives, intentions, expectations and future performance.

Forward-looking information is not, and cannot be, a guarantee of future results or events. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by UPC at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information.

The material factors or assumptions that UPC identified and were applied by UPC in drawing conclusions or making forecasts or projections set out in the forward-looking information include, but are not limited to:

- the completion of the Arrangement;
- the completion of the Arrangement not prohibiting or materially changing the Trust's ability to continue, as managed by the Manager, to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Arrangement;
- no significant and continuing adverse changes in general economic conditions or conditions in the financial markets;
- the timing and receipt of various court, regulatory and stock exchange approvals;
- certain tax matters, including, but not limited to current tax laws and regulations; and
- the completion of the Arrangement will be beneficial, including that any U.S. listing will be beneficial to the Trust following completion of the Arrangement.

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, the following: the failure to obtain the required approvals or clearances from government authorities and stock exchanges on a timely basis, as well as certain "Risk Factors" as discussed in the Circular and the documents incorporated by reference herein, including in the UPC AIF. Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking information. Accordingly, you should not place undue reliance on forward-looking information. UPC does not assume any obligation to update or revise any forward-looking information after the date of the Circular or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

Non-IFRS Financial Performance Measures

This Circular and the documents incorporated by reference herein contain references to "Net Asset Value" or "NAV", which is a non-IFRS financial performance measure. The NAV is calculated as the value of total assets less the value of total liabilities. To arrive at NAV per share, the NAV is then divided by the total number of Common Shares outstanding as at a specific date. The term NAV does not have any standardized meaning according to IFRS and therefore may not be comparable to similar measures presented by other companies. The NAV equals UPC's total equity balance as reported in UPC's consolidated financial statements. NAV per share does not have a comparable IFRS financial measure presented in UPC's consolidated financial statements and thus there is no applicable quantitative reconciliation for this non-IFRS financial performance measure. UPC has calculated NAV and NAV per share consistently for many years and believes these measures provide information useful to its shareholders in understanding UPC's performance and may assist in the evaluation of UPC's business relative to that of its peers.

Information for Non-Registered Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of such Shareholders do not hold Common Shares in their own name. Shareholders that do not hold their Common Shares in their own name ("**Non-Registered Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the applicable registrar and transfer agent for UPC as the Registered Shareholders can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in a holder's name on the records of UPC. Such Common Shares will more likely be registered under the name of the holder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Non-Registered Shareholder. Without specific instructions, the brokers/nominees are prohibited from voting Common Shares for their clients. UPC would generally not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policies may require intermediaries/brokers to seek voting instructions from Non-Registered Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Non-Registered Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholders on how to vote on behalf of the Non-Registered Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically mails a scannable voting instruction form in lieu of the applicable form of proxy. The Non-Registered Shareholder is requested to complete and return the voting instruction form by mail or electronic means. Alternatively, the Non-Registered Shareholder can call a toll-free telephone number or access the internet to vote the Common Shares held by the Non-Registered Shareholder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Non-Registered Shareholder receiving a voting instruction form cannot use that voting instruction form to vote Common Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Non-Registered Shareholders may view a live webcast of the Meeting by going to <https://web.lumiagm.com/233521073> and clicking on **"I am a guest"**. Non-Registered Shareholders who do not have a 15-digit control number or username will only be able to attend as a guest which allows them listen to the Meeting however will not be able to vote or submit questions. Only Registered Shareholders or their proxyholders are entitled to vote electronically at the Meeting. If you wish to vote in person electronically at the Meeting, insert your name in the space provided on the applicable form of proxy, or voting instruction form, sent to you by your nominee. In doing so you are instructing your nominee to appoint you as a proxyholder. Complete the form by following the return instructions provided by your nominee. You should report to a representative of the Transfer Agent upon logging into the Meeting. **In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder MUST register with Computershare at <https://www.computershare.com/uranium> after submitting their voting instruction form in order to receive a username. Failure to register the proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.**

If your Common Shares are held in "street name" by a U.S. brokerage account, trustee or another nominee, you are considered the "beneficial owner" or "non-registered holder" of those Common Shares. As the beneficial owner of those Common Shares, you have the right to direct your broker, trustee or nominee how to vote. However, because a beneficial owner is not the shareholder of record, you will not be entitled to vote your beneficially-owned Common Shares in person at the Meeting, unless you obtain a "legal proxy" from the U.S. broker, trustee or nominee that holds your Common Shares, giving you the right to vote the Common Shares at the Meeting and then register in advance to attend the Meeting by submitting a copy of your legal proxy to Computershare.

Non-Registered Shareholders should also instruct their broker or other intermediary to complete the Letter of Transmittal regarding the Arrangement with respect to such Non-Registered Shareholder's Common Shares in order to receive the Trust Units or Exchangeable Shares, as applicable, issuable pursuant to the Arrangement in exchange for such holder's Common Shares.

See *"Frequently Asked Questions – Questions relating to General Proxy Matters"* accompanying this Circular and *"Part IV – General Proxy Matters"*.

Information for United States Shareholders

The Trust Units and Exchangeable Shares to be issued and exchanged under the Arrangement have not been and will not be registered under the U.S. Securities Act or any applicable U.S. state securities laws and are being issued and exchanged in reliance on the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act. Section 3(a)(10) of the U.S. Securities Act exempts from the general requirement of registration the issuance of any securities issued in exchange for one or more bona fide outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely notice thereof. The Court issued the Interim Order on June 7, 2021 and, subject to the approval of the Arrangement by the Shareholders, a hearing for the Final Order approving the Arrangement will be held on or about July 9, 2021 or as soon thereafter as counsel may be heard. All Shareholders may appear and make submissions at this hearing upon filing a Notice of Appearance, as further described in *"Part I – The Arrangement – Procedure for the Arrangement to Become Effective – Court Approvals"*. Accordingly, the Final Order, if granted by the Court after the Court considers the substantive and procedural fairness of the Arrangement to the Shareholders, will constitute a basis for the exemption from registration set forth in Section 3(a)(10) of the U.S. Securities Act with respect to the issuance and exchange of the Trust Units and Exchangeable Shares in

connection with the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order.

The Trust Units issuable to Shareholders pursuant to the Arrangement will be, upon completion of the Arrangement, freely tradeable under the U.S. Securities Act, except by persons who are "affiliates" of the Trust after the Effective Date or were affiliates of the Trust within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that directly or indirectly control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as certain major shareholders of the issuer. Any resale of such Trust Units by such an affiliate may be subject to the registration requirements of the U.S. Securities Act, absent an exemption or exclusion therefrom. See "*Part I – The Arrangement – Securities Law Matters – United States*".

If an Eligible Holder has made a Consideration Election to receive one-half of one Exchangeable Share, Section 3(a)(10) of the U.S. Securities Act does not exempt from the registration requirements of the U.S. Securities Act any Trust Units subsequently issuable upon exchange of the Exchangeable Shares. Trust Units issuable upon exchange of Exchangeable Shares may be issued outside the United States in accordance with Regulation S only to an Eligible Holder that provides the Regulation S Confirmations and may only be resold pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws or pursuant to a registration statement under the U.S. Securities Act. See "*Part I – The Arrangement – Securities Law Matters – United States*".

The solicitation of proxies for the Meeting is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Accordingly, the solicitations and transactions contemplated in this Circular are being made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws, and this Circular has been prepared solely in accordance with disclosure requirements applicable in Canada. Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the U.S. Securities Act and proxy statements under the U.S. Exchange Act.

Information concerning UPC and the Trust contained herein, including the pro forma information of the Trust after giving effect to the Arrangement, has been prepared in accordance with Canadian disclosure standards, which are not comparable in all respects to United States disclosure standards. Unless otherwise indicated, the financial statements and other financial information of UPC and the Trust set forth herein have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. IFRS differ from United States generally accepted accounting principles, and the financial statements and financial information of UPC and the Trust may not be comparable with financial statements and financial information of similar United States entities that file reports with the SEC.

Shareholders subject to United States federal taxation should be aware that the tax consequences to them of the Arrangement under certain United States federal income tax laws described in this Circular are a summary only. Such shareholders are advised to consult their own tax advisors to determine the particular tax consequences to them of participating in the Arrangement and the ownership and disposition of the Trust Units or Exchangeable Shares acquired pursuant to the Arrangement. See "*Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*" for certain information concerning the tax consequences of the Arrangement for U.S. Holders who are United States taxpayers.

The enforcement by investors of civil liabilities under the U.S. Securities Laws may be affected adversely by the fact that UPC, Sprott, the Trust and SAM LP GP are organized or incorporated under the laws of Canada or a jurisdiction thereof, that most of the officers, directors and trustees (as applicable) of UPC, Sprott, SAM LP GP and the Trust are residents of countries other than the United States and that all or substantial portions of the assets of UPC, SAM LP, SAM LP GP and the Trust are located outside the United States. As a result, it may be difficult or impossible for Shareholders to effect service of process within the United States upon UPC, Sprott, SAM LP GP or the Trust and their respective officers, directors or trustees, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, Shareholders should not assume that the courts of Canada: (i) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (ii) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States.

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR SECURITIES REGULATORY AUTHORITIES OF ANY STATE IN THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES

REGULATORY AUTHORITIES OF ANY STATE IN THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Currency Exchange Rates

The financial statements of UPC incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board and are reported in Canadian dollars.

All currency amounts in this Circular and the documents incorporated by reference herein are expressed in Canadian dollars, unless otherwise indicated. References to \$ are to Canadian dollars and references to US\$ are to United States dollars. The daily average rate of exchange reported by the Bank of Canada for the conversion of Canadian dollars to United States dollars on June 4, 2021 was \$1.00 = US\$0.8275 (US\$1.00 = \$1.2084).

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Circular, including in the section entitled "*Summary Information*".

"Acceptable Confidentiality Agreement" means an executed confidentiality and standstill agreement having terms that are no less restrictive to the counterparty than those set out in the Confidentiality Agreement are to SAM LP; provided that the use of confidential information provided thereunder shall be restricted to consideration of a negotiated transaction.

"affiliate" means, when describing a relationship between two Persons, that either one of them is under the direct or indirect control of the other, or each of them is directly or indirectly controlled by the same Person.

"Alternative Proposal" means, other than the transactions contemplated by this Agreement (including any issuance of securities permitted under the Disclosure Letter) and other than any transaction involving only UPC and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry (written or oral) from any Person or group of Persons other than SAM LP (or any affiliate of SAM LP or any Person acting in concert with SAM LP or any affiliate of SAM LP) after the date of this Agreement relating to:

- (a) any sale or disposition (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), direct or indirect (i) of assets representing 20% or more of the assets, or (ii) of or involving 20% or more of any class of the voting or equity securities of UPC or any of its Subsidiaries (or rights or interests in such voting or equity securities);
- (b) any direct or indirect take-over bid, tender offer, exchange offer, sale or issuance of securities or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of UPC or any of its Subsidiaries;
- (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization (including conversion into an exchange traded fund or similar entity or other transaction requiring articles of amendment), recapitalization, liquidation, dissolution, winding up or exclusive license involving UPC or any of its Subsidiaries;
- (d) the change of the manager of UPC or the addition of another manager or submanager of UPC (but excluding an assignment of the DMI MSA to wholly-owned Subsidiary of DMI or the appointment of an interim manager that is necessary due to UPC requiring DMI to resign as a result of a breach of the DMI MSA, applicable Law, or DMI tendering its resignation where UPC and the interim manager enter into a written contract that the interim manager will resign at no cost to UPC upon the Effective Date); and
- (e) any other similar transaction or series of transactions involving UPC or any of its respective Subsidiaries that would have the same effect as the foregoing.

"Amending Agreement" means the first amending agreement to the Arrangement Agreement, dated June 3, 2021, among UPC, SAM LP, the Trust and Exchangeco, a copy of which is attached as Appendix A-2 to this Circular.

"Ancillary Rights" has the meaning attributed to it under the heading "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

"Arrangement" means the arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement among UPC and the Shareholders, the Trust, SAM LP, and Exchangeco subject to any amendments or variations made at the direction of the Court.

"Arrangement Agreement" means the arrangement agreement dated April 27, 2021 among UPC, SAM LP, the Trust and Exchangeco, a copy of which is attached as Appendix A-2 to this Circular, as amended or supplemented in accordance with its terms, prior to the Effective Date. Unless the context requires otherwise, all references to "Arrangement Agreement" in this Circular shall include the Amending Agreement.

"Arrangement Resolution" means the special resolution approving the Plan of Arrangement presented to the Shareholders at the Meeting, in substantially the form set forth in Appendix A-1 to this Circular.

"**Articles of Arrangement**" means the articles of arrangement of UPC in respect of the Arrangement, required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement.

"**Business Day**" means any day of the year, other than a Saturday, a Sunday or any day on which major banks are closed for business in Toronto, Ontario, Canada or New York, New York, United States.

"**Call Rights**" has the meaning attributed to it under the heading "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

"**Canadian Securities Laws**" means the *Securities Act* (Ontario) and any other applicable Canadian provincial or territorial securities Laws.

"**CDS**" means CDS Clearing and Depository Services Inc.

"**Certificate of Arrangement**" means, collectively, the UPC Certificate of Arrangement or proofs of filing issued by the Director pursuant to section 183(2) of the OBCA in respect of the Articles of Arrangement.

"**Change in Recommendation**" has the meaning attributed to it under the heading "*Part I – The Arrangement – Termination*".

"**Circular**" means this information circular dated June 7, 2021, together with all appendices hereto, distributed by UPC in connection with the Meeting.

"**Class Net Asset Value**" means the net asset value for a particular class or series of a class of Trust Units.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Common Shares**" means the common shares in the capital of UPC.

"**Consideration Election**" means an election made by an Eligible Holders in the Letter of Transmittal to receive the Shareholder Consideration to which they are entitled under the Arrangement in the form of Exchangeable Shares.

"**Court**" means the Ontario Superior Court of Justice (*Commercial List*).

"**CRA**" means the Canada Revenue Agency.

"**Depository**" means Computershare Investor Services Inc., or such other depository acceptable to SAM LP and UPC acting reasonably.

"**Director**" means the Director appointed under Section 278 the OBCA.

"**Dissenting Shareholder**" means any Registered Shareholder who has duly and validly exercised its Dissent Rights pursuant to the terms of the Plan of Arrangement and the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

"**Dissenting Shares**" means the Common Shares in respect of which a Dissenting Shareholder has validly exercised Dissent Rights.

"**Dissent Procedures**" means the dissent procedures, as set forth in Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order, as described under "*Part I – The Arrangement – Right to Dissent*".

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement, as described in the Plan of Arrangement.

"**DMI**" means Denison Mines Inc.

"**DMI MSA**" means the management services agreement between UPC and DMI dated as of April 1, 2019.

"**DMI MSA Termination Amount**" means an amount equal to the amount payable under the DMI MSA on a termination in accordance with section 17(c) thereof, calculated as of the month end prior to termination.

“DMI MSA Termination Payment” means a lump sum cash payment from SAM LP to UPC equal to the DMI MSA Termination Amount.

“Effective Date” means the date shown in the Certificates of Arrangement issued by the Director pursuant to subsection 182 of the OBCA giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. on the Effective Date, or such other time as the Parties to the Arrangement Agreement agree to in writing before the Effective Date.

“Election Deadline” means 5:00 p.m. on Business Day following the date of the Meeting.

“Eligible Holder” means a Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

“Eligible Institution” means a Canadian schedule 1 chartered bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (members of these programs are usually members of a recognized stock exchange in Canada, members of the Industry Regulation Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States).

“Exchangeable Share” means each whole redeemable preferred share of Exchangeco, which are exchangeable on a one Exchangeable Share for one Trust Unit basis;

“Exchangeable Share Consideration” has the meaning attributed to it in the Plan of Arrangement.

“Exchangeable Share Price” has the meaning attributed to it in the Plan of Arrangement.

“Exchangeable Share Support Agreement” means an exchangeable share support agreement to be made between the Trust and Exchangeco, substantially in the form of Schedule C to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Exchangeco” means 2834819 Ontario Inc.

“Facilities” means, collectively, the licensed uranium conversion, enrichment, or fuel fabrication facilities owned by different organizations where all uranium owned by UPC and its subsidiaries, and following the completion of Arrangement, the Trust and its subsidiaries, is and will be stored.

“Final Order” means the final order of the Court in a form acceptable to SAM LP and UPC each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of SAM LP and UPC each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to SAM LP and UPC each acting reasonably) on appeal.

“Financial Advisor” means Cormark Securities Inc.

“Financial Advisor Certification” means, with respect to a particular Alternative Proposal, a written certification by the Financial Advisor that the Financial Advisor, due to the nature of the Arrangement as compared to such Alternative Proposal and after having acted in good faith using customary and reasonable industry practices with a view to advising the UPC Board as to the favourability, from a financial point of view, to Shareholders of such Alternative Proposal as compared to the Arrangement, is unable to provide advice to the UPC Board as to the favourability, from a financial point of view, to Shareholders of such Alternative Proposal as compared to the Arrangement.

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange.

“Gryphon Advisors Inc.” or **“Gryphon”** means Gryphon Advisors Inc., the proxy solicitation agent engaged by UPC.

“Holder” has the meaning attributed to it under the heading *“Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations”*.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“HSR Approval” means the expiration or termination of the waiting period, including any extension thereof, in accordance with the HSR Act.

“IFRS” means International Financial Reporting Standards.

“Interested Party” has the meaning given to it under the heading *“Part I – The Arrangement – Court Approvals – Final Order”*.

“Interim Order” means the interim order of the Court dated June 7, 2021, attached as Appendix B hereto, providing for, among other things, the calling and holding of the Meeting and the approval of matters related to the Arrangement Resolution, as such order may be amended by the Court with the consent of SAM LP and UPC, acting reasonably.

“Intermediary” includes a broker, dealer, bank, trust company or other intermediary or nominee.

“IRC” means the independent review committee of the Trust.

“IRS” means the Internal Revenue Service.

“Investment and Operating Restrictions” has the meaning attributed to it under the heading *“Part II – Information Concerning the Trust - Investment Restrictions and Operating Restrictions”*.

“Investment Fund Regime” has the meaning attributed to it under the heading *“Part I – The Arrangement – Canadian Securities Regulatory Regime for Investment Funds and Public Companies”*.

“Key Regulatory/Stock Exchange Approvals” means the HSR Approval (unless otherwise agreed by SAM LP and UPC, each acting reasonably), Exemptive Relief and TSX Approval.

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, by-law, code, rule, regulation, instrument, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

“Letter of Transmittal” means the letter of transmittal and election form for use by Shareholders with respect to the Arrangement, which accompanies this Circular.

“Management Agreement” means the management agreement between the Trust and SAM LP to be entered into prior to the Effective Date, substantially in the form of Schedule E to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Management Change Proposal” means any Alternative Proposal other than an Alternative Proposal that, if consummated, would result in: (a) Shareholders receiving, directly or indirectly, cash consideration or Marketable Securities for their Common Shares; or (b) the sale of all or substantially all of UPC’s assets for cash consideration or Marketable Securities followed by the repurchase of any Common Shares and/or the payment of a dividend in respect of any Common Shares using all or substantially all of such cash consideration Marketable Securities.

“Management Fee” means the management fee to be payable by the Trust to the Manager pursuant to the Management Agreement.

“Manager” means Sprott Asset Management LP, in its capacity as the manager of the Trust.

"Marketable Securities" means, with respect to any Alternative Proposal, equity securities of an issuer, which, immediately following the consummation of the Alternative Proposal, would: (a) be freely tradeable in Canada; (b) be listed on a Canadian stock exchange or U.S. national securities exchange; and (c) represent, in the aggregate, less than 25% of such class of equity securities of such issuer.

"Matching Period" has the meaning attributed to it under the heading "*Part I – The Arrangement – Non-Solicitation Provisions*".

"Material Adverse Effect" means, with respect to any Person, any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition or liabilities (contingent or otherwise) of such Person and its Subsidiaries (if applicable), taken as a whole, except any such change, event, occurrence, effect, state of facts or circumstance resulting from or arising in connection with:

- (a) any fluctuations or changes in uranium prices;
- (b) any change in global, national or regional political conditions (including the outbreak or escalation of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial or capital markets;
- (c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;
- (d) any change in IFRS;
- (e) any natural disaster, epidemic or pandemic;
- (f) any incident or accident involving nuclear enrichment, processing or power generation;
- (g) any actions taken (or omitted to be taken) upon the written request, or with the prior written consent, of all of the other Parties;
- (h) the announcement or performance of this Agreement or consummation of the Arrangement;
- (i) any change in the market price or trading volume of any securities of the Person (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Material Adverse Effect has occurred), or any suspension of trading in securities generally on any securities exchange on which any securities of the Person trade; or
- (j) the failure of the Person in and of itself to meet any internal or public projections, forecasts or estimates of revenues or earnings (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred),

provided, however, that with respect to clauses (a) through to and including (e), such matter does not have a materially disproportionate effect on the Person and its Subsidiaries (if applicable), taken as a whole, relative to other comparable companies and entities operating in the industries in which the Person and its Subsidiaries (if applicable) operate; and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Effect" has occurred.

"Maximum Election Amount" has the meaning attributed to it under the heading "*Part I – The Arrangement*".

"Meeting" means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by SAM LP and UPC, each acting reasonably.

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* as it may be amended from time to time.

"MI 61-101 Minority Shareholders" means Shareholders, excluding those shareholders who are (i) an "interested party" or (ii) a "related party" of an interested party, unless the related party meets that description solely in its capacity as a director or senior officer of one or more persons that are not interested parties nor issuer insiders of the issuer, or (iii) a joint actor with a person referred to in (i) or (ii) above in respect of the Arrangement (all such parties being "excluded shareholders"), all as described in MI 61-101.

"NAV" or "Net Asset Value" means net asset value of the Trust or UPC, as applicable.

"NI 81-102" means National Instrument 81-102 *Investment Funds* as it may be amended from time to time.

"Non-Registered Shareholders" means Shareholders that do not hold their Common Shares in their own name and whose Common Shares are held through an Intermediary.

"Non-Resident" means a Person that is not a resident of Canada for purposes of the Tax Act.

"Notice of Intention to Appear" has the meaning given to it under the heading *"Part I – The Arrangement – Court Approvals – Final Order"*.

"NYSE Arca" means the New York Stock Exchange Arca.

"OBCA" means the *Business Corporations Act* (Ontario) as revised, amended or restated from time to time.

"Outside Date" means August 31, 2021, or such later date as may be agreed to in writing by the Parties, provided that if the Effective Date has not occurred by such date as a result of the failure to obtain all of the Key Regulatory/Stock Exchange Approvals, then SAM LP or UPC may elect by notice in writing to the other Parties prior to the original Outside Date (and any subsequent Outside Date) to extend such date in one month increments for up to an additional three (3) months, provided further that if permitted extension of the Outside Date were to cause the Outside Date to not occur on a Business Day, the first Business Day thereafter shall be deemed to be the Outside Date.

"Parties to the Arrangement Agreement" means UPC, SAM LP, the Trust, and Exchangeco.

"Person" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"PIPEDA" has the meaning attributed to it under the heading *"Part II – Information Concerning the Trust – Responsibility for Operation of the Trust – The Manager – Regulation of the Manager"*.

"Plan of Arrangement" means the plan of arrangement attached as Appendix D to this Circular, and any amendments or variations made in accordance with the terms of a plan of arrangement or the Arrangement Agreement or made at the direction of the Court in the Final Order with the consent of Parties to the Arrangement Agreement, each acting reasonably.

"Plans" has the meaning attributed to it under the heading *"Part I – The Arrangement – Eligibility for Investment"*.

"Proportionate share" has the meaning attributed to it under the heading *"Part II – Information Concerning the Trust – Calculation of Net Asset Value and Class Net Asset Value per Trust Unit"*.

"Public Company Regime" has the meaning attributed to it under the heading *"Part I – The Arrangement – Canadian Securities Regulatory Regime for Investment Funds and Public Companies"*.

"RDSP" has the meaning attributed to it under the heading *"Part I – The Arrangement – Eligibility for Investment"*.

"Record Date" means the close of business on May 17, 2021.

"Redemption Date" has the meaning attributed to it in the Plan of Arrangement.

"Redemption Price" has the meaning attributed to it in the Plan of Arrangement.

"Registered Shareholder" means the person whose name appears on the register of UPC as the owner of Common Shares.

"Regulation S" means Regulation S under the U.S. Securities Act.

"Regulation S Confirmations" means the representations provided by an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline that: (1) the Eligible Holder is not a Person in the United States and was not offered the Exchangeable Shares in the United States, (2) the Eligible Holder is not in the United States at the time of such election, (3) the Eligible Holder acknowledges that the Exchangeable Shares may not be delivered or transferred to a Person in the United States; (4) the Eligible Holder confirms that the Eligible Holder will not be in the United States at the time of the exchange of the Exchangeable Shares for Trust Units, and (5) the Eligible Holder acknowledges that the Trust Units issuable to the Eligible Holder upon exchange of the Exchangeable Shares will not be delivered or registered to an address in the United States.

"Regulations" has the meaning attributed to it under the heading "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

"Regulatory/Stock Exchange Approval" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement or the listing of the Trust Units issuable pursuant to the Arrangement on the TSX, including the Key Regulatory/Stock Exchange Approvals.

"Resident" means a resident of Canada for purposes of the Tax Act.

"RESP" has the meaning attributed to it under the heading "*Part I – The Arrangement – Eligibility for Investment*".

"RRIF" has the meaning attributed to it under the heading "*Part I – The Arrangement – Eligibility for Investment*".

"RRSP" has the meaning attributed to it under the heading "*Part I – The Arrangement – Eligibility for Investment*".

"Rule 144" means Rule 144 under the U.S. Securities Act.

"SAM LP" means Sprott Asset Management LP.

"SAM LP GP" means Sprott Asset Management GP Inc., the general partner of SAM LP.

"SEC" means the United States Securities and Exchange Commission.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"Settlor" means Lara Misner.

"Shareholder Consideration" means the consideration to be received by the Shareholders pursuant to the Plan of Arrangement consisting of, for each Common Share, at the election of each Shareholder and subject to certain limits and eligibility, either one-half of one Trust Unit or one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis.

"Shareholders" means the holders of Common Shares.

"SIFT" has the meaning attributed to it under the heading "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

"SIFT Rules" has the meaning attributed to it under the heading "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

"Special Resolution" means a resolution approved by 66⅔ of the votes cast by holders of a class of shares present in person or represented by proxy at the Meeting.

"Special Voting Unit" means a special voting unit of the Trust.

"Special Voting Unitholder" means the holder of a Special Voting Unit.

"Sprott" means Sprott Inc., a corporation incorporated pursuant to the laws of the Province of Ontario, and as the context requires, includes SAM LP.

"Subsidiaries" means, collectively, the wholly-owned subsidiaries of UPC, being Uranium Participation Bermuda Limited and Uranium Participation Bermuda 2 Limited.

"Superior Proposal" means any unsolicited bona fide written Alternative Proposal from a Person who is an arm's length third party (1) to acquire not less than all of the outstanding Common Shares or all or substantially all of the assets and liabilities of UPC, or (2) the consummation of which would, directly or indirectly, result in a change of the manager of UPC, or addition of another manager or submanager of UPC, that in either case: (a) did not result from or involve a breach of the non-solicitation provisions of the Arrangement Agreement; (b) is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (c) is not subject to any financing contingency and in respect of which adequate arrangements have been made in respect of any financing required to complete such Alternative Proposal; (d) is not subject to any due diligence or access condition; and (e) that the UPC Board determines, in its good faith judgment, after consultation with its outside legal and financial advisors and after taking into account all the terms and conditions of the Alternative Proposal, including all legal, financial, regulatory and other aspects of such Alternative Proposal and the party making such Alternative Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of noncompletion, result in a transaction that is (i) more favourable, from a financial point of view, to the Shareholders than the Arrangement or (ii) only where the UPC Board has received a Financial Advisor Certification in respect of such Alternative Proposal, is more favourable to Shareholders and in the best interest of UPC, in either case including any amendments to the terms and conditions of the Arrangement proposed by SAM LP pursuant to the Arrangement Agreement.

"Superior Proposal Notice" has the meaning attributed to it under the heading "*Part I – The Arrangement – Arrangement Agreement – Non-Solicitation Provisions*".

"Supplementary Information Request" has the meaning attributed to it under the heading "*Part I – The Arrangement – Other Regulatory Conditions or Approvals*".

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

"Tax Election Agent" means such entity as is designated by Exchangeco and the Trust.

"Technical Advisor" means the Person(s) appointed by the Manager, on behalf of the Trust and each subsidiary, as applicable, from time to time pursuant to the provisions hereof and any technical advisory, consulting or other similar agreement, to provide advisory services to the Manager, including: (i) commercial services with respect to: (a) the management of the movement and storage of uranium assets in accordance with reasonable standard industry practice; (b) all of the Trust's and its subsidiaries' transactions involving the purchase and sale of uranium, lending or relocation of uranium, and (c) other means of optimizing the Trust's portfolio value, (ii) periodic communication with the Manager related to current and forecasted market conditions; and (iii) reasonable support of the Manager's marketing efforts for the Trust.

"Termination Fee" has the meaning given to it under the heading "*The Arrangement – The Arrangement Agreement – Agreement as to Termination Fee*".

"Termination Fee Event" has the meaning given to it under the heading "*The Arrangement – The Arrangement Agreement – Agreement as to Termination Fee*".

"TFSA" has the meaning attributed to it under the heading "*Part I – The Arrangement – Eligibility for Investment*".

"Toronto Time" means Eastern Standard Time.

"Transfer Agent" means Computershare Investor Services Inc.

"Trust" means Sprott Physical Uranium Trust, a trust established under the laws of Ontario under the trust agreement dated April 23, 2021 between the Manager and the Trustee.

"Trust Agreement" means the amended and restated trust agreement between the Manager and the Trustee to be entered into prior to the Effective Date.

"Trustee" means RBC Investor Services Trust, a trust company organized under the federal laws of Canada.

"Trust Unit" means each whole trust unit of the Trust.

"Trust Unitholder" means the holder of a Trust Unit.

"Trust Unit Stock Exchange Approvals" means the conditional approval to the listing of the Trust Units issuable pursuant to the Arrangement on the TSX.

"TSX" means the Toronto Stock Exchange.

"TSX Trust" means TSX Trust Company, a trust company formed under the laws of Canada.

"UCITS" means the Undertakings for Collective Investment in Transferable Securities.

"United States" or **"U.S."** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"UPBL" means Uranium Participation Bermuda Limited, a corporation existing under the laws of Bermuda, being a wholly-owned subsidiary of UPC.

"UPB2L" means Uranium Participation Bermuda 2 Limited, a corporation existing under the laws of Bermuda, being a wholly-owned subsidiary of UPC.

"UPC" means Uranium Participation Corporation, a corporation existing under the OBCA.

"UPC AIF" means the annual information form of UPC dated May 3, 2021 for the fiscal year ended February 28, 2021, filed in Canada on SEDAR.

"UPC Board" means the board of directors of UPC.

"UPC Board Recommendation" means a statement that the UPC Board has unanimously, after receiving legal and financial advice, determined that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution.

"UPC Certificate of Arrangement" means the certificate of arrangement to be issued by the Director pursuant to section 182 of the OBCA in respect of the UPC Articles of Arrangement.

"UPC Filings" means all documents publicly filed or furnished under the profile of UPC on SEDAR after February 28, 2019.

"uranium" means uranium oxide in concentrates ("**U3O8**") and uranium hexafluoride ("**UF6**").

"U.S. Exchange Act" means the United States *Securities Exchange Act of 1934*, as amended.

"U.S. Securities Act" means the United States *Securities Act of 1933*, as amended.

"U.S. Securities Laws" means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder.

"U.S. Treasury regulations" means existing and proposed regulations issued by the U.S. Department of the Treasury.

“Voting and Exchange Trust Agreement” means a voting and exchange trust agreement to be made between the Trust, Exchangeco and the Voting Trustee in connection with the Plan of Arrangement substantially in the form of Schedule D to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Voting Trustee” means TSX Trust, as trustee under the Voting and Exchange Trust Agreement.

“Voting Units” means, collectively, Trust Units and the Special Voting Unit.

“Voting Unitholder” means holders of Trust Units and the Special Voting Unit.

SUMMARY INFORMATION

The following is a summary of certain information contained elsewhere in this Circular, including the Appendices hereto, and is qualified in its entirety by reference to the more detailed information contained or referred to elsewhere in this Circular or in the Appendices hereto. Capitalized terms used but not otherwise defined herein have the meanings attributed thereto in the "Glossary of Terms".

Uranium Participation Corporation

UPC was incorporated pursuant to the *Business Corporations Act* (Ontario) on March 15, 2005 and became a publicly listed company on the TSX on May 10, 2005 under the symbol "U". UPC's registered and head office is located at 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1.

UPC's primary purpose is to invest in uranium, either directly or through its wholly-owned subsidiaries, UPBL and UPB2L, such that the Common Shares represent an indirect interest in physical uranium. UPC also lends and/or exchanges its uranium to third parties from time to time. On June 28, 2018, the shareholders of UPC ratified and approved the adoption of the Amended and Restated By-Law No. 1 of UPC effective May 11, 2018. In accordance with (and as defined in) UPC's by-laws, UPC is required to use at least 85% of the "Aggregate Gross Proceeds" for "Uranium Purchases", and UPC intends to use at least 85% of the aggregate gross proceeds from public issuances of securities of UPC (other than an issuance in connection with certain exclusions, including conversion of convertible securities and "at the market distributions", where unpredictable or incidental proceeds may be received by UPC) towards the aggregate cost of all of UPC's purchases of uranium or to hold as cash or other short term investments to fund the future purchases of uranium. Unless the context requires otherwise, references to "uranium" means uranium oxide in concentrates (" U_3O_8 ") and uranium hexafluoride (" UF_6 "). Unless otherwise indicated or where the context otherwise requires, references herein to UPC includes UPBL and UPB2L.

Sprott Physical Uranium Trust

The Sprott Physical Uranium Trust is a closed end investment trust established under the laws of the Province of Ontario managed by SAM LP, a subsidiary of Sprott. Through its subsidiaries in Canada, the U.S. and Asia, Sprott provides investors with investment strategies that include exchange listed products, alternative asset management and private resource investments. Sprott also operates merchant banking and brokerage businesses in both Canada and the U.S. SAM LP's and Sprott's registered and head office is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2600, Toronto, Ontario M5J 2J1.

The Meeting

The Meeting will be held in a virtual-only format, which will be conducted via live webcast available online using <https://web.lumiagm.com/233521073> on July 7, 2021 at 10:00 a.m. (Toronto Time), for the purposes set forth in the accompanying Notice of Meeting. At the Meeting, Shareholders will be asked to consider and vote on the Arrangement Resolution.

The quorum for the Meeting shall be met if two persons are present in person or represented by proxy, who, in the aggregate, hold at least 25% of the Common Shares. See "*Part I – The Arrangement*".

Details of the Arrangement

The Arrangement Agreement was executed on April 27, 2021, and amended as of June 3, 2021 to set the exchange ratio at one-half of one Trust Unit or Exchangeable Share per Common Share. A copy of the Arrangement Agreement is attached as Appendix A-2 to this Circular. The Arrangement Agreement provides for the implementation of the Plan of Arrangement, a copy of which is attached as Appendix D to this Circular.

The transactions completed or to be completed in connection with the Arrangement include, among other things, the following:

- (i) The Trust has been formed pursuant to the laws of Ontario, and the provisions and features of the Trust will be set out in the Trust Agreement;
- (ii) Shareholders of UPC will receive one-half of one Trust Unit in exchange for each Common Share (unless, and subject to certain limits and eligibility, an Eligible Holder elects to receive, for each Common Share,

one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis);

- (iii) UPC will become a subsidiary of the Trust;
- (iv) The DMI MSA between DMI and UPC will be terminated and the ongoing operation of the Trust will be managed by SAM LP, an affiliate of Sprott, pursuant to the new Management Agreement;
- (v) SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to approximately 1% of UPC's NAV as of March 31, 2021; and
- (vi) Under the management of SAM LP, the Trust will continue to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Arrangement.

Pursuant to the terms of the Arrangement Agreement, it is a condition of closing of the Arrangement that conditional approval for the listing of the Trust Units on the TSX shall have been obtained. In the event that such condition of closing is met, in connection with closing of the Arrangement, it is intended that the Common Shares will be delisted from the TSX.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca. There is no assurance that listing of the Trust Units on NYSE Arca will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of NYSE Arca.

The Exchangeable Shares will not be listed on any stock exchange.

If approved, the Arrangement is currently anticipated to be completed in the early third quarter of 2021.

See "*Part I – The Arrangement – Details of the Arrangement – General*".

Recommendation of the UPC Board

The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote **FOR** the Arrangement Resolution.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

See "*Part I – The Arrangement – Recommendation of the UPC Board of Directors*".

Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement

The UPC Board, along with their respective legal and financial advisors, reviewed, and considered a number of factors relating to the Arrangement. The following is a summary of the principal reasons for the unanimous recommendation of the UPC Board that Shareholders vote **FOR** the Arrangement Resolution.

See also "*Part I – The Arrangement – Background to the Arrangement*".

Modernized business structure with lower corporate costs

The Trust structure offers lower annual corporate costs and aligns UPC's business with the world's leading physical commodity investment vehicles. When compared to UPC's corporate operating costs, a reduction of over 50% is expected. As other physical commodity investment vehicles are largely in the form of trusts, investors that are attracted to such investments will be generally familiar with the structure of the Trust from a corporate governance and operating standpoint.

The Trust is contractually required to make an application for a U.S. listing

UPC previously evaluated the potential for a U.S. listing and determined that it would not meet listing requirements under its current corporate form. As a trust, the prospect of obtaining a U.S. listing on the NYSE Arca or similar exchange is believed

to be significantly improved. Sprott has a very good track record of listing physical commodity investment vehicles in the U.S. and has committed to fund up to \$1.5 million in costs associated with seeking a U.S. listing.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, Sprott will submit an application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, to list the Trust Units on the NYSE Arca, where all of Sprott's U.S. commodity-based trusts are listed. The UPC Board is of the view that a listing on the NYSE Arca is expected to increase the liquidity of the Trust Units, a result of enhanced access to a broader U.S. investor audience/capital pool. Notably, among other factors: (i) many U.S.-based funds are mandated to invest in U.S.-listed securities; (ii) there are substantially more retail investors in the U.S. than in the Canadian market; and (iii) there may be potential for increased index inclusion. Sprott has a long history of working with the NYSE Arca in respect of listing commodity-based trusts, including most recently the Sprott Physical Gold and Silver Trust. Indicative of the potential benefit of dual-listing in the U.S., dual-listed Sprott physical trusts trade within a range of ~10-28 times more value on the NYSE Arca than their equivalent listing on the TSX. See "*Part I – The Arrangement - Risks Related to the Trust – The Trust may not be able to list the Trust Units on a United States stock exchange*".

Access to Sprott's robust sales and marketing capabilities

Sprott is a global brand with a successful fund marketing platform and extensive client base. Sprott is a publicly-listed global asset manager specializing in precious metals and real asset strategies that has been in operation since 1981. At present, Sprott operates four dual-listed physical bullion trusts, with over 200,000 clients and over US\$12 billion under management, being:

- Sprott Physical Gold and Silver Trust (TSX/NYSE Arca: "CEF")
- Sprott Physical Gold Trust (TSX/NYSE Arca: "PHYS")
- Sprott Physical Silver Trust (TSX/NYSE Arca: "PSLV")
- Sprott Physical Platinum and Palladium Trust (TSX/NYSE Arca: "SPPP")

Leveraging this platform is expected to grow the Trust Unitholder base and increase liquidity. In total, Sprott physical trusts have raised over US\$3 billion in total capital. Sprott physical trusts trade, on average, 1.5-3.4x more than UPC, as measured by average daily trading value as a percentage of NAV.

Sprott dedicates significant resources to investor outreach marketing (including but not limited to asset investor conferences, digital marketing, webcasts, research publishing, and public relations campaigns) and has a dedicated sales team supporting its exchange-listed funds.

Pursuant to the Management Agreement and in exchange for the Management Fee and the Additional Fees, Sprott will be responsible for, among other things:

- (i) achieving the Trust's investment objective (including advisory and portfolio management services);
- (ii) promoting the merits of investing in uranium with the Trust to its client base and global audience of investors
- (iii) providing investor relations, sales, marketing and client service support for the Trust via its team of sales and marketing professionals;
- (iv) obtaining commercial services with respect to the movement and safe storage of uranium at the Facilities;
- (v) arranging for, and completing, for and on behalf of the Trust, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of uranium at the best prices available over a prudent period of time;
- (vi) obtaining brokerage and other services (including without limitation from a Technical Advisor) with respect to the purchase and sale of uranium, as well as other services aimed at optimizing the value of the Trust's portfolio; and
- (vii) overseeing financing and Trust Unitholder reporting.

The Trust will have access to and benefit from Sprott's expertise, with a view to growing the Trust Unitholder base and increasing liquidity of the Trust Units.

UPC to receive a cash contribution of ~\$6.7 million

SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to 1% of UPC's NAV as of March 31, 2021 – the proceeds of which may be used by the Trust to purchase additional uranium holdings.

Sprott to fund UPC's transaction costs

As part of the Arrangement, SAM LP will: (i) reimburse UPC for up to \$1.0 million in direct transaction costs and (ii) fund the cost to UPC of terminating the DMI MSA, which is estimated at approximately \$5.8 million.

Continued exposure to uranium

After giving effect to the Arrangement, Shareholders, as Trust Unitholders, will retain the same indirect exposure to UPC's underlying uranium holdings on a per Common Share / per Trust Unit basis. Additionally, the uranium storage facilities that presently hold the physical uranium of UPC, being the Facilities, are expected to continue to hold such physical uranium for the Trust.

Fairness opinion

Cormark Securities Inc. is serving as financial advisor to UPC and has delivered the Fairness Opinion to the UPC Board concluding that the consideration to be received by the Shareholders is fair, from a financial point of view, to the Shareholders. The Fairness Opinion is attached hereto as Schedule C. In carrying out its analysis in respect of the Fairness Opinion, Cormark reviewed, relied upon or carried out, among other things, the following:

- (i) copies of the draft definitive documents relating to the Arrangement, as well as other corporate presentations and other materials;
- (ii) public information relating to the business, operations, financial performance and equity trading history of UPC and other selected public issuers considered by Cormark to be relevant;
- (iii) public information in respect of select transactions Cormark considered relevant; and
- (iv) such other economic, financial market, industry and corporate information, investigations and analyses as Cormark considered necessary or appropriate in the circumstances.

The fee payable to Cormark in connection with the Fairness Opinion was not contingent, in whole or in part, on the conclusion reached in the Fairness Opinion or the outcome of the Arrangement.

The Fairness Opinion does not constitute a recommendation to Shareholders as to how to vote on the Arrangement Resolution or how to act on any matter relating to the Arrangement. The UPC Board urges Shareholders to read the Fairness Opinion carefully and in its entirety.

Tax-free basis

The transactions contemplated in the Arrangement may result in a full or partial tax-deferred rollover for Eligible Holders of Common Shares for Canadian federal income tax purposes if the Eligible Holder makes the Consideration Election to receive consideration that includes Exchangeable Shares and files a valid tax election with Exchangeco. See "*Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations*".

The Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes for U.S. Holders that exchange Common Shares for Trust Units. See "*Part I – The Arrangement - Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*" for further details.

Arrangement Agreement

The obligations of the Parties to the Arrangement Agreement to complete the Arrangement are subject to the satisfaction or waiver of certain conditions set out in the Arrangement Agreement. These conditions include, among others, approval of the Arrangement Resolution by the Shareholders; Court approval; receipt of the Key Regulatory/Stock Exchange Approvals; and

holders of not more than 10% of the Common Shares having validly exercised Dissent Rights that have not been withdrawn as of the Effective Date. Upon all the conditions being fully satisfied or waived, UPC is required to file the Articles of Arrangement with the Director in order to give effect to the Arrangement.

In addition to certain covenants, representations and warranties made by each of the Parties to the Arrangement Agreement in the Arrangement Agreement, UPC has provided certain non-solicitation covenants, subject to the right of the UPC Board to, prior to the approval of the Arrangement Resolution, respond to an Alternative Proposal that constitutes or could reasonably be expected to lead to a Superior Proposal, and the right of Sprott to match any such Superior Proposal within five Business Days.

The Termination Fee payable under the Arrangement Agreement if there is a Termination Fee Event is either \$3,000,000 or \$750,000 (in each case plus the amount of the Expense Reimbursement Amount (as defined below) actually paid by SAM LP to UPC). The amount payable will depend on the nature of the Termination Fee Event, as described in "*Part I – Arrangement Agreement – Agreement as to Termination Fee*".

The Arrangement Agreement may be terminated by mutual written consent of the Parties to the Arrangement Agreement or by one or more of such parties in certain circumstances as more particularly set forth in the Arrangement Agreement. See "*Part I – The Arrangement – Arrangement Agreement – Termination*".

The above is a summary of certain terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement, which is attached as Appendix A-2 to this Circular, and to the more detailed summary contained elsewhere in this Circular.

See "*Part I – The Arrangement – The Arrangement Agreement*".

Effect of the Arrangement for Shareholders

Upon closing of the Arrangement, Shareholders will receive one-half of one Trust Unit in exchange for each Common Share (unless, and subject to certain limits and eligibility, an Eligible Holder elects to receive one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis, for each Common Share).

Non-Eligible Holders

Each Shareholder who is not an Eligible Holder will receive, in respect of each Common Share held by such person, one-half of one Trust Unit.

Eligible Holders

Each Shareholder who is an Eligible Holder will receive, in respect of each Common Share held by such person, one-half of one Trust Unit or may make a Consideration Election to receive one-half of one Exchangeable Share. Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration.

However, Eligible Holders should be aware that, pursuant to the Arrangement Agreement and Plan of Arrangement:

- (i) the creation and issuance of the Exchangeable Shares pursuant to the Plan of Arrangement is subject to the Common Shares being exchanged under the Plan of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$10.04 per Exchangeable Share). If the foregoing condition is not satisfied, then no Exchangeable Share will be issued pursuant to the Plan of Arrangement and any holders of Common Shares that made a Consideration Election for Exchangeable Shares in accordance with the Plan of Arrangement will receive instead Trust Units in lieu of such Exchangeable Shares, as specified in their Letter of Transmittal; and
- (ii) no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than dissenting Common Shares) may be exchanged for Exchangeable Shares (the "**Maximum Election Amount**"). In the event the Maximum Election Amount is exceeded, the number of Exchangeable Shares that the Eligible Holders elected to receive will be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement.

As a result of the foregoing, in certain circumstances no Exchangeable Shares will be issuable pursuant to the Arrangement.

If Eligible Holders have any doubt as to the implications of electing to receive Exchangeable Shares, please contact your tax, financial, legal or other professional advisors.

If the aggregate number of Trust Units or Exchangeable Shares to which a Shareholder would otherwise be entitled would include a fractional unit or share, then the number of Trust Units or Exchangeable Shares that such former Shareholder is entitled to receive shall be rounded down to the next whole number and no former Shareholder will be entitled to any compensation in respect of such fractional Trust Unit or Exchangeable Share

See "*Part I – The Arrangement – Effect of the Arrangement – Effect of the Arrangement on Shareholders that Elect to Receive Trust Units*", "*Part I – The Arrangement – Effect of the Arrangement – Effect of the Arrangement on Shareholders that Elect to Receive Exchangeable Shares*", "*Part I – The Arrangement – Details of the Arrangement – Arrangement Steps*", "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*" and "*Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*".

Effect of the Arrangement on Shareholders that Elect to Receive Trust Units

The Trust is a trust and the rights of Trust Unitholders are established by the Trust Agreement, unlike UPC, which is a corporation existing under the laws of Ontario, where the rights of Shareholders are governed by the OBCA and by the articles and by-laws of UPC.

Although the Trust Agreement, which is comparable to many closed-end fund products, will confer upon a Trust Unitholder many of the same protections, rights and remedies a Shareholder would have as a shareholder of a corporation governed by the OBCA, significant differences exist. See "*Part II – Information Concerning the Trust*", "*Part III – Information Concerning UPC*" and "*Schedule B – Comparison of Rights as a Unitholder of the Trust and as a Shareholder of UPC*".

It is a condition of the Arrangement that the Trust Units be listed on the TSX upon closing of the Arrangement and, within six months following the completion of the Arrangement, pursuant to the Management Agreement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca.

Effect of the Arrangement on Shareholders that Elect to Receive Exchangeable Shares

Exchangeco is a corporation existing under the laws of Ontario. All of the common shares of Exchangeco will be held, directly or indirectly, by the Trust and all of the Exchangeable Shares of Exchangeco will be held directly or indirectly by Eligible Holders that elected to receive Exchangeable Shares in accordance with the Arrangement Agreement and Plan of Arrangement. Each Exchangeable Share will be exchangeable for one Trust Unit at the election of the holder of an Exchangeable Share. Additionally, holders of Exchangeable Shares will be entitled to certain dividend and other distribution rights pursuant to the Exchangeable Share Support Agreement and certain voting rights pursuant to the Voting and Exchange Trust Agreement.

Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration. See "*Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations*".

The Exchangeable Shares will not be listed on any stock exchange.

Procedure for the Arrangement to become Effective

The Arrangement is proposed to be carried out pursuant to Section 182 of the OBCA. The following procedural steps must be taken for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by the Shareholders at the Meeting either in person or by proxy in the manner required by the Interim Order;
- (b) the Arrangement must be approved by the Court pursuant to the Final Order;

- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, including Key Regulatory/Stock Exchange Approvals must be satisfied or waived by the appropriate Party to the Arrangement Agreement; and
- (d) the Final Order, Articles of Arrangement and related documents, in the form prescribed by the OBCA, must be filed with the Director.

Approval of Shareholders Required for the Arrangement

Pursuant to the Interim Order, the Arrangement Resolution must be approved by at least 66⅔% of the votes cast by Shareholders and by a majority of the votes cast by MI 61-101 Minority Shareholders, in each case present in person or represented by proxy at the Meeting. If the Arrangement Resolution is not approved by Shareholders at the Meeting by the specified voting thresholds, the Arrangement cannot be completed.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

Notwithstanding the foregoing, the Arrangement Resolution authorizes the UPC Board, without further notice to or approval of Shareholders, to amend the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and, subject to the terms of the Arrangement Agreement, to decide not to proceed with the Arrangement. See Appendix A-1 to this Circular for the full text of the Arrangement Resolution.

See "*Part I – The Arrangement – Approval of the Shareholders Required for the Arrangement*" and "*Part V – General Proxy Matters*".

Court Approval

Completion of the Arrangement requires the satisfaction of several conditions and the approval of the Court. An application for the Final Order approving the Arrangement is expected to be made on or about July 9, 2021. On the application, the Court will consider, among other things, the fairness of the Arrangement.

See "*Part I – The Arrangement – Procedure for the Arrangement to Become Effective*".

Key Regulatory/Stock Exchange Approvals

Stock Exchange

UPC is a reporting issuer under the Canadian Securities Laws in each of the provinces of Canada. The Common Shares are listed and posted for trading on the TSX under the symbol "U". On April 27, 2021, the last trading day on which the Common Shares traded prior to the public announcement of execution of the Arrangement Agreement, the closing price of the Common Shares on the TSX was C\$4.99. On June 4, 2021, the closing price of the Common Shares on the TSX was C\$5.92. The Common Shares are not listed or posted for trading on any other stock exchange. For information with respect to the trading history of the Common Shares, see "*Part III – Information Concerning UPC – Monthly Price Range and Trading Volumes*".

Upon the completion of the Arrangement, the Trust will become a reporting issuer under the Canadian Securities Laws in each of the provinces of Canada. It is a condition to completion of the Arrangement that the TSX shall have conditionally approved the listing of the Trust Units issuable pursuant to the Arrangement on the TSX. Sprott has applied to list the Trust Units on the TSX. Listing will be subject to the Trust fulfilling all of the listing requirements of each of the TSX.

Other Regulatory Conditions or Approvals

In addition to the approval of the Arrangement Resolution by Shareholders, the Interim Order and Final Order, and the Trust Unit Stock Exchange Approvals, it is a condition precedent to the implementation of the Arrangement that all necessary regulatory approvals be obtained.

See "*Part I – The Arrangement – Key Regulatory/Stock Exchange Approvals*".

Timing

If the Meeting is held as scheduled and is not adjourned and/or postponed and the Arrangement Resolution is approved at the Meeting, UPC will apply for the Final Order approving the Arrangement on or about July 9, 2021. If the Final Order is obtained in a form and substance satisfactory to the Parties to the Arrangement Agreement (in each case, acting reasonably) and all other conditions set forth in the Arrangement Agreement are satisfied or waived by the applicable Party to the Arrangement Agreement, UPC expects the Effective Date to occur in the early third quarter of 2021 following the receipt of all requisite regulatory and stock exchange approvals. However, it is not possible at this time to state with certainty when the Effective Date will occur.

See "*Part I – The Arrangement – Timing*".

Procedure for Exchange of Common Shares

Registered Shareholders

If you are a Registered Shareholder, you must deposit with the Depositary (at the address specified on the last page of the Letter of Transmittal) the validly completed and duly signed Letter of Transmittal together with the certificates representing the Registered Shareholder's Common Shares and such other documents and instruments as the Depositary may reasonably require. Registered Shareholders who do not have their share certificates should refer to "*Part I – The Arrangement – Procedure for Exchange of Common Shares – Lost Certificates*".

You will receive, at your election and subject to certain limits and eligibility, either: (i) Trust Unit certificates of the Trust; (ii) Exchangeable Share certificates of Exchangeco; or (iii) other evidence of ownership for any of your exchanged Common Shares as soon as practicable following completion of the Arrangement, provided you have sent all of the necessary documentation to the Depositary.

If electing to receive Exchangeable Shares, each Eligible Holder registered as a holder of Common Shares prior to the Election Deadline, being 5:00 p.m. (Toronto Time) on July 8, 2021 (being the business day immediately following the date of the Meeting or, if the Meeting is adjourned or postponed, such time on the business day immediately following the date of such adjourned or postponed Meeting) can make a Consideration Election in the Letter of Transmittal (printed on pink paper) properly completed and delivered to the Depositary. All Shareholders that do not make such Consideration Election in accordance with the above procedures shall receive Trust Units in exchange for their Common Shares. Eligible Holders that elect to receive Exchangeable Shares should be aware that the number of Exchangeable Shares that they will be entitled to receive may be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement. In certain circumstances, no Exchangeable Shares will be issuable pursuant to the Arrangement.

The use of mail to transmit certificates representing the Common Shares and the Letter of Transmittal will be at the risk of the Registered Shareholder. UPC recommends that registered mail be used.

Except as otherwise provided in the instructions in the Letter of Transmittal, all signatures on (i) the Letter of Transmittal, and (ii) certificates representing the Common Shares, must be guaranteed by an Eligible Institution.

Non-Registered Shareholders

If you are a Non-Registered Shareholder, contact your nominee for further instructions. The exchange of Common Shares for the Shareholder Consideration in respect of any Non-Registered Shareholder is expected to be made with the Non-Registered Shareholder's Intermediary account through the procedures in place for such purposes between CDS & Co. and such Intermediary. Non-Registered Shareholders should contact their Intermediary if they have any questions regarding this process and to arrange for their Intermediary to complete the necessary steps to ensure that they receive the Shareholder Consideration in respect of their Common Shares.

See "*Part I – The Arrangement – Procedure for Exchange of Common Shares*".

Right to Dissent

Section 185 of the OBCA provides registered shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. Pursuant to the Interim Order: Registered

Shareholders have Dissent Rights in respect of the Arrangement Resolution and the right to be paid fair value for their Common Shares by the Trust in respect of which such right to dissent was validly exercised pursuant to Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order. The fair value of the consideration to which a Dissenting Shareholder is entitled pursuant to the Arrangement shall be determined as of the close of business on the last business day in the Province of Ontario before the day on which the Arrangement Resolution is adopted and shall be paid to the Dissenting Shareholders by the Trust, as contemplated by the Plan of Arrangement and the Interim Order. Shareholders are cautioned that fair value could be determined to be less than the value of the Trust Units or Exchangeable Shares, as applicable, payable pursuant to the terms of the Arrangement and that the proceeds of disposition received by a Dissenting Shareholder may be treated in a different, and potentially more adverse, manner under Canadian and United States federal income tax laws than had such Shareholder exchanged his or her Common Shares for Trust Units or Exchangeable Shares, as applicable, pursuant to the Arrangement. In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Dissenting Shareholder's Common Shares.

In order for a Dissenting Shareholder to exercise its Dissent Right, the Dissenting Shareholder's written objection to the Arrangement Resolution must be received by UPC, 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 Attention: Corporate Secretary (email: info@uraniumparticipation.com), on July 5, 2021 (or the second last day (excluding Saturdays, Sundays and any day on which major banks are closed for business in Toronto, Ontario or New York, New York) prior to the date of the Meeting if the Meeting is not held on July 7, 2021). **Failure to strictly comply with the Dissent Procedures will result in loss of the Dissent Right.**

Notwithstanding Section 185 of the OBCA, an application may be made to the Court after the adoption of the Arrangement Resolution or by a Shareholder if the Shareholder has sent an objection to UPC, via the process described above, to fix the fair value of the Common Shares of a Shareholder who exercises Dissent Rights. Non-Registered Shareholders who wish to dissent should be aware that only Registered Shareholders are entitled to dissent. A Non-Registered Shareholder that wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Common Shares and either: (i) instruct the Intermediary to exercise the Dissent Rights on the Non-Registered Shareholder's behalf (which, if the Common Shares are registered in the name of CDS or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary); or (ii) instruct the Intermediary to re-register such Common Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Shareholder would be able to exercise the Dissent Rights directly. In addition, pursuant to the Interim Order, a Dissenting Shareholder may not exercise Dissent Rights in respect of only a portion of such Dissenting Shareholder's Common Shares but may dissent only with respect to all Common Shares held by such Dissenting Shareholder.

It is a condition precedent to the obligations of Sprott and the Trust under the Arrangement Agreement that Dissent Rights shall not have been exercised with respect to more than 10% of the Common Shares in connection with the Arrangement Resolution.

See "Part I – The Arrangement – Right to Dissent", "Appendix B - Interim Order", "Appendix D - Plan of Arrangement" and "Appendix G - Section 185 of the Business Corporations Act (Ontario)".

Additional Information Concerning the Trust

Sprott Physical Uranium Trust (the "**Trust**") was established on April 23, 2021 under the laws of the Province of Ontario, Canada, pursuant to a trust agreement between the Settlor and the Manager. It will be governed by an amended and restated Trust Agreement among the Settlor, the Manager and the Trustee to be entered into prior to the Effective Date.

The Trust's office is located at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1. The Manager's office is located at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and its telephone number is (416) 362-7172. The Trustee is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3.

The physical uranium will be held at the Facilities designated by the Manager on behalf of the Trust, and the Trust's assets other than uranium will be held by the Trustee, as the Trust's custodian.

The Trust was created to participate in the Arrangement and to subsequently invest and hold substantially all of its assets in physical uranium.

Under applicable Canadian Securities Laws, the Trust is expected to be considered a non-redeemable investment fund and subject to the Investment Fund Regime.

See *"Part II – Information Concerning the Trust"*.

Certain Canadian Federal Income Tax Considerations for Shareholders

Shareholders should read carefully the information in the Circular under *"Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations"* which qualifies the information set out below and should consult their own tax advisors.

Shareholders who are Residents (including Eligible Holders that do not make a valid tax election as discussed below) will generally realize a taxable disposition of their Common Shares under the Arrangement. Shareholders who are Eligible Holders may elect to receive consideration that includes Exchangeable Shares. Such an Eligible Holder who elects to receive Exchangeable Shares and makes a valid tax election with Exchangeco may generally defer all or part of the Canadian income tax on any capital gain that would otherwise arise on the exchange of such Eligible Holder's Common Shares under the Arrangement.

Shareholders who are Non-Residents and that do not hold their Common Shares as "taxable Canadian property" will generally not be subject to tax under the Tax Act on the disposition of their Common Shares under the Arrangement.

See *"Part I – The Arrangement – Certain Canadian Federal Income Tax Considerations"*.

Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares

Shareholders should carefully read the information in the Circular under *"Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares"* which qualifies the information set out below and should consult their own tax advisors.

The exchange of Common Shares for Trust Units pursuant to the Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes. Subject to the PFIC rules discussed below under *"Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares"*, if the Arrangement so qualifies, a U.S. Holder that exchanged Common Shares for Trust Units pursuant to the Arrangement would not recognize gain or loss on such exchange. A U.S. Holder's initial aggregate tax basis in the Trust Units received would be equal to the U.S. Holder's aggregate adjusted tax basis in the Common Shares exchanged, and a U.S. Holder's holding period in the Trust Units received would generally include the U.S. Holder's holding period in the Common Shares exchanged.

If, however, the exchange of Common Shares for Trust Units does not qualify as a tax-free exchange for U.S. federal income tax purposes, subject to the PFIC rules discussed below under *"Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares"*, a U.S. Holder that, pursuant to the Arrangement, exchanged Common Shares for Trust Units generally would recognize gain or loss on the exchange equal to the difference, if any, between: (i) the fair market value of the Trust Units (determined as of the Effective Date) received in exchange for Common Shares pursuant to the Arrangement; and (ii) the U.S. Holder's adjusted tax basis in the Common Shares exchanged therefor. In such event, a U.S. Holder's initial tax basis in its Trust Units received would be equal to the fair market value of the Trust Units (determined as of the Effective Date), and the U.S. Holder's holding period in the Trust Units received would begin on the day after the Effective Date.

See *"Part I – The Arrangement – Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares"*.

Risk Factors

The completion of the Arrangement and an investment in the Trust Units or Exchangeable Shares involves risks. Following is a summary of certain risks related to the Arrangement and certain risks related to the Trust.

Risk Factors Related to the Arrangement

- Payments in connection with the exercise of Dissent Rights may impair the Trust's financial resources or result in adverse tax consequences.
- The Arrangement may not be completed. If UPC is unable to complete the Arrangement, there could be an adverse effect on UPC's business and the market price of the Common Shares.

- If the Arrangement Agreement is terminated by Sprott or UPC, there could be an adverse effect on UPC.
- UPC will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee to Sprott.
- The Arrangement is conditional upon, among other things, the receipt of certain stock exchange and regulatory approvals as well as the satisfaction of certain other customary closing conditions that could delay completion of the Arrangement.
- There is no assurance that the completion of the Arrangement will achieve the benefits anticipated by UPC.
- While the completion of the Arrangement is pending, UPC is restricted from taking certain actions.

Risk Factors Related to the Trust

- There is currently no market for the Trust Units and a public market for the Trust Units may not develop, which would adversely affect the liquidity and price of the Trust Units.
- The Trust may not be able to list the Trust Units on a United States stock exchange.
- The rights of Trust Unitholders differ from those of shareholders of a corporation.
- The Trust may terminate and liquidate at a time that is disadvantageous to Trust Unitholders.
- SAM LP and its affiliates may also manage other funds that invest in physical uranium and other assets that may be held by the Trust, and conflicts of interest by SAM LP or its affiliates may occur.
- Trust Unitholders may be liable for obligations of the Trust to the extent the Trust's obligations are not satisfied out of the Trust's assets.
- Regulatory changes may adversely affect the Trust and its Trust Unitholders.
- The Trust will not qualify as a "unit trust" or a "mutual fund trust" as defined in the Tax Act.
- The Canadian federal income tax consequences of holding Trust Units or Exchangeable Shares will differ from holding Common Shares.
- The Consideration Election may not be available to Eligible Holders in certain circumstances.
- A holder of Exchangeable Shares may be deemed to receive a taxable dividend for Canadian tax purposes that may exceed the holder's economic gain.

The risk factors listed above are an abbreviated statement of risk factors summarized elsewhere in this Circular. See "*Part I – The Arrangement – Risk Factors Related to the Arrangement*" and "*Part I – The Arrangement – Risk Factors Related to the Trust*".

PART I — THE ARRANGEMENT

Details of the Arrangement

The Arrangement Agreement was executed on April 27, 2021, and amended as of June 3, 2021 to set the exchange ratio at one-half of one Trust Unit or Exchangeable Share per Common Share. A copy of the Arrangement Agreement is attached as Appendix A-2 to this Circular. The Arrangement Agreement provides for the implementation of the Plan of Arrangement (a copy of which is attached as Appendix D to this Circular).

The transactions completed or to be completed in connection with the Arrangement include, among other things, the following:

- (i) The Trust has been formed pursuant to the laws of Ontario, and the provisions and features of the Trust will be set out in the Trust Agreement;
- (ii) Shareholders of UPC will receive one-half of one Trust Unit in exchange for each Common Share (unless, and subject to certain limits and eligibility, an Eligible Holder elects to receive, for each Common Share, one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis);
- (iii) UPC will become a subsidiary of the Trust;
- (iv) The DMI MSA between DMI and UPC will be terminated and the ongoing operation of the Trust will be managed by SAM LP, an affiliate of Sprott, pursuant to the new Management Agreement;
- (v) SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to approximately 1% of UPC's NAV as of March 31, 2021; and
- (vi) Under the management of SAM LP, the Trust will continue to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Arrangement.

Pursuant to the terms of the Arrangement Agreement, it is a condition of closing of the Arrangement that conditional approval for the listing of the Trust Units on the TSX shall have been obtained. In the event that such condition of closing is met, in connection with closing of the Arrangement, it is intended that the Common Shares will be delisted from the TSX.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca.

If approved, the Arrangement is currently anticipated to be completed in the early third quarter of 2021.

For further information in respect of the Trust following the completion of the Arrangement, see "*Part II – Information Concerning the Trust*", "*Part IV – Pro Forma Information of the Trust After Giving Effect to the Arrangement*" and "*Appendix F - Selected Pro Forma Financial Information*".

Arrangement Steps

At the Effective Time, the following shall occur and shall be deemed to occur as set out below without any further authorization, act or formality, in the following sequence:

- (a) subject to the specific terms of the Plan of Arrangement:
 - (i) each of the Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn held by Dissenting Shareholders (each a "Dissenting Common Share") shall, and shall be deemed to, be assigned and transferred by the holders thereof to the Trust, without any further act or formality, in exchange for a debt claim against the Trust in the amount equal to the fair value for such Dissenting Common Shares as set out in the Plan of Arrangement, and (A) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Dissenting Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders; (B)

the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissenting Common Share to the Trust; and (C) the Trust shall be and shall be deemed to be the holder of all of the outstanding Dissenting Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly;

- (ii) each Common Share (other than any Dissenting Common Shares or Electing Common Shares) shall be transferred and assigned, without any further act or formality on its part, to the Trust (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable consideration, and the Settlor Unit shall be cancelled with any payment in respect thereof, and: (A) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders; (B) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Common Share to the Trust; (C) the Trust shall be and shall be deemed to be the holder of all such Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly; and (D) the Settlor shall cease to be, and shall be deemed to cease to be, the registered holder of the Settlor Unit and the Settlor's name shall be, and shall be deemed to be, removed from the register of holders of Trust Units as it relates to the Settlor Unit;
- (iii) concurrently with the preceding step, each Electing Common Share shall be transferred and assigned, without any further act or formality on its part, to Exchangeco (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable consideration: and (A) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Electing Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders; (B) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Electing Common Share to Exchangeco; and (C) Exchangeco shall be and shall be deemed to be the holder of all such Electing Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly, provided, however, that no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than Dissenting Common Shares) may be Electing Common Shares (the "**Maximum Electing Common Shares Election**") and any Common Shares elected to be Electing Common Shares above the Maximum Electing Common Shares Election shall be subject to proration wherein if holders elect for an amount of Electing Common Shares that would exceed the Maximum Electing Common Shares Election, then a portion of such holders' Common Shares shall be exchanged for Trust Units as set out in the preceding step such that the amount of shares that will be Electing Common Shares equals the Maximum Electing Common Shares Election, based on the ratio that the number of Common Shares elected to be Electing Common Shares by such holder bears to the total number of Common Shares (other than Dissenting Common Shares) with the number of Exchangeable Shares to be received by each holder of Electing Common Shares to be rounded down to the nearest whole Exchangeable Share and the number of Trust Units to be received by each holder of Electing Common Shares to be rounded up to the nearest whole Trust Unit; and
- (iv) concurrently with the preceding step, (i) SAM LP, the Trust and Exchangeco shall execute the Exchangeable Share Support Agreement, and (ii) SAM LP, the Trust, Exchangeco and the Voting Trustee shall execute the Voting and Exchange Trust Agreement.

The Management Agreement

The ongoing operation of the Trust will be managed by the Manager, an affiliate of Sprott, pursuant to the Management Agreement. The Trust will pay the Manager the Management Fee equal to 0.35% per annum of the Trust's total assets. The Manager will also be entitled to the following additional fees:

- (i) a commission of 1.0% of the gross value of any purchases or sales of uranium ("**Uranium Buy/Sell Transactions**"), to be paid not later than ten (10) Business Days upon the receipt of delivery of uranium to, or the delivery of uranium by, the Trust, as the case may be, in connection with such Uranium Buy/Sell Transactions provided that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all Uranium Buy/Sell Transactions; and

- (ii) for any other loan, swap or relocation of uranium or other commercial transaction by or on behalf of the Trust (a “**Value-Added Service**”), an additional fee equal to the amount that would be paid an arm’s length party (within the meaning of the Tax Act) for comparable services, including giving consideration to the complexity of the transaction, the value created for the Trust and other appropriate factors, provided such additional fee shall generally be between \$25,000 and \$75,000 per transaction but shall not exceed the economic benefit to the Trust of the Value-Added Service.

The Trust shall reimburse the Manager for all reasonable out-of-pocket expenses incurred by the Manager in connection with its duties (including reimbursements to third parties in that regard, which, for greater certainty shall include reasonable expenses reimbursed by the Manager to any Technical Advisor) to the extent such expenses were incurred for and on behalf of the Trust and do not represent administrative or internal costs of the Manager, any Technical Advisor or third parties necessary for it to carry out its functions hereunder or, in the case of the Technical Advisor or third parties, for which it has otherwise been engaged or for which it is otherwise responsible to pay out of the Management Fee hereunder or under the Trust Agreement, and further provided such expenses do not contain any mark-up and administrative fees.

The Manager shall be responsible for paying the fees of any Technical Advisor out of the Management Fee (which, for greater certainty, shall not include any expenses of the Technical Advisor for which it is reimbursed by the Manager, which shall be addressed as set forth in the immediately preceding paragraph).

The Manager has agreed that no more than six months after the Arrangement Effective Date, the Manager shall have submitted to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca. The Manager shall also use its commercially reasonable efforts to obtain a listing of the Units on the NYSE Arca or similar U.S. stock exchange and shall pay all out-of-pocket, documented costs incurred by the Trust in connection therewith up to an aggregate maximum of \$1.5 million (not including amounts paid to or owing to the Manager or the Technical Advisor or any delegee of the Manager). See “*Part I – The Arrangement - Risks Related to the Trust – The Trust may not be able to list the Trust Units on a United States stock exchange*”.

Background to the Arrangement

UPC’s Pursuit of a U.S. Listing

During the second quarter of 2018, Yellow Cake plc launched an initial public offering on the Alternative Investment Market of the London Stock Exchange. Yellow Cake was established to provide investors exposure to uranium prices through physical uranium holdings, trading, streaming, and royalties. Although there were some significant differences in structure, governance and strategy, it was clear to management of UPC that Yellow Cake’s primary intention was to compete directly with UPC for investors interested in having an indirect interest in physical uranium holdings. In order to position UPC to maintain its leadership position as the pre-eminent investment vehicle for physical uranium holdings, UPC management began the process of investigating the potential for a U.S. stock exchange listing. UPC management anticipated that a U.S. listing would provide increased exposure and trading liquidity, as well as support the use of At-the-Market (“**ATM**”) equity offerings to create a more efficient means of accessing the capital market and opportunities to raise additional capital to fund the purchase of uranium holdings, on an accretive basis, with greater flexibility and when trading at lower premiums to NAV. These measures were anticipated to make UPC a more attractive physical uranium investment vehicle than Yellow Cake. This strategy was presented to and endorsed by the UPC Board in June 2018.

Thereafter, UPC management engaged in discussions with the NYSE American exchange regarding a potential listing. This process included various preliminary and then detailed discussions with legal counsel and the International Group at the New York Stock Exchange (“**NYSE**”). On August 28, 2018, however, UPC was notified by the NYSE that UPC would not qualify for a listing on the NYSE American, as UPC was likely to be characterized as a “commodities stockpiling company” for which the NYSE did not have approved listing standards and was unlikely to obtain the necessary approvals of the United States Securities and Exchange Commission (the “**SEC**”) to adopt applicable listing criteria. Accordingly, UPC suspended its pursuit of a U.S. listing.

Initial Approach by Sprott

On November 12, 2018, representatives from SAM LP emailed DMI to discuss a potential partnership with SAM LP involving the conversion of UPC to a trust under future management by SAM LP. The initial concept included an emphasis on the expectation that a trust would be able to have its units listed on a U.S. exchange and that SAM LP would retain DMI to act as a sub-advisor on a long-term basis. Initial discussions between SAM LP and DMI ensued in an effort to outline a potential

framework for such a concept that could be presented to the UPC Board for consideration.

In an effort to understand the viability of obtaining a U.S. listing for a trust managed by SAM LP, UPC management held further discussions with the NYSE and Sprott in December 2018. These discussions focused on the potential to list UPC as a trust on the NYSE Arca exchange, which has established listing standards relating to the listing of commodity-based trust shares.

On December 19, 2018, a confidentiality agreement was entered into with SAM LP.

On January 3, 2019, a proposal and term sheet (the "**Initial Term Sheet**") was presented to UPC by SAM LP and, on January 10, 2019, the Initial Term Sheet was presented to the UPC Board for consideration. At the outset of applicable discussions during the January 10, 2019 UPC Board meeting, DMI declared a potential conflict of interest to the UPC Board. Under the terms of the DMI MSA, DMI acts as management for UPC, but was also proposed to be retained by SAM LP as a sub-advisor on a long-term basis under the arrangement outlined in the Initial Term Sheet. Accordingly, discussions related to the Initial Term Sheet were led by UPC's Chairman during this and subsequent Board meetings, with applicable discussions often occurring without management present.

The Initial Term Sheet proposed a conversion of UPC to a trust that would be managed by SAM LP (the "**Proposed Trust**"), with a long-term sub-advisory arrangement offered to DMI to act as a technical advisor and exclusive broker in relation to uranium material. The benefits to Shareholders of the Proposed Trust were presented as:

- Continuity of investment strategy
- Continuity of DMI and existing storage providers
- Expanded marketing effort by Sprott through its greater reach and size
- U.S. listing of the Proposed Trust coordinated and funded by Sprott and SAM LP
- Lower operating costs accomplished by, among other things, bi-annual vs quarterly reporting, the elimination of directors, and lower D&O insurance

On January 22, 2019, joint discussions were held with UPC, Sprott and NYSE Arca to further consider the feasibility of a U.S. listing for the Proposed Trust.

On January 28, 2019, SAM LP made a presentation to the UPC Board regarding the Proposed Trust and the proposal outlined in the Initial Term Sheet. Legal counsel also presented an analysis of the Proposed Trust. Following these presentations, the UPC Board determined that the most significant benefit to Shareholders would be the U.S. listing. However, the UPC Board took into consideration that the success of a U.S. listing was largely uncertain, as current U.S. listing rules, even for the NYSE Arca, would need to be modified.

The UPC Board retained Cormark on February 7, 2019, as its financial adviser to further explore and consider the proposed benefits to Shareholders from the Proposed Trust and the terms of the Initial Term Sheet. At a board meeting on March 7, 2019, Cormark presented their initial analysis to the UPC Board and concluded there were several potential benefits associated with the Proposed Trust, including access to Sprott's robust sales and marketing capabilities and the funding of a U.S. listing application, which if successful could be expected to increase trading liquidity considerably and allow for the use of a U.S.-only ATM. The UPC Board then took advice from Canadian and U.S. counsel. The UPC Board concluded that obtaining a U.S. listing was not certain, given the requirement that such a listing would require exemptive relief from the SEC, which could not be assured.

Revisions Intended to Assure a U.S. Listing

UPC engaged in further negotiations with SAM LP to make any transaction contingent upon the Proposed Trust obtaining a U.S. listing. As part of these negotiations, the UPC Board agreed that UPC would share in the cost of obtaining a U.S. listing on an equal basis with SAM LP, up to a total of US\$750,000, but that such expenditures would be reimbursed by SAM LP to the Proposed Trust in the case of a successful listing and consummation of the proposed trust conversion with SAM LP.

A revised non-binding term sheet ("**Revised Term Sheet**") that included these new conditions was delivered by SAM LP on May 17, 2019 and was presented to the UPC Board on June 4, 2019. The UPC Board discussed the nature of the transaction, noting that it was more comparable in nature to a change of the manager, rather than a corporate take-over, as the shareholders

and unit holders before and after a trust conversion would be the same (assuming all shareholders completed their applicable exchange) and the underlying assets would be unchanged. Cormark made a presentation regarding the Revised Term Sheet, updating its previous analysis for the conditional nature of the proposal from SAM LP and reiterating its previous conclusions. Following a detailed discussion, the UPC Board approved the Revised Term Sheet and it was signed back to SAM LP on June 7, 2019.

During the summer of 2019, SAM LP and UPC prepared various documents, including an initial draft of an arrangement agreement, however certain commercial issues remained outstanding and negotiations regarding these issues continued into December 2019. On December 8, 2019, the UPC Board met and approved a framework for certain of these issues. Additional discussions and negotiations occurred between the parties during the first quarter of 2020 with a view to resolving the outstanding commercial issues.

Decision to Suspend Negotiations

In March 2020, including at a UPC Board meeting on March 23, 2020, the UPC Board was presented with an estimate of the costs required to complete the transaction outlined in the Revised Term Sheet, where (i) a successful U.S. listing is obtained and certain costs are then refunded by SAM LP, and (ii) a U.S. listing is not successful and UPC bears the full cost of its share of the U.S. listing application process. The transaction costs were higher than previously anticipated. In consideration of the onset of the COVID-19 pandemic, general market uncertainty, the uncertainty related to a U.S. listing application process, the recently announced proposed rules aimed at streamlining the use of ATM transactions in Canada (which would come into effect in June 2020) and projected transaction costs, the UPC Board, in April 2020, following discussions between representatives of UPC and representatives of Sprott, resolved it would be prudent to indefinitely suspend further discussions with Sprott. The UPC Board determined to not further pursue the proposed transaction until markets stabilized and a fulsome review and discussion of the costs and benefits of continuing to proceed on a contingent basis were undertaken and concluded.

Restart of Negotiations to Reach Final Terms

In August 2020, the Chairman of UPC and the CEO of Sprott, Peter Grosskopf, had a brief discussion of re-engaging on the proposed transaction. Mr. Kennedy agreed that global markets had stabilized and re-engaging may be appropriate, but that UPC would be looking to recast the proposed transaction with different terms than had been presented in the Revised Term Sheet. When last considered, the UPC Board was of the view that the contingent nature of the transaction previously negotiated was too risky to Shareholders, as UPC would incur upfront costs for a non-quantifiable and potentially unobtainable benefit of the U.S. listing. Mr. Grosskopf indicated that Sprott and SAM LP remained interested in exploring a transaction and indicated that SAM LP would look to provide a revised proposal that addressed these concerns.

At a UPC Board meeting on September 24, 2020, the UPC Board discussed the proposal to restart discussions with SAM LP and, after further discussion held without management present, the UPC Board concluded it was worth pursuing new negotiations with SAM LP for a transaction not contingent on a U.S. listing prior to closing, to see if more favourable terms could be secured for Shareholders. Mr. Kennedy relayed to SAM LP the feedback from the UPC Board and also expressed that the UPC Board felt that DMI had provided immeasurable benefit to UPC and the UPC Board over the past 15 years and that SAM LP should negotiate an agreement with them for their continuing participation in the management of the future vehicle.

A new non-binding term sheet was provided by SAM LP in October 2020 (the "**New Term Sheet**") to Mr. Kennedy, which removed the condition requiring a successful U.S. listing and included measurable economic benefits for Shareholders, including that SAM LP would contribute: (i) up to \$1.0 million to cover direct transaction costs of UPC; (ii) up to US\$1.5 million relating to the cost to pursue a listing of the Trust Units on a stock exchange in the United States; (iii) a cash amount to the Trust equal to 1% of UPC's Net Asset Value; and (iv) an amount equal to any applicable termination benefits owing to DMI under the terms of the DMI MSA. Additionally, the New Term Sheet (i) included a new provision that the Proposed Trust would be able to consider a physical redemption mechanism in order to secure SEC approval of a U.S. listing; and (ii) removed the commitment to retain DMI as a sub-advisor.

The parties negotiated revisions to the New Term Sheet from October 2020 until January 2021 when a final term sheet was settled for presentation to the UPC Board for formal approval ("**Final Term Sheet**"). Importantly, the Final Term Sheet included additional details related to termination fees, as well as a firm commitment from SAM LP to pursue a U.S. listing following the trust conversion.

The UPC Board met on January 14, 2021 to discuss the Final Term Sheet and receive an additional presentation from Cormark, which included an analysis of precedent transactions whereby management agreements were transferred and payments made

in connection therewith, which were more often received by the prior managers than contributed to the relevant entity. At the outset of the meeting, management of UPC outlined its support of the Final Term Sheet, making a recommendation for the UPC Board to approve the transaction. The UPC Board agreed that the cash contributions from SAM LP made the transaction more attractive and less risky for Shareholders than previous proposals. In camera, without management present, the UPC Board discussed the need for SAM LP to retain a technical advisor as part of the Final Term Sheet and agreed that while it preferred DMI to stay on in this capacity, SAM LP was capable of finding a replacement technical advisor, in the event that DMI and SAM LP could not come to terms. Given the anticipated benefits to Shareholders, the UPC Board concluded that UPC should work toward settling the Final Term Sheet with SAM LP.

Ultimately, SAM LP and Denison were unable to come to mutually acceptable terms for a sub-advisory arrangement, and the Final Term Sheet was executed between UPC and SAM LP on February 8, 2021.

Settling Definitive Agreements

During February 2021, the parties exchanged due diligence requests and reciprocal due diligence investigations ensued. Subsequently, SAM LP provided an initial draft of the Arrangement Agreement, and drafts of the Trust Agreement, Management Agreement, and all other supporting agreements and documents. Throughout March and April 2021, the parties and their respective legal counsel negotiated the terms, and exchanged revised drafts, of the Arrangement Agreement and the other transaction documents. On March 25, 2021, the UPC Board formally retained Cormark to provide a fairness opinion with respect to the Arrangement and the consideration to be received by Shareholders.

On April 27, 2021, the UPC Board held a meeting with management and invited guests from Cormark, Cassels Brock & Blackwell LLP and Thorsteinssons LLP to review the terms of the Arrangement, the proposed final drafts of the Arrangement Agreement, Trust Agreement and Management Agreement and related matters. Cormark advised the UPC Board that, as of April 27, 2021, and based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of review undertaken by Cormark, as set forth in the Fairness Opinion, the consideration to be received by the Shareholders pursuant to the Arrangement Agreement was fair, from a financial point of view, to the Shareholders. Cormark's opinion was subsequently formalized in writing in the Fairness Opinion.

The UPC Board, having taken into account the advice of Cormark, including the Fairness Opinion, the advice of counsel, and such other matters it considered relevant, including those set forth under the heading "*The Arrangement – Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement*", unanimously determined that the Arrangement was in the best interests of UPC and unanimously resolved to approve the Arrangement and the entering into by UPC of the Arrangement Agreement and to recommend that the Shareholders vote in favour of the Arrangement Resolution. The Arrangement Agreement was finalized and executed by the parties in the evening of April 27, 2021, and UPC and Sprott each issued a press release announcing the Arrangement the morning after, prior to the opening of trading.

Subsequently, following discussions between Sprott, UPC, and their representatives, it was agreed to amend the Arrangement Agreement to revise the exchange ratio for the Common Shares to either: (a) one-half of one Trust Unit; or (b) one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis. The objective of the amendment was to target a higher trading price for the Trust Units following completion of the Arrangement. The amendment does not affect a Shareholder's economic entitlement to a proportionate interest in the Trust following completion of the Arrangement. The Amending Agreement to provide for this change was entered into on June 3, 2021.

Recommendation of the UPC Board of Directors

At a meeting of the UPC Board held on April 27, 2021 prior to UPC entering into the Arrangement Agreement, the UPC Board considered the Arrangement on the terms and conditions as provided in the Arrangement Agreement.

The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote **FOR** the Arrangement Resolution.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

In coming to its conclusion and recommendations the UPC Board also considered, among others, the following factors:

- (a) the reasons for the Arrangement as set out under "*Part I - The Arrangement – Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement*";

- (b) aspects of the Trust structure which are different than UPC's existing structure as set out under "*Part I – The Arrangement – Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement*";
- (c) the alternatives available to UPC, including maintaining the status quo; and
- (d) the advantages and disadvantages of the Arrangement to UPC and Shareholders.

The foregoing discussion of the information and factors considered and given weight by the UPC Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Arrangement, the UPC Board did not assign any relative or specific weights to the foregoing factors which were considered, and individual directors may have given differing weights to different factors.

The UPC Board realized that there are risks associated with the Arrangement, including that some of the reasons for entering into the Arrangement set forth above may not be realized or that there may be significant costs associated with those reasons. The UPC Board believes that the factors in favour of the Arrangement outweigh the risks and potential disadvantages, although there can be no assurance in this regard. See "*Part I – The Arrangement – Risk Factors Related to the Arrangement*" and "*Part I – The Arrangement – Risk Factors Related to the Trust*".

Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement

The following is a summary of certain reasons for the unanimous recommendation of the UPC Board that Shareholders vote **FOR** the Arrangement Resolution.

See also "*Part I – The Arrangement – Background to the Arrangement*".

Modernized business structure with lower corporate costs

The Trust structure offers lower annual corporate costs and aligns UPC's business with the world's leading physical commodity investment vehicles. When compared to UPC's corporate operating costs, a reduction of over 50% is expected. As other physical commodity investment vehicles are largely in the form of trusts, investors that are attracted to such investments will be generally familiar with the structure of the Trust from a corporate governance and operating standpoint.

The Trust is contractually required to make an application for a U.S. listing

UPC previously evaluated the potential for a U.S. listing and determined that it would not meet listing requirements under its current corporate form. As a trust, the prospect of obtaining a U.S. listing on the NYSE Arca or similar exchange is believed to be significantly improved. Sprott has a very good track record of listing physical commodity investment vehicles in the U.S. and has committed to fund up to \$1.5 million in costs associated with seeking a U.S. listing.

Pursuant to the terms of the Management Agreement, within six months following the completion of the Arrangement, Sprott will submit an application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, to list the Trust Units on the NYSE Arca, where all of Sprott's U.S. commodity-based trusts are listed. The UPC Board is of the view that listing on the NYSE Arca is expected to increase the liquidity of the Trust Units, a result of enhanced access to a broader U.S. investor audience/capital pool. Notably, among other factors: (i) many U.S.-based funds are mandated to invest in U.S.-listed securities; (ii) there are substantially more retail investors in the U.S. than in the Canadian market; and (iii) there may be potential for increased index inclusion. Sprott has a long history of working with the NYSE Arca in respect of listing commodity-based trusts, including most recently the Sprott Physical Gold and Silver Trust. Indicative of the potential benefit of dual-listing in the U.S., dual-listed Sprott physical trusts trade within a range of ~10-28 times more value on the NYSE Arca than their equivalent listing on the TSX. See "*Part I – The Arrangement - Risks Related to the Trust – The Trust may not be able to list the Trust Units on a United States stock exchange*".

Access to Sprott's robust sales and marketing capabilities

Sprott is a global brand with a successful fund marketing platform and extensive client base. Sprott is a publicly-listed global asset manager specializing in precious metals and real asset strategies that has been in operation since 1981. At present, Sprott operates four dual-listed physical bullion trusts, with over 200,000 clients and over US\$12 billion under management, being:

- Sprott Physical Gold and Silver Trust (TSX/NYSE Arca: “CEF”)
- Sprott Physical Gold Trust (TSX/NYSE Arca: “PHYS”)
- Sprott Physical Silver Trust (TSX/NYSE Arca: “PSLV”)
- Sprott Physical Platinum and Palladium Trust (TSX/NYSE Arca: “SPPP”)

Leveraging this platform is expected to grow the Trust Unitholder base and increase liquidity. In total, Sprott physical trusts have raised over US\$3 billion in total capital. Sprott physical trusts trade, on average, 1.5-3.4x more than UPC, as measured by average daily trading value as a percentage of NAV.

Sprott dedicates significant resources to investor outreach marketing (including but not limited to asset investor conferences, digital marketing, webcasts, research publishing, and public relations campaigns) and has a dedicated sales team supporting its exchange-listed funds.

Pursuant to the Management Agreement and in exchange for the Management Fee and the Additional Fees, Sprott will be responsible for, among other things:

- (i) achieving the Trust’s investment objective (including advisory and portfolio management services);
- (ii) promoting the merits of investing in uranium with the Trust to its client base and global audience of investors
- (iii) providing investor relations, sales, marketing and client service support for the Trust via its team of sales and marketing professionals;
- (iv) obtaining commercial services with respect to the movement and safe storage of uranium at the Facilities;
- (v) arranging for, and completing, for and on behalf of the Trust, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of uranium at the best prices available over a prudent period of time;
- (vi) obtaining brokerage and other services (including without limitation from a Technical Advisor) with respect to the purchase and sale of uranium, as well as other services aimed at optimizing the value of the Trust’s portfolio; and
- (vii) overseeing financing and Trust Unitholder reporting.

The Trust will have access to and benefit from Sprott’s expertise, with a view to growing the Trust Unitholder base and increasing liquidity of the Trust Units.

UPC to receive a cash contribution of ~\$6.7 million

SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to 1% of UPC’s NAV as of March 31, 2021 – the proceeds of which may be used by the Trust to purchase additional uranium holdings.

Sprott to fund UPC’s transaction costs

As part of the Arrangement, SAM LP will: (i) reimburse UPC for up to \$1.0 million in direct transaction costs and (ii) fund the cost to UPC of terminating the DMI MSA, which is estimated at approximately \$5.8 million.

Continued exposure to uranium

After giving effect to the Arrangement, Shareholders, as Trust Unitholders, will retain the same indirect exposure to UPC’s underlying uranium holdings on a per Common Share / per Trust Unit basis. Additionally, the uranium storage facilities that presently hold the physical uranium of UPC, being the Facilities, are expected to continue to hold such physical uranium for the Trust.

Fairness opinion

Cormark Securities Inc. is serving as financial advisor to UPC and has delivered the Fairness Opinion to the UPC Board concluding that the consideration to be received by the Shareholders is fair, from a financial point of view, to the Shareholders.

The Fairness Opinion is attached hereto as Schedule C. In carrying out its analysis in respect of the Fairness Opinion, Cormark reviewed, relied upon or carried out, among other things, the following:

- (i) copies of the draft definitive documents relating to the Arrangement, as well as other corporate presentations and other materials;
- (ii) public information relating to the business, operations, financial performance and equity trading history of UPC and other selected public issuers considered by Cormark to be relevant;
- (iii) public information in respect of select transactions Cormark considered relevant; and
- (iv) such other economic, financial market, industry and corporate information, investigations and analyses as Cormark considered necessary or appropriate in the circumstances.

The fee payable to Cormark in connection with the Fairness Opinion was not contingent, in whole or in part, on the conclusion reached in the Fairness Opinion or the outcome of the Arrangement.

The Fairness Opinion does not constitute a recommendation to Shareholders as to how to vote on the Arrangement Resolution or how to act on any matter relating to the Arrangement. The UPC Board urges Shareholders to read the Fairness Opinion carefully and in its entirety.

Tax-free basis

The transactions contemplated in the Arrangement may result in a full or partial tax-deferred rollover for Eligible Holders of Common Shares for Canadian federal income tax purposes if the Eligible Holder makes the Consideration Election to receive consideration that includes Exchangeable Shares and files a valid tax election with Exchangeco. See "*Part I – The Arrangement - Certain Canadian Federal Income Tax Consideration*".

The Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes for U.S. Holders that exchange Common Shares for Trust Units. See "*Part I – The Arrangement - Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares*" for further details.

Arrangement Agreement

The Arrangement will be effected in accordance with the Plan of Arrangement appended as Schedule A to the Arrangement Agreement, a copy of which is attached as Appendix A-2 to this Information Circular.

The Arrangement Agreement contains covenants, representations and warranties of the Parties to the Arrangement Agreement and various conditions precedent, both mutual and with respect to certain of such parties.

The following is a summary of certain material provisions of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement set forth in Appendix A-2 to this Circular and reference is made thereto for the full text thereof. Shareholders are urged to read the Arrangement Agreement in its entirety.

Representations and Warranties and Covenants Relating to the Conduct of Business of the Parties to the Arrangement Agreement

The Arrangement Agreement contains certain customary representations and warranties made by each of UPC to SAM LP and the Trust, and of SAM LP to UPC, including representations and warranties of such parties in respect of organization, corporate power and authority to enter into the Arrangement Agreement and to consummate the Arrangement, and in respect of UPC, financial position, business, assets and operations and compliance with Laws and regulations.

For the complete text of the representations and warranties, see Schedule G and Schedule H of the Arrangement Agreement.

In addition, UPC has covenanted, among other things, until the earlier of the Effective Time or the termination of the Arrangement Agreement in accordance with its terms, to use its commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under Law to consummate the Arrangement as soon as practicable, including using its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions

precedent to its obligations under the Arrangement Agreement. UPC has further covenanted to, and to cause its Subsidiaries to, except as expressly required under the Arrangement Agreement, conduct business in the ordinary course, to preserve intact the current business organization of UPC and its Subsidiaries, and maintain good relations with, and the goodwill of, investors, creditors, and all other Persons having business relationships with UPC and its Subsidiaries, and to refrain from taking certain actions, except in connection with the transactions contemplated by the Arrangement Agreement or with the prior written consent of Sprott.

In addition, each of SAM LP, the Trust and Exchangeco has covenanted that, until the earlier of the Effective Time or the termination of the Arrangement Agreement in accordance with its terms, to use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under Law to consummate the Arrangement as soon as practicable, including using its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations under the Arrangement Agreement.

For the complete text of the applicable covenants, see Section 4 of the Arrangement Agreement.

Regulatory Approvals

Under the Arrangement Agreement, as soon as reasonably practicable, each Party to the Arrangement Agreement, or where appropriate, all such parties jointly, shall make (or cause to be made) all notifications, filings, applications and submissions with Governmental Entities required or in the opinion of SAM LP, acting reasonably, advisable in connection with the Arrangement, and shall use their commercially reasonable efforts to obtain and maintain all Key Regulatory/Stock Exchange Approvals. The Parties to the Arrangement Agreement further covenant to cooperate with one another in connection with obtaining the Key Regulatory/Stock Exchange Approvals and resolving any objections to the Arrangement raised by any Governmental Entity.

Under the HSR Act and the rules promulgated thereunder, the Arrangement may not be completed until notification and report forms have been filed with the U.S. Federal Trade Commission (the “**FTC**”) and the U.S. Department of Justice (the “**DOJ**”) and the applicable waiting period under the HSR Act has expired or been terminated. The Trust and UPC each filed its notification and report form with respect to the Arrangement with the FTC and the DOJ on May 28, 2021. Unless extended or terminated early by the FTC and the DOJ, such HSR Act waiting period would expire on June 28, 2021 at 11:59 p.m. EST.

At any time before or after the Arrangement is completed, and notwithstanding the expiration or termination of the waiting period under the HSR Act, the DOJ or the FTC could take action under U.S. federal antitrust laws in opposition to the Arrangement, including seeking to enjoin completion of the Arrangement, seeking the divestiture of assets of the Trust or UPC or imposing restrictions on the combined entity’s post-Arrangement operations. In addition, U.S. state attorneys general could take such action under state antitrust laws as they deem necessary or desirable in the public interest, including, without limitation, seeking to enjoin completion of the Arrangement or permitting completion subject to regulatory concessions or conditions. Private parties also may seek to take legal action under the U.S. federal or state antitrust laws under some circumstances.

Conditions Precedent

The Arrangement Agreement contains a number of conditions precedent to the obligations of the Parties to the Arrangement Agreement to complete the Arrangement. All of such conditions must be satisfied or waived, to the extent they may be capable of waiver, by the party or parties for whose benefit such conditions exist, for the Arrangement to proceed. There is no assurance that the conditions will be satisfied or waived on a timely basis, or at all. Upon the conditions precedent set out in the Arrangement Agreement being fully satisfied or waived, the Final Order and the Articles of Arrangement in the form prescribed by the OBCA are required to be filed with the Director under the OBCA to give effect to the Arrangement.

The conditions to closing the Arrangement are described below and set forth in Article 6 of the Arrangement Agreement, a copy of which is attached as Appendix A-2 to this Information Circular.

Mutual Conditions Precedent

The Parties to the Arrangement Agreement are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of each of the Parties to the Arrangement Agreement.

1. The Arrangement Resolution is approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order.
2. The Interim Order and the Final Order are obtained on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to any of the Parties to the Arrangement Agreement, each acting reasonably, on appeal or otherwise.
3. Each of the Key Regulatory/Stock Exchange Approvals is made, given or obtained on terms acceptable to the Parties to the Arrangement Agreement, each acting reasonably, and each such Key Regulatory/Stock Exchange Approval is in force and has not been modified.
4. The Articles of Arrangement to be filed with the Director in accordance with the Arrangement Agreement are in form and substance satisfactory to each of the Parties to the Arrangement Agreement, acting reasonably.
5. No Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Parties to the Arrangement Agreement from consummating the Arrangement.
6. There is no action or proceeding pending by a Governmental Entity seeking to:
 - (a) enjoin or prohibit the ownership or operation by the Trust and SAM LP of the business or assets of UPC; or
 - (b) prevent or materially delay the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect in respect of UPC or the Trust.
7. The Trust Units and Exchangeable Shares to be issued pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof.

Additional Conditions Precedent to the Obligations of SAM LP, the Trust and Exchangeco

SAM LP, the Trust and Exchangeco are not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of SAM LP, the Trust and Exchangeco and may only be waived, in whole or in part, by SAM LP, in its sole discretion, on behalf of itself, the Trust and Exchangeco.

1. The representations and warranties of UPC:
 - (a) that are set forth in paragraphs (1), (2), (3), (4), (5), and (12) of Schedule G to the Arrangement Agreement were true and correct in all respects as of the date of the Arrangement Agreement and are true and correct in all respects as of the Effective Time as if made at such time;
 - (b) that are set forth in paragraph (6) of Schedule G to the Arrangement Agreement were true and correct in all respects (other than *de minimis* inaccuracies) as of the date of the Arrangement Agreement and are true and correct in all respects (other than *de minimis* inaccuracies) as of the Effective Time as if made at such time; and
 - (c) other than the representations in (a) and (b) above, were true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the date of the Arrangement Agreement and are true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the Effective Time as if made at such time, except, in the case of this clause (c), where the failure to be so true and correct in all respects, individually or in the aggregate, would not result in a Material Adverse Effect in respect of UPC;

except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date only, and UPC has delivered a certificate confirming same to SAM LP, the Trust and Exchangeco executed by two senior officers of UPC (in each case without personal liability) addressed to SAM LP, the Trust and Exchangeco and dated the Effective Date.

2. UPC has fulfilled or complied in all material respects with each of the covenants of UPC contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Date, and has delivered a certificate

confirming same to SAM LP, the Trust and Exchangeco executed by two senior officers of UPC (in each case without personal liability) addressed to SAM LP, the Trust and Exchangeco and dated the Effective Date.

3. The aggregate number of Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn as of the Effective Date does not exceed 10% of the issued and outstanding Common Shares.
4. Since the date of the Arrangement there has not occurred any Material Adverse Effect in respect of UPC.
5. The DMI MSA is terminated in accordance with its terms effective immediately prior to the Effective Time.

Additional Conditions Precedent to the Obligations of UPC

UPC is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of UPC and may only be waived, in whole or in part, by UPC in its sole discretion.

1. The representations and warranties of SAM LP:
 - (a) that are set forth in paragraphs (1), (2), (3), (4), and (5) of Schedule H to the Arrangement Agreement were true and correct in all respects as of the date of the Arrangement Agreement and are true and correct in all respects as of the Effective Time as if made at such time; and
 - (b) other than the representations in (a) above, were true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the date of the Arrangement Agreement and are true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the Effective Time as if made at such time, except, where the failure to be so true and correct in all respects, individually or in the aggregate, would not result in a Material Adverse Effect in respect of SAM LP, the Trust or Exchangeco;

except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and SAM LP, the Trust, and Exchangeco have delivered a certificate confirming same to UPC, executed by two senior officers of SAM LP, the Trust, and Exchangeco (in each case without personal liability), addressed to UPC and dated the Effective Date; and

2. Each of SAM LP, the Trust and Exchangeco have fulfilled or complied in all material respects with each of the covenants of it contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and SAM LP, the Trust and Exchangeco shall have delivered a certificate confirming same to UPC, executed by two senior officers of SAM LP, the Trust and Exchangeco (in each case without personal liability) addressed to UPC and dated the Effective Date.

Non-Solicitation Provisions; Right to Accept a Superior Proposal

Under the Arrangement Agreement, UPC has agreed to certain non-solicitation covenants, which provide that neither UPC nor any of its Subsidiaries shall, directly or indirectly, through any representatives, and UPC shall not permit any such Person to:

- (a) solicit, initiate, encourage or otherwise facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of UPC or any of its Subsidiaries or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Alternative Proposal;
- (b) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than SAM LP or its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Alternative Proposal;
- (c) make a Change in Recommendation (as defined below);

- (d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Alternative Proposal it being understood that publicly taking no position or a neutral position with respect to an Alternative Proposal for a period of no more than five Business Days following the public announcement of such Alternative Proposal will not be considered to be in violation of this prohibition, provided the UPC Board has rejected such Alternative Proposal and affirmed the UPC Board Recommendation by press release before the end of such five Business Day period or in the event that the Meeting, is scheduled to occur within such five Business Day period prior to the Meeting as soon as practicable; or
- (e) enter into or publicly propose to enter into any contract in respect of an Alternative Proposal (other than an Acceptable Confidentiality Agreement).

UPC and its Subsidiaries shall, and shall cause their respective representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than SAM LP and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Alternative Proposal, and in connection with such termination shall (a) discontinue access to and disclosure of all information, including any data room and any confidential information, properties, facilities, books and records of UPC and its Subsidiaries; and (b) request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding UPC and its Subsidiaries provided to any Person other than SAM LP, and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding UPC and its Subsidiaries using its reasonable best efforts to ensure that such requests are fully complied with the extent UPC is entitled.

If UPC or any of its representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Alternative Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to UPC or its Subsidiaries, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of UPC or its Subsidiaries, UPC shall immediately notify SAM LP, at first orally, and then promptly and in any event within 48 hours in writing (it being understood that where only representatives that are not directors, officers or employees of UPC receive or otherwise become aware of any such inquiry, proposal or offer, UPC's notification requirements shall be following notification of UPC by any such Representative), of: (i) such Alternative Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Alternative Proposal, inquiry, proposal, offer or request and copies of all documents, correspondence or other material received in respect of, from or on behalf of any such Person; and (ii) at SAM LP's request, the status of developments and negotiations with respect to such Alternative Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to the terms and conditions of any such Alternative Proposal, inquiry, proposal, offer or request.

Notwithstanding the Arrangement Agreement or any other agreement between the Parties to the Arrangement or between UPC and any other Person, including without limitation the Confidentiality Agreement, if at any time, prior to obtaining the approval by the Shareholders of the Arrangement Resolution, UPC receives a written Alternative Proposal, UPC may engage in or participate in discussions or negotiations with such Person regarding such Alternative Proposal, and may provide copies of, access to or disclosure of confidential information, properties, facilities, books or records of UPC, if and only if:

- (a) the UPC Board first determines in good faith, after consultation with its financial advisors and its outside counsel, that such Alternative Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal (disregarding, for the purposes of such determination, any due diligence access condition to which such Alternative Proposal is subject);
- (b) such Person was not restricted from making such Alternative Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with UPC;
- (c) such inquiry, proposal or offer did not result from a breach by UPC of its standstill obligations in the Arrangement Agreement and any such copies, access or disclosure provided to such Person shall have already been (or simultaneously be) provided to SAM LP; and
- (d) prior to providing any such copies, access, or disclosure, UPC enters into an Acceptable Confidentiality Agreement with such Person and provides a copy of such Acceptable Confidentiality Agreement to SAM LP.

If UPC receives an Alternative Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Shareholders, the UPC Board may, subject to payment of the applicable Termination Fee, make a Change in Recommendation with respect to such Alternative Proposal and/or accept, approve or enter into a definitive contract with respect to such Alternative Proposal, if and only if:

- (a) the Person making the Alternative Proposal was not restricted from making such Alternative Proposal pursuant to an existing standstill or similar restriction;
- (b) such Alternative Proposal did not result from a breach by UPC of its non-solicit obligations under the Arrangement Agreement;
- (c) UPC has delivered to SAM LP a written notice of the determination of the UPC Board that such Alternative Proposal constitutes a Superior Proposal and of the intention of the UPC Board to make a Change of Recommendation with respect to such Alternative Proposal and/or enter into a definitive contract in respect of such Alternative Proposal, as applicable, together with a written notice from the UPC Board regarding the value that the UPC Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash terms offered under such Alternative Proposal (the "**Superior Proposal Notice**");
- (d) UPC has provided SAM LP a copy of any proposed definitive contract with respect to the Alternative Proposal;
- (e) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which SAM LP received the Superior Proposal Notice and a copy of the proposed definitive contract with respect to the Alternative Proposal from UPC;
- (f) during any Matching Period, SAM LP has had the opportunity (but not the obligation), in accordance with the Arrangement Agreement, to offer to amend the Arrangement Agreement and the Arrangement in order for such Alternative Proposal to cease to be a Superior Proposal;
- (g) after the Matching Period, the UPC Board has: (i) determined in good faith, after consultation with its outside legal counsel and financial advisers, that such Alternative Proposal continues to constitute a Superior Proposal, (including if applicable, as compared to the terms of the Arrangement as proposed to be amended by SAM LP in accordance with the Arrangement Agreement); and (ii) determined in good faith, after consultation with its outside legal counsel and financial advisers, that the failure by the UPC Board to make a Change in Recommendation with respect to such Alternative Proposal or to cause UPC to enter into a definitive contract with respect to such Alternative Proposal, as applicable, would be inconsistent with its fiduciary duties; and
- (h) in the case of UPC exercising its right under the Arrangement Agreement to enter into a definitive contract with respect to an Alternative Proposal, UPC has paid to SAM LP the applicable Termination Fee.

During the Matching Period, or such longer period as UPC may approve in writing for such purpose: (i) the UPC Board shall review any offer made by SAM LP under the Arrangement Agreement to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Alternative Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (ii) UPC shall negotiate in good faith with SAM LP to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable SAM LP to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the UPC Board determines that such Alternative Proposal would cease to be a Superior Proposal, UPC shall promptly so advise SAM LP and UPC and Sprott shall amend the Arrangement Agreement to reflect such amended offer made by SAM LP, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment to any Alternative Proposal shall constitute a new Alternative Proposal and SAM LP shall be afforded a new five Business Day Matching Period from the later of the date on which SAM LP received the Superior Proposal Notice and a copy of any proposed definitive contract with respect to the Alternative Proposal from UPC.

The UPC Board shall promptly reaffirm the UPC Board Recommendation by press release after any Alternative Proposal which is not determined to be a Superior Proposal is publicly announced or the UPC Board determines that a proposed amendment to the terms of the Arrangement Agreement as contemplated in the Arrangement Agreement would result in an Alternative Proposal no longer being a Superior Proposal. UPC shall provide SAM LP and its outside legal counsel with a reasonable

opportunity to review the form and content of any such press release and make all reasonable amendments to such press release as requested by SAM LP and its counsel.

If UPC provides a Superior Proposal to Sprott within five Business Days before the Meeting, UPC shall proceed with or shall postpone the Meeting, as directed by SAM LP in its sole discretion, to a date that is not more than seven Business Days after the scheduled date of the Meeting, but not later than the seventh Business Day prior to the Outside Date.

The UPC Board is not prohibited from: (a) responding through a directors' circular or equivalent document as required by applicable Securities Laws to an Alternative Proposal; or (b) making any disclosure to the UPC Shareholders if the UPC Board, acting in good faith and after consultation with its outside legal advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the UPC Board, provided, however, in each case that, notwithstanding that the UPC Board shall be permitted to make such disclosure, the UPC Board shall not be permitted to make a Change in Recommendation, other than as permitted by the Arrangement Agreement and prior to making any such disclosure, UPC shall give to SAM LP not less than 48 hours (excluding any days that are not Business Days) notice of its intention to make such disclosure.

Termination

The Arrangement Agreement may, prior to the Effective Time, be terminated by:

- (a) the mutual agreement of the Parties to the Arrangement Agreement;
- (b) either UPC or SAM LP if the Arrangement Resolution is not approved at the Meeting in accordance with the Interim Order;
- (c) UPC or SAM LP if:
 - (i) after the date of the Arrangement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Parties to the Arrangement Agreement from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided the Party to the Arrangement Agreement seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or
 - (ii) the Effective Time does not occur on or prior to the Outside Date, provided that:
 - (A) UPC may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by UPC of any of its representations or warranties or the failure of UPC to perform any of its covenants or agreements under the Arrangement Agreement; and
 - (B) SAM LP may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by SAM LP or the Trust of any of its respective representations or warranties or the failure of SAM LP or the Trust to perform any of its respective covenants or agreements under the Arrangement Agreement.
- (d) UPC if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of SAM LP or the Trust under the Arrangement Agreement occurs that would cause specified conditions precedent to the obligations of UPC not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date; provided that UPC is not then in breach of the Arrangement Agreement so as to cause specified conditions precedent to the obligations of SAM LP and the Trust not to be satisfied;
 - (ii) prior to obtaining the approval by the Shareholders of the Arrangement Resolution, the UPC Board, in accordance with the Arrangement Agreement, authorized UPC to enter into a definitive contract with respect to a Superior Proposal (other than an Acceptable Confidentiality Agreement), provided UPC is in compliance

in all material respects with its non-solicitation covenants in the Arrangement Agreement and provided that no termination under this provision shall be effective unless and until UPC shall have paid to SAM LP the required Termination Fee; or

- (iii) there is a Material Adverse Effect in respect of SAM LP; and
- (e) SAM LP if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of UPC under the Arrangement Agreement occurs that would cause any specified conditions precedent to the obligations of SAM LP and the Trust not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date; provided that neither SAM LP nor the Trust is then in breach of the Arrangement Agreement so as to cause any conditions precedent to the obligation of SAM LP or the Trust not to be satisfied;
 - (ii) the UPC Board, or any committee thereof, fails to recommend or withdraws, amends, or modifies or qualifies the UPC Board Recommendation in a manner adverse to SAM LP, publicly proposes or states its intention to do so, or fails to publicly reaffirm (without qualification) the UPC Board Recommendation within five Business Days after having been requested in writing by SAM LP to do so, or takes no position or a neutral position with respect to an Alternative Proposal for more than five Business Days after the public announcement of such Alternative Proposal or accepts, approved, recommends or endorses an Alternative Proposal (collectively, a **"Change in Recommendation"**);
 - (iii) UPC breaches the non-solicitation provisions in the Arrangement Agreement in any material respect; or
 - (iv) there is a Material Adverse Effect in respect of UPC.

Agreement as to Termination Fee

The Termination Fee payable under the Arrangement Agreement if there is a Termination Fee Event is either \$3,000,000 or \$750,000 (in each case plus the amount of the Expense Reimbursement Amount (as defined below) actually paid by SAM LP to UPC). The amount payable will depend on the nature of the Termination Fee Event. For the purposes of the Arrangement Agreement, a **"Termination Fee Event"** means the termination of the Arrangement Agreement:

- (a) (I) by UPC or SAM LP in the circumstances where the Arrangement Resolution is not approved at the Meeting in accordance with the Interim Order, or if the Effective Time does not occur on or prior to the Outside Date; or (II) by SAM LP if there has been a breach of any representation or warranty or failure to perform any covenant or agreement on the part of UPC under the Arrangement Agreement occurs that would cause any specified conditions precedent to the obligations of SAM LP and the Trust not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date, in either case if both (A) prior to the earliest of the Meeting, the Outside Date and termination, an Alternative Proposal is made or publicly announced (or, in the case of termination by SAM LP pursuant to the circumstances in clause (a)(II) above only, otherwise communicated to UPC or any of its representatives) by any Person other than SAM LP or any of its affiliates or any Person (other than SAM LP or any of its affiliates) shall have publicly announced an intention to do so, and (B) within 12 months following the date of such termination, (1) UPC, directly or indirectly, in one or more transactions, enters into a definitive contract (it being understood that a confidentiality agreement or exclusivity agreement will not be considered a definitive contract) in respect of such Alternative Proposal, (2) an Alternative Proposal (whether or not such Alternative Proposal is the same Alternative Proposal referred to in clause (A) above) is consummated, or (3) UPC, directly or indirectly, in one or more transactions, enters into a definitive contract (it being understood that a confidentiality agreement or exclusivity agreement will not be considered a definitive contract) in respect of an Alternative Proposal (whether or not such Alternative Proposal is the same Alternative Proposal referred to in clause (A) above) which is subsequently completed at any time (any such Alternative Proposal referred to in this clause (B) being, a **"Subsequent Alternative Proposal"**);
- (b) by SAM LP if there is a Change in Recommendation;
- (c) by SAM LP if UPC breaches the non-solicitation provisions in the Arrangement Agreement in any material respect; or

(d) by UPC to enter into a definitive contract in respect of a Superior Proposal.

The Termination Fee will be \$3,000,000 (plus the amount of the Expense Reimbursement Amount (as defined below) actually paid by SAM LP to UPC) if the Termination Fee Event is one that is ("**Termination Fee Event A**"):

- (i) referred to in clause (a) above where the Subsequent Alternative Proposal is a Management Change Proposal;
- (ii) referred to in clause (b) above, other than where such Termination Fee Event is a Termination Fee Event B (as defined below);
- (iii) referred to in clause (c) above; and
- (iv) referred to in clause (d) above, where the applicable Superior Proposal is a Management Change Proposal.

The Termination Fee will be \$750,000 (plus the amount of the Expense Reimbursement Amount actually paid by SAM LP to UPC) if the Termination Fee Event is one that is ("**Termination Fee Event B**"):

- (i) referred to in clause (a) above, other than where such Termination Fee Event is a Termination Fee Event A;
- (ii) referred to in clause (b) above where the Change of Recommendation results from taking no position or a neutral position with respect to an Alternative Proposal that is not a Management Change Proposal for more than five Business Days after the public announcement of such Alternative Proposal or from accepting, approving, recommending or endorsing an Alternative Proposal that is not a Management Change Proposal; and
- (iii) referred to in clause (d) above, where the applicable Superior Proposal is not a Management Change Proposal.

Each of UPC and SAM LP acknowledges that the amount of the Termination Fee represents liquidated damages that are a genuine pre-estimate of the damages, including opportunity costs, which SAM LP will suffer or incur as a result of the event giving rise to such damages and resultant termination of the Arrangement Agreement, and is not a penalty. Each of UPC and SAM LP irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive.

Expenses

If there is an Expense Reimbursement Event, SAM LP will reimburse UPC in an amount (the "**Expense Reimbursement Amount**"), up to a maximum of \$1,000,000, equal to all reasonable, documented out of pocket expenses of UPC related to the negotiation of the Arrangement Agreement, the structuring of the Arrangement and efforts to satisfy the closing conditions to completing the Arrangement, including legal, tax and accounting fees, out-of-scope management fees payable to DMI to a maximum of \$100,000 and other advisory services fees. For the purposes of the Arrangement Agreement, an "**Expense Reimbursement Event**" means the termination of the Arrangement Agreement in the circumstances referred to in clause (a), (b), (c), (d)(i) or (e)(iv) above under "Termination". Except for any Expense Reimbursement Event, all out-of-pocket third-party transaction expenses incurred in connection with the Arrangement, including all costs, expenses and fees of UPC incurred prior to or after the Effective Date in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party to the Arrangement Agreement incurring such expenses, whether or not the Arrangement is consummated.

Sole Remedies

Each Party to the Arrangement Agreement agrees that if the payment of the Termination Fee is made to SAM LP pursuant to the Arrangement Agreement, such payment is the sole remedy of SAM LP, provided however, that this limitation shall not apply in respect of a willful or intentional breach of the Arrangement Agreement by a Party to the Arrangement Agreement prior to its termination. Each Party to the Arrangement Agreement agrees that if the payment of the Expense Reimbursement Amount is made to UPC pursuant to the Arrangement Agreement, such payment is the sole remedy of UPC, provided however, that this limitation shall not apply in respect of a willful or intentional breach of the Arrangement Agreement by a Party to the Arrangement Agreement prior to its termination.

Risk Factors Related to the Arrangement

The completion of the Arrangement involves risks. The following are certain risk factors which the Shareholders should carefully consider before making a decision regarding approving the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive and additional risks and uncertainties, including those currently unknown or considered immaterial to UPC or the Trust, may also adversely affect the Common Shares before the Arrangement, and the Trust Units and/or Exchangeable Shares following the Arrangement, and/or the business of UPC before the Arrangement and of the Trust following the Arrangement.

Payments in connection with the exercise of Dissent Rights may impair the Trust's financial resources or result in adverse tax consequences

Pursuant to the Arrangement, if the Arrangement Resolution is approved, registered Shareholders have Dissent Rights in respect of the Arrangement Resolution and the right to be paid fair value for their Common Shares by the Trust in respect of which such right to dissent was validly exercised, pursuant to section 185 of the OBCA, as modified by the Arrangement. If there is a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such Dissenting Shareholders that could have an adverse effect on the Trust's financial condition and cash resources if the Arrangement is completed and could result in adverse tax consequences. The Arrangement provides that it is a condition precedent to the implementation of the Arrangement that Dissent Rights shall not have been exercised with respect to more than 10% of the Common Shares in connection with the Arrangement Resolution.

The Arrangement may not be completed. If UPC is unable to complete the Arrangement, there could be an adverse effect on UPC's business and the market price of the Common Shares

The completion of the Arrangement is subject to certain conditions which are outside the control of UPC, including the receipt of certain regulatory, court, stock exchange, and shareholder approvals. There can be no certainty, nor can UPC provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Common Shares may be impacted to the extent that the current market price reflects a market assumption that the Arrangement will be completed.

A substantial delay in obtaining satisfactory approvals and/or the imposition of unfavourable terms or conditions in the approvals to be obtained could result in the termination of the Arrangement Agreement. If the Arrangement is not completed: (i) the market price of the Common Shares could be adversely affected, and may decline to the extent the current market price reflects an assumption that the Arrangement will be completed; (ii) certain costs related to the Arrangement, such as legal, accounting and financial advisory fees, must be paid by UPC even if the Arrangement is not completed; and (iii) UPC may not be successful in finding another business opportunity that is of equal or greater benefit to UPC.

If the Arrangement Agreement is terminated by Sprott or UPC, there could be an adverse effect on UPC

Each of Sprott and UPC has the right, in certain circumstances, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can UPC provide any assurance, that the Arrangement Agreement will not be terminated by any of them prior to the completion of the Arrangement. A termination of the Arrangement Agreement could materially adversely affect the public perception of UPC, which may limit further development of its business. See "*Part I – The Arrangement – The Arrangement Agreement – Termination*".

UPC will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee to Sprott

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by UPC and Sprott even if the Arrangement is not completed.

If the Arrangement is not completed, UPC will, in certain circumstances, be required to pay Sprott the Termination Fee of up to C\$3 million. In order for UPC to fund the payment of the Termination Fee to Sprott, UPC may be required to sell some of its uranium holdings. See "*Part I – The Arrangement – The Arrangement Agreement – Termination*".

The Arrangement is conditional upon, among other things, the receipt of certain stock exchange and regulatory approvals as well as the satisfaction of certain other customary closing conditions that could delay completion of the Arrangement

The Arrangement is conditional upon, among other things, UPC, Sprott and the Trust, as applicable, having obtained all Key Regulatory/Stock Exchange Approvals that are necessary to complete the Arrangement and to issue and list the Trust Units on the TSX pursuant to the Arrangement. A substantial delay in obtaining such approvals or the imposition of unfavourable terms or conditions in the approvals could have an adverse effect on the business, financial condition or results of operations of the Trust.

There is no assurance that the completion of the Arrangement will achieve the benefits anticipated by UPC

Even if the Arrangement is completed (of which there is no assurance), the anticipated benefits of the Arrangement may not be achieved and/or the objectives and investment policies of the Trust may differ from those of UPC in material ways.

While the completion of the Arrangement is pending, UPC is restricted from taking certain actions

The Arrangement Agreement contains certain covenants agreed to by UPC that impose certain obligations and restrictions on UPC prior to the completion of the Arrangement, including but not limited to certain non-solicitation covenants. These covenants may prevent UPC from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

See also "*Part I – The Arrangement – Risk Factors Related to the Trust*".

Effect of the Arrangement

Upon closing of the Arrangement, Shareholders will receive in exchange for each Common Share, at the election of each Shareholder and subject to certain limits and eligibility, either: (a) one-half of one Trust Unit; or (b) one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis.

Non-Eligible Holders

Each Shareholder who is not an Eligible Holder will receive, in respect of each Common Share held by such person, one-half of one Trust Unit.

Eligible Holders

Each Shareholder who is an Eligible Holder will receive, in respect of each Common Share held by such person, one-half of one Trust Unit or may make a Consideration Election to receive one-half of one Exchangeable Share. Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration.

However, Eligible Holders should be aware that, pursuant to the Arrangement Agreement and Plan of Arrangement:

- (i) the creation and issuance of the Exchangeable Shares pursuant to the Plan of Arrangement is subject to the Common Shares being exchanged under the Plan of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$10.04 per Exchangeable Share). If the foregoing condition is not satisfied, then no Exchangeable Share will be issued pursuant to the Plan of Arrangement and any holders of Common Shares that made a Consideration Election for Exchangeable Shares in accordance with the Plan of Arrangement will receive instead Trust Units in lieu of such Exchangeable Shares, as specified in their Letter of Transmittal; and
- (ii) no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than dissenting Common Shares) may be exchanged for Exchangeable Shares (the "**Maximum Election Amount**"). In the event the Maximum Election Amount is exceeded, the number of Exchangeable Shares that the Eligible Holders elected to receive will be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement.

As a result of the foregoing, in certain circumstances no Exchangeable Shares will be issuable pursuant to the Arrangement.

If Eligible Holders have any doubt as to the implications of electing to receive Exchangeable Shares, please contact your tax, financial, legal or other professional advisors.

Effect of the Arrangement on Shareholders that Elect to Receive Trust Units

The Trust is a trust and the rights of Trust Unitholders are established by the Trust Agreement, unlike UPC, which is a corporation existing under the laws of Ontario, where the rights of Shareholders are governed by the OBCA and by the articles and by-laws of UPC.

Although the Trust Agreement, which is comparable to many closed-end fund products, will confer upon a Trust Unitholder many of the same protections, rights and remedies a Shareholder would have as a shareholder of a corporation governed by the OBCA, significant differences exist. See "*Part II – Information Concerning the Trust*", "*Part III – Information Concerning UPC*" and "*Schedule B – Comparison of Rights as a Unitholder of the Trust and as a Shareholder of UPC*".

It is a condition of the Arrangement that the Trust Units be listed on the TSX upon closing of the Arrangement and, within six months following the completion of the Arrangement, pursuant to the Management Agreement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca.

Effect of the Arrangement on Shareholders that Elect to Receive Exchangeable Shares

Exchangeco is a corporation existing under the laws of Ontario. All of the common shares of Exchangeco will be held, directly or indirectly, by the Trust and all of the Exchangeable Shares of Exchangeco will be held directly or indirectly by Eligible Holders that elected to receive Exchangeable Shares in accordance with the Arrangement Agreement and Plan of Arrangement. Each Exchangeable Share will be exchangeable for one Trust Unit at the election of the holder of an Exchangeable Share. Additionally, holders of Exchangeable Shares will be entitled to certain dividend and other distribution rights pursuant to the Exchangeable Share Support Agreement and certain voting rights pursuant to the Voting and Exchange Trust Agreement.

Shareholders who are Eligible Holders wishing to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares must make a Consideration Election and receive Exchangeable Shares as consideration. See "*Part I - The Arrangement – Certain Canadian Federal Income Tax Considerations*".

The Exchangeable Shares will not be listed on any stock exchange.

Procedure for the Arrangement to Become Effective

The Arrangement is proposed to be carried out pursuant to Section 182 of the OBCA. The following procedural steps must be taken for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by Shareholders at the Meeting either in person or by proxy in the manner required by the Interim Order;
- (b) the Arrangement must be approved by the Court pursuant to the Final Order;
- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement including Key Regulatory/Stock Exchange Approvals must be satisfied or waived by the appropriate Party to the Arrangement Agreement; and
- (d) the Final Order, Articles of Arrangement and related documents, in the form prescribed by the OBCA, must be filed with the Director.

Approval of Shareholders Required for the Arrangement

Pursuant to the Interim Order, the Arrangement Resolution must be approved by at least 66⅔% of the votes cast by Shareholders and by a majority of the votes cast by MI 61-101 Minority Shareholders, in each case present in person or represented by proxy at the Meeting. If the Arrangement Resolution is not approved by Shareholders at the Meeting by the specified voting thresholds, the Arrangement cannot be completed.

All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

Notwithstanding the foregoing, the Arrangement Resolution authorizes the UPC Board, without further notice to, or approval of Shareholders, to amend the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and, subject to the terms of the Arrangement Agreement, to decide not to proceed with the Arrangement. See Appendix A-1 to this Circular for the full text of the Arrangement Resolution.

See also "*Part V – General Proxy Matters – Procedure and Votes Required*".

Court Approvals

Interim Order

On June 7, 2021 the Court granted the Interim Order facilitating the calling of the Meeting and prescribing the conduct of the Meeting and other matters. The Interim Order is attached as Appendix B to this Circular.

Final Order

Provided that Shareholders have approved the Arrangement Resolution in the manner directed by the Court, UPC will proceed with an application for the Final Order on or about July 9, 2021 or so soon thereafter as counsel may be heard. Subject to the Final Order and to the issuance of the proof of filing of the Articles of Arrangement, UPC and the Shareholders, SAM LP, the Trust, and Exchangeco and all other persons affected will be bound by the Arrangement in accordance with its terms.

At the hearing, any Shareholder or other interested party (each an "**Interested Party**") desiring to appear and make submissions at the application for the Final Order is required to file with the Court and serve upon UPC, on or before 4:00 p.m. (Toronto Time) on July 7, 2021 (or the Business Day that is the second last Business Day prior to the date of the Court hearing if it is not held on July 9, 2021), a notice of appearance ("**Notice of Appearance**") as set out in the Notice of Application (appended as Appendix C to this Circular) including the Interested Party's address for service (or alternatively, a facsimile number for service by facsimile or an email address for service by electronic mail), indicating whether such Interested Party intends to support or oppose the application or make submissions at the application, together with a summary of the position such Interested Party intends to advocate before the Court, and any evidence or materials which are to be presented to the Court. Service of such notice shall be effected by service upon UPC, care of Cassels Brock & Blackwell LLP, Attention: Lara Jackson (ljackson@cassels.com). If the application for the Final Order is adjourned, only those parties appearing before the Court for the Final Order, and those Interested Parties serving a Notice of Appearance in accordance with the Interim Order, shall have notice of the adjourned date. The Court hearing in respect of the Final Order is scheduled to take place on July 9, 2021 at 9:30 a.m. (Toronto Time), or as soon thereafter as the court may direct, by videoconference, subject to the approval of the Arrangement Resolution at the Meeting. Shareholders who wish to participate in or be represented at the Court hearing should review the Notice of Application appended as Appendix C to this Circular and consult with their legal advisors as to the necessary requirements.

The Trust Units and Exchangeable Shares to be issued and exchanged pursuant to the Arrangement will be issued in reliance upon the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof, which exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely notice thereof. The Court has been advised that if the terms and conditions of the Arrangement are approved by the Court as substantively and procedurally fair to the Shareholders, the Trust intends to use the Final Order of the Court approving the Arrangement as a basis for the exemption from registration under the U.S. Securities Act for the Trust Units and Exchangeable Shares to be issued and exchanged pursuant to the Arrangement. Therefore, subject to the additional requirements of Section 3(a)(10) under the U.S. Securities Act, should the Court make a Final Order approving the Arrangement, the Trust Units and Exchangeable Shares issued and exchanged pursuant to the Arrangement will be exempt from registration under the U.S. Securities Act.

UPC has been advised by its counsel that the Court has broad discretion under the OBCA when making orders with respect to the Arrangement and that the Court, in hearing the application for the Final Order, will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks fit. Depending upon the nature of any required amendments, the Parties to the Arrangement, each acting reasonably, may determine not to proceed with the Arrangement.

Key Regulatory / Stock Exchange Approvals

Stock Exchange

UPC is a reporting issuer under the Canadian Securities Laws in each of the provinces of Canada. The Common Shares are listed and posted for trading on the TSX under the symbol "U". On April 27, 2021, the last trading day on which the Common Shares traded prior to the public announcement of execution of the Arrangement Agreement, the closing price of the Common Shares on the TSX was C\$4.99. On June 4, 2021, the closing price of the Common Shares on the TSX was C\$5.92. The Common Shares are not listed or posted for trading on any stock exchange. For information with respect to the trading history of the Common Shares, see "*Part III – Information Concerning UPC – Monthly Price Range and Trading Volumes*".

Upon the completion of the Arrangement, the Trust will become a reporting issuer under the Canadian Securities Laws in each of the provinces of Canada. It is a condition to completion of the Arrangement that the TSX shall have conditionally approved the listing of the Trust Units issuable pursuant to the Arrangement on the TSX. Sprott has applied to list the Trust Units on the TSX. Listing will be subject to the Trust fulfilling all of the listing requirements of the TSX.

Other Regulatory Conditions or Approvals

In addition to the approval of the Arrangement Resolution by Shareholders, the Interim Order and Final Order, and the Trust Unit Stock Exchange Approvals, it is a condition precedent to the implementation of the Arrangement that all necessary regulatory approvals be obtained.

Timing

If the Meeting is held as scheduled and is not adjourned and/or postponed and the Arrangement Resolution is approved at the Meeting, UPC will apply for the Final Order approving the Arrangement on or about July 9, 2021. If the Final Order is obtained in a form and substance satisfactory to the Parties to the Arrangement Agreement (in each case, acting reasonably) and all other conditions set forth in the Arrangement Agreement are satisfied or waived by the applicable Party to the Arrangement Agreement, UPC expects the Effective Date to occur early in the third quarter of 2021 following the receipt of all requisite regulatory and stock exchange approvals. However, it is not possible at this time to state with certainty when the Effective Date will occur.

The Arrangement will become effective as of the Effective Time on the Effective Date, which is expected to be the date of the filing with the Director of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Director.

The Effective Date could be delayed, however, for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or the failure to receive any required regulatory approvals on acceptable terms and conditions in a timely manner.

Subject to certain limitations, certain Parties to the Arrangement Agreement may terminate the Arrangement Agreement if the Arrangement is not consummated by the Outside Date.

Procedure for Exchange of Common Shares

Registered Shareholders

If you are a Registered Shareholder, you must deposit with the Depositary (at the address specified on the last page of the Letter of Transmittal) the validly completed and duly signed Letter of Transmittal together with the certificates representing the Registered Shareholder's Common Shares and such other documents and instruments as the Depositary may reasonably require. Registered Shareholders who do not have their share certificates should refer to "*Part I – The Arrangement – Procedure for Exchange of Common Shares – Lost Certificates*".

You will receive, at your election and subject to certain limits and eligibility, either: (i) Trust Unit certificates of the Trust; (ii) Exchangeable Share certificates of Exchangeco; or (iii) other evidence of ownership for any of your exchanged Common Shares as soon as practicable following completion of the Arrangement, provided you have sent all of the necessary documentation to the Depositary.

If electing to receive Exchangeable Shares, each Eligible Holder registered as a holder of Common Shares prior to the Election Deadline, being 5:00 p.m. (Toronto Time) on July 8, 2021 (being the business day immediately following the date of the Meeting or, if the Meeting is adjourned or postponed, such time on the business day immediately following the date of such adjourned or postponed Meeting) can make a Consideration Election in the Letter of Transmittal (printed on pink paper) properly completed and delivered to the Depositary. All Shareholders that do not make such Consideration Election in accordance with the above procedures shall receive Trust Units in exchange for their Common Shares. Eligible Holders that elect to receive Exchangeable Shares should be aware that the number of Exchangeable Shares that they will be entitled to receive may be adjusted in accordance with the Arrangement Agreement and Plan of Arrangement. In certain circumstances, no Exchangeable Shares will be issuable pursuant to the Arrangement.

The use of the mail to transmit certificates representing the Common Shares and the Letter of Transmittal will be at the risk of the Registered Shareholder. UPC recommends that registered mail be used.

Except as otherwise provided in the instructions in the Letter of Transmittal, all signatures on (i) the Letter of Transmittal, and (ii) certificates representing the Common Shares, must be guaranteed by an Eligible Institution.

Non-Registered Shareholders

If you are a Non-Registered Shareholder, contact your nominee for further instructions. The exchange of Common Shares for the Shareholder Consideration in respect of any Non-Registered Shareholder is expected to be made with the Non-Registered Shareholder's Intermediary account through the procedures in place for such purposes between CDS & Co. and such Intermediary. Non-Registered Shareholders should contact their Intermediary if they have any questions regarding this process and to arrange for their Intermediary to complete the necessary steps to ensure that they receive the Shareholder Consideration in respect of their Common Shares.

Return of Common Shares

If the Arrangement is not completed, any deposited Common Shares will be returned to the depositing Shareholder at UPC's expense upon written notice to the Depositary from UPC, by returning the deposited Common Shares (and any other relevant documents) by first class insured mail in the name of and to the address specified by the Shareholder in the Letter of Transmittal or, if such name and address is not so specified, in such name and to such address as shown on the register maintained by UPC's transfer agent.

Mail Service Interruption

Notwithstanding the provisions of this Circular, the Letter of Transmittal or Plan of Arrangement, certificates representing the Trust Units or Exchangeable Shares, and certificates representing the Common Shares to be returned if applicable, will not be mailed if UPC or the Trust, as applicable, determines that delivery thereof by mail may be delayed.

Persons entitled to certificates and other relevant documents which are not mailed for the foregoing reason may take delivery thereof at the office of the Depositary at which the deposited certificates representing the Common Shares in respect of which certificates are being issued were originally deposited upon application to the Depositary, until such time as UPC or the Trust, as applicable, has determined that delivery by mail will no longer be delayed.

Notwithstanding the foregoing section, certificates and other relevant documents not mailed for the foregoing reason will be conclusively deemed to have been delivered on the first day upon which they are available for delivery at the office of the Depositary at which the Common Shares were deposited.

Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to be lost, stolen or destroyed, the Depositary will cause the issuance of, in exchange for such lost, stolen or destroyed certificate, the Trust Units or Exchangeable Shares, as applicable, to which the holder is entitled pursuant to the Plan of Arrangement. When authorizing such issuance in exchange for any lost, stolen or destroyed certificate, the person to whom such Trust Units or Exchangeable Shares, as applicable, are to be delivered shall as a condition precedent to the delivery of such consideration, give a surety bond satisfactory to the Trust, Sprott and the Depositary (acting reasonably) in such sum as the Trust or Sprott may direct, and indemnify the Trust, the Depositary, Sprott

and UPC (as applicable) in a manner satisfactory to the Trust, Depositary, Sprott or UPC (as applicable) acting reasonably, against any claim that may be made against the Trust, Depositary, Sprott and UPC (as applicable) with respect to the certificate alleged to have been lost, stolen or destroyed.

Withholding Rights

Sprott, the Trust, UPC or the Depositary or any of their respective affiliates shall be entitled to deduct and withhold from any consideration payable to any person under the Plan of Arrangement, such amounts as Sprott, the Trust, UPC or the Depositary or any of their respective affiliates determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any other Law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the person in respect of which such withholding was made, provided that such amounts are actually remitted to the appropriate taxing authority. Each of Sprott, the Trust, UPC and the Depositary or any of their respective affiliates shall be authorized to sell or otherwise dispose of such portion of the Trust Units or Exchangeable Shares payable under the Arrangement as is necessary to provide sufficient funds to Sprott, the Trust, UPC and the Depositary or any of their respective affiliates, as the case may be, to enable it to implement such deduction or withholding.

Right to Dissent

Section 185 of the OBCA provides registered shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. Pursuant to the Interim Order, Registered Shareholders have Dissent Rights in respect of the Arrangement Resolution and the right to be paid fair value for their Common Shares by the Trust in respect of which such right to dissent was validly exercised, pursuant to Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order. The fair value of the consideration to which a Dissenting Shareholder is entitled pursuant to the Arrangement shall be determined as of the close of business on the last business day before the Effective Date and shall be paid to the Dissenting Shareholders by the Trust or Sprott, as applicable, as contemplated by the Plan of Arrangement and the Interim Order. Shareholders are cautioned that fair value could be determined to be less than the value of the Trust Units or Exchangeable Shares, as applicable, payable pursuant to the terms of the Arrangement and that the proceeds of disposition received by a Dissenting Shareholder may be treated in a different, and potentially more adverse, manner under Canadian and United States federal income tax laws than had such Shareholder exchanged his or her Common Shares for Trust Units or Exchangeable Shares, as applicable, pursuant to the Arrangement. In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Dissenting Shareholder's Common Shares.

The following is only a summary of the Dissent Rights and provisions of the OBCA (as modified by the Plan of Arrangement and the Interim Order as described below or any other interim order of the Court), which are technical and complex. A copy of Section 185 of the OBCA is attached as Appendix G to this Circular. It is recommended that any Registered Shareholder wishing to avail himself or herself of the Dissent Rights seek legal advice, as failure to strictly comply with the provisions of the OBCA (as modified by the Plan of Arrangement and the Interim Order) may prejudice his or her Dissent Rights.

Section 185(5) of the OBCA provides that a Dissenting Shareholder may only make a claim under that section with respect to all of the shares of a class held by the Dissenting Shareholder or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name. One consequence of this provision is that only a Registered Shareholder may exercise the Dissent Rights in respect of the Common Shares that are registered in that Registered Shareholder's name and only a Registered Shareholder may exercise the Dissent Rights in respect of the Common Shares that are registered in that Registered Shareholder's name. In many cases, Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (a) in the name of an Intermediary that the Non-Registered Shareholder deals with in respect of the Common Shares; or (b) in the name of a depositary (such as CDS) of which the Intermediary is a participant. Accordingly, a Non-Registered Shareholder will not be entitled to exercise its Dissent Rights directly (unless the Common Shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Shareholder that wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Common Shares and either (i) instruct the Intermediary to exercise the Dissent Rights on the Non-Registered Shareholder's behalf (which, if the Common Shares are registered in the name of CDS or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Common Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Shareholder would be able to exercise the Dissent Rights directly. In addition, pursuant to Section 185(5) of the OBCA, a Dissenting Shareholder may not exercise Dissent Rights in respect of only a portion of such Dissenting Shareholder's Common Shares but may dissent only with respect to all Common Shares held by such Dissenting Shareholder or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name.

In order for a Dissenting Shareholder to exercise its Dissent Right, the Dissenting Shareholder's written objection to the Arrangement Resolution must be received by UPC, 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 Attention: Corporate Secretary (email: info@uraniumparticipation.com), not later than 5:00 p.m. (Toronto Time) on July 5, 2021 (or the second last day excluding Saturdays, Sundays and any day on which major banks are closed for business in Toronto, Ontario or New York, New York prior to the date of the Meeting if the Meeting is not held on July 7, 2021). **Failure to strictly comply with the Dissent Procedures will result in loss of the Dissent Right.**

A vote against the Arrangement Resolution, whether in person or by proxy, shall not constitute a written objection to such Arrangement Resolution.

A Dissenting Shareholder may not vote his, her or its Common Shares, as applicable, at the Meeting, either by proxy or in person, in favour of the Arrangement Resolution.

Notwithstanding section 185 of the OBCA, an application may be made to the Court after the adoption of the Arrangement Resolution by the Trust or by a Shareholder if the Shareholder has sent an objection to UPC, via the process described above, to fix the fair value of the Common Shares of a Shareholder who exercises Dissent Rights. If such an application is made, notwithstanding Section 185 of the OBCA, the Trust shall, unless the Court otherwise orders, send to each Dissenting Shareholder of the applicable class a written offer to pay the Dissenting Shareholder an amount considered by the directors of the Manager of the Trust to be the fair value of the Common Shares and such offer shall be sent to each Dissenting Shareholder of the applicable class at least 10 days before the date on which the application is returnable, if the Trust is the applicant, or within 10 days after the Trust is served with a copy of the application, if a Dissenting Shareholder is the applicant. A Dissenting Shareholder may make an agreement with the Trust for the purchase of the Dissenting Shareholder's Common Shares by the Trust in the amount of the Trust offer above or otherwise, at any time before the Court pronounces an order fixing the fair value of the Common Shares.

Dissenting Shareholders who validly exercise their Dissent Rights in compliance with Section 185 of the OBCA, as modified by the Plan of Arrangement and the Interim Order, and who: (i) are determined to be entitled to be paid the fair value of their Common Shares shall be deemed to have transferred such Common Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims and encumbrances to the Trust or Sprott, as applicable; and (ii) are, for any reason (including, for clarity, any withdrawal by any Dissenting Shareholder of their dissent) determined not to be entitled to be paid the fair value for their Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Shareholder and such Common Shares will be deemed to be exchanged for the consideration under the Arrangement, as applicable, but in no event shall UPC, the Trust or any other person be required to recognize such Shareholders as holders of Common Shares after the Effective Time, and the names of such Shareholders shall be removed from the register of Common Shares.

On the Arrangement becoming effective, or upon the making of an agreement between the Trust and the Dissenting Shareholder as to the payment to be made by the Trust to the Dissenting Shareholder, or upon the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a Shareholder other than the right to be paid the fair value of such holder's Common Shares in the amount agreed to between the Trust or Sprott and the Dissenting Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Dissenting Shareholder may withdraw the Dissenting Shareholder's dissent, or if the Arrangement has not yet become effective, the Parties to the Arrangement Agreement may rescind the Arrangement Resolution, and in either event, the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

The Trust shall not make a payment to a Dissenting Shareholder under Section 185 of the OBCA if there are reasonable grounds for believing that the Trust is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of the Trust would thereby be less than the aggregate of its liabilities. In such event, the Trust shall notify each Dissenting Shareholder that it is unable lawfully to pay a Dissenting Shareholder for their Common Shares in which case the Dissenting Shareholder may, by written notice to the Trust within 30 days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Arrangement as a non-dissenting Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection, such Dissenting Shareholder retains status as a claimant against the Trust to be paid as soon as the Trust is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Trust but in priority to Trust Unitholders.

Shareholders that are considering exercising Dissent Rights should consult their own legal and financial advisors.

It is a condition precedent to the obligations of Sprott and the Trust to complete the Arrangement under the Arrangement Agreement that Dissent Rights shall not have been exercised with respect to more than 10% of the Common Shares in connection with the Arrangement Resolution.

The foregoing description of the right of dissent is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder in respect of the Arrangement Resolution who seeks payment of the fair value of such Dissenting Shareholder's Common Shares and is qualified in its entirety by the reference to the full text of Section 185 of the OBCA which is attached to this Circular as Appendix G. A Dissenting Shareholder who intends to exercise the right of dissent in respect of the Arrangement Resolution should carefully consider and comply with the provisions of that section. Failure to comply with the provisions of that section and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Interests of Certain Persons or Companies in the Arrangement

The directors and officers of UPC have interests in the Arrangement that are, or may be, different from, or in addition to, the interests of the Shareholders. These interests include those described in the UPC AIF under the heading "*Risk Factors – Conflicts of Interest*".

Insurance Coverage for Directors and Officers of UPC

UPC shall purchase tail policies of directors and officers liability insurance providing protection comparable to the current protection provided by the policies maintained by UPC as are in effect immediately prior to the Effective Time and providing coverage on a "trailing" or "run-off" basis, for a period of six years after the Effective Time, for all present and former directors and officers of UPC with respect to claims arising from facts or events which occurred prior to the Effective Time.

Pursuant to the Arrangement Agreement, neither the Trust nor Sprott shall take any steps to terminate such insurance policies or to reduce the scope of such policies.

Expenses of the Arrangement

The estimated costs to be incurred by UPC with respect to the Arrangement and related matters including, without limitation, financial advisory, proxy solicitation, accounting and legal fees, the costs of preparation, printing and mailing of this Circular and other related documents and agreements, and stock exchange and regulatory filing fees, are expected to aggregate approximately C\$1.9 million. As part of the Arrangement, SAM LP will reimburse UPC for up to \$1.0 million in direct transaction costs (including out-of-scope management fees payable to DMI to a maximum of \$100,000 and costs of services of Gryphon). All additional costs and expenses incurred in connection with the Arrangement are to be paid by the party incurring such costs.

Securities Law Matters

Canada

The Trust Units and Exchangeable Shares to be issued under the Arrangement to Shareholders will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian Securities Laws and, following completion of the Arrangement, the Trust Units will generally be "freely tradeable" (other than as a result of any "control block" restrictions which may arise by virtue of the ownership thereof) under applicable Canadian Securities Laws.

Canadian Securities Regulatory Regime for Investment Funds and Public Companies

Under applicable Canadian Securities Laws, the Trust is expected to be considered a non-redeemable investment fund and subject to the Canadian securities regulatory regime for non-redeemable investment funds that are reporting issuers (the "**Investment Fund Regime**"). Investment funds are not required to have a governing board and instead must have a manager that is a registered investment fund manager under applicable Canadian Securities Laws that is subject to a statutory duty of care and other prescribed regulatory obligations governing its conduct. Investment funds must also have an independent review committee that reviews conflict of interest matters and is subject to prescribed criteria and disclosure obligations under applicable Canadian Securities Laws. Under such Canadian Securities Laws, a manager, in exercising its powers and discharging its duties related to the management of the investment fund, must (a) act honestly and in good faith, and in the best interests of the investment fund, and (b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, an investment fund's independent review committee ("**IRC**") must consist

of at least three members and all members of the IRC must be independent, meaning that, among other things, such member has no material relationship with the manager, the investment fund, or an entity related to the manager. An investment fund's IRC is required to review certain matters, including any situation where a reasonable person would consider a manager, or an entity related to the manager, to have an interest that may conflict with the manager's ability to act in good faith and in the best interests of the investment fund. See "*Part II – Information Concerning the Trust – Trust Governance – IRC*".

If the Arrangement is successful, the Shareholders will receive Trust Units and therefore will hold securities of an issuer, the Trust, that complies with the Investment Fund Regime, as opposed to the Canadian securities regulatory regime for issuers that are not investment funds (the "**Public Company Regime**"). For a summary comparison of the differences between the Investment Fund Regime and the Public Company Regime, see "*Schedule A – Comparison of Canadian Securities Regulatory Regime for Investment Funds and Public Companies*".

Securities Law Requirements for Business Combinations – Discussion and Analysis of Multilateral Instrument 61-101

UPC is a reporting issuer (or its equivalent) in each of the provinces of Canada and is accordingly subject to applicable securities laws of such jurisdictions. In addition, the securities regulatory authorities in the Provinces of Ontario, Quebec, Alberta, Manitoba and New Brunswick have adopted MI 61-101 which regulates transactions which raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations.

MI 61-101 establishes a securities regulatory framework that is designed to ensure that all security holders be treated in a manner that is fair and that is perceived to be fair. The MI 61-101 protections of minority security holders operate when certain parties that may have superior access to information or advantages by virtue of voting power, board representation or another source of significant influence, are involved in a material conflict of interest transaction.

The Arrangement is a "business combination" for purposes of MI 61-101 as (1) it is an arrangement as a consequence of which the interest of Shareholders and Shareholders may be terminated without such holder's consent, and (2) the Arrangement does not constitute a transaction that is specifically excluded from the definition of "business combination" in MI 61-101, as there are related parties (which includes directors and senior officers) who are parties to a connected transaction and who would, as a result of the Arrangement, receive on closing either a "collateral benefit" or consideration for a class of their securities (being Common Shares) which may be considered to be greater than the entitlement of the holders of Common Shares. As a result, MI 61-101 applies to the Arrangement and suggests, or requires, various safeguards in an effort to ensure all security holders will be treated in a manner that is fair and removes the potential for abuse in relation to the Arrangement.

The manner in which MI 61-101 provides protection for minority security holders is through requiring some or all of formal valuations, enhanced disclosure and approval by a majority of the minority security holders.

Formal Valuation:

MI 61-101 provides that in certain circumstances, unless exempted, an issuer proposing to carry out a business combination is required to obtain a formal valuation and to provide security holders with a summary of such valuation. After careful consideration of the two instances where a formal valuation is required under section 4.3(1) of MI 61-101, UPC has determined that it is not subject to the requirement to obtain a formal valuation in connection with the Arrangement. First, no "interested party" is, as a result of the Arrangement, directly or indirectly acquiring UPC or its business, or combining with UPC: the acquiring parties under the Arrangement do not meet the definition of "interested party" as they were not a "related party" of UPC at the time the Arrangement was agreed to. For the purposes hereof, being a "related party" requires, among other things, that they either hold a position of control or direct 10% of the voting rights attached to Common Shares at that time. Second, no "interested party" is a party to any connected transaction to the business combination for which the issuer is required to obtain a formal valuation.

Given the determination that the Arrangement does not trigger the formal valuation requirements, no formal valuation has been obtained.

Enhanced Disclosure:

Enhanced disclosure requirements constitute one of the fundamental minority security holder protections prescribed by MI 61-101. These requirements are intended to address the asymmetry of the information that may exist between minority security holders and others, such as directors and officers or other insiders of an issuer, when minority security holders are asked to consider and approve, or tender into, a material conflict of interest transaction. The purpose of the enhanced disclosure is to provide minority security holders the factual and neutral disclosure necessary to make an informed decision.

See "*Part I – The Arrangement – Reasons the UPC Board is Recommending that Shareholders Vote in Favour of the Arrangement*", and "*Part I – The Arrangement – Risk Factors Related to the Arrangement*".

Majority of Minority Approval:

MI 61-101 also requires that, in addition to any other necessary security holder approval, unless exempted, a business combination must be approved by at least a simple majority of the votes cast by the "minority" shareholders of each class of affected securities, voting separately as a class.

To determine the "minority" Shareholders, the following parties will be considered for exclusion: (a) UPC; (b) any interested party to the Arrangement within the meaning of MI 61-101; (c) any related party to such interested party within the meaning of MI 61-101 (subject to the exceptions set out therein); and (d) any person that is a joint actor with a person referred to in the foregoing clauses (b) or (c) for the purposes of MI 61-101. Under MI 61-101, an interested party includes, but is not limited to: (i) a related party of UPC if such related party would, as a consequence of the transaction, acquire the issuer or the business of the issuer; and (ii) a related party of UPC if such person is entitled to receive, directly or indirectly, as a consequence of the transaction, a "collateral benefit" (as such term is defined in MI 61-101).

The majority of the minority approvals are in addition to the requirement that the Arrangement Resolution be approved by not less than 66⅔% of the votes cast by the Shareholders.

The relevant basis for exclusion of securities from the minority approval votes is the potential collateral benefit related to ownership of securities of Sprott. Specifically, if the Arrangement is approved, a holder of securities of Sprott will receive a benefit in that Sprott will, through SAM LP, be entitled to compensation under the Management Agreement. If a related party of UPC receives this benefit, such related party is an interested party and is excluded from the vote in determining the approval of "minority" Shareholders. To the knowledge of UPC, the only related party to UPC which also has an ownership interest in securities of Sprott is Kopernik Global Investors, LLC ("**Kopernik**"). According to an Alternative Monthly Report filed on behalf of Kopernik on October 9, 2020, which has not been verified by UPC, Kopernik which is the holder of 14,552,518 Common Shares.

Judicial Developments

The Plan of Arrangement will be implemented pursuant to section 182 of the OBCA, which provides that an application may be made to the Court by a security holder of a corporation for an order approving an arrangement in respect of UPC. Pursuant to this section of the OBCA, such an application will be made by UPC for approval of the Arrangement. See "*Part I – The Arrangement – Court Approvals – Final Order*" above.

United States

Issuance and Resale of the Trust Units under U.S. Securities Laws

The following discussion is only a general overview of certain requirements of U.S. federal securities laws that may be applicable to Shareholders and holders of the Trust Units in the United States. All Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of Trust Units issued to them under the Arrangement complies with applicable securities legislation.

The Trust Units and Exchangeable Shares issuable to Shareholders in exchange for their Common Shares pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. Section 3(a)(10) of the U.S. Securities Act exempts from the general requirement of registration the issuance of any securities issued in exchange for one or more bona fide outstanding securities where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the substantive and procedural fairness of the terms and conditions of the Arrangement will be considered. The Court has been advised that if the terms and conditions of the Arrangement are approved by the Court, the Trust intends to use the Final Order of the Court approving the Arrangement as a basis for the exemption from registration under the U.S. Securities Act for the Trust Units and Exchangeable Shares to be issued and exchanged pursuant to the Arrangement. Therefore, subject to the additional requirements of Section 3(a)(10) of the U.S. Securities Act, should the Court make a Final Order approving the Arrangement, the Trust Units and Exchangeable Shares issued and exchanged pursuant to the Arrangement will be exempt from registration under the U.S.

Securities Act. The Court granted the Interim Order on June 7, 2021 and, subject to the approval of the Arrangement by the Shareholders and satisfaction of certain other conditions, a hearing in respect of the Final Order will be held on or about July 9, 2021 by the Court. See "*Part I – The Arrangement – Court Approvals*".

The Trust Units issuable to the Shareholders pursuant to the Arrangement will be, upon completion of the Arrangement, freely tradeable under the U.S. Securities Act, except by persons who are "affiliates" of the Trust after the Effective Date or were affiliates of the Trust within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that directly or indirectly control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as certain major shareholders of the issuer.

Any resale of Trust Units by such an affiliate may be subject to the registration requirements of the U.S. Securities Act, absent an exemption or exclusion therefrom. Subject to certain limitations, affiliates may immediately resell the Trust Units outside the United States without registration under the U.S. Securities Act pursuant to Regulation S under the U.S. Securities Act. If available, such affiliates may also resell such Trust Units pursuant to Rule 144 under the U.S. Securities Act.

If an Eligible Holder has made a Consideration Election to receive one-half of one Exchangeable Share, Section 3(a)(10) of the U.S. Securities Act does not exempt from the registration requirements of the U.S. Securities Act any Trust Units subsequently issuable upon exchange of the Exchangeable Shares. Trust Units issuable upon exchange of Exchangeable Shares may be issued outside the United States in accordance with Regulation S only to an Eligible Holder that provides the Regulation S Confirmations and may only be resold pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws or pursuant to a registration statement under the U.S. Securities Act.

Affiliates – Rule 144

In general, under Rule 144, persons who are affiliates of the Trust after the Effective Date (or were affiliates of the Trust within 90 days prior to the Effective Date) will be entitled to sell, during any three-month period, the Trust Units that they receive in connection with the Arrangement, provided that the number of such securities sold does not exceed the greater of one percent of the then-outstanding securities of such class or, if such securities are listed on a United States securities exchange and/or reported through the automated quotation system of a U.S. registered securities association, the average weekly trading volume of such securities during the four calendar week period preceding the date of sale, subject to specified restrictions on manner of sale, filing requirements, aggregation rules and the availability of current public information about the Trust. Persons who are affiliates of the Trust after the Effective Date (or were affiliates of UPC or the Trust within 90 days prior thereto) will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be affiliates of the Trust.

Affiliates – Regulation S

In general, under Regulation S, persons who are affiliates of the Trust following the Effective Date (or were affiliates of the Trust within 90 days prior to the Effective Date) solely by virtue of their status as an officer or director of the Manager or SAM LP GP may sell their the Trust Units outside the United States in an "offshore transaction" (which would include a sale through the TSX, if applicable) if neither the seller, an affiliate nor any person acting on its behalf engages in "directed selling efforts" in the United States and provided that no selling commission, fee or other remuneration is paid in connection with such sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered". Also, under Regulation S, subject to certain exceptions contained in Regulation S, an "offshore transaction" is a transaction in which the offer of the applicable securities is not made to a person in the United States, and either (a) at the time the buy order is originated, the buyer is outside the United States or the seller reasonably believes that the buyer is outside of the United States, or (b) the transaction is executed in, on or through the facilities of a designated offshore securities market (which would include a sale on the TSX). Certain additional restrictions, set forth in Rule 903 of Regulation S, are applicable to sales outside the United States and to "U.S. persons" (as such term is defined in Regulation S) by a holder of the Trust Units who is an affiliate of the Trust upon completion of the Arrangement other than by virtue of his or her status as an officer or director of the Manager or SAM LP GP.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale of the Trust Units received upon completion of the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

Although there have been a number of judicial decisions considering this section of the OBCA and applications to various arrangements, there have not been, to the knowledge of UPC, any recent significant decisions which would apply in this instance. Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement.

Legal Matters

Certain Canadian legal matters relating to the Arrangement are to be passed upon by Cassels Brock & Blackwell LLP and Thorsteinssons LLP on behalf of UPC and by Stikeman Elliott LLP on behalf of Sprott and the Trust. Certain United States legal matters relating to the Arrangement are to be passed on by Troutman Pepper LLP on behalf of UPC and Skadden, Arps, Slate, Meagher & Flom LLP on behalf of Sprott and the Trust. As at June 7, 2021, we are advised that the partners and associates of each of Cassels Brock & Blackwell LLP, Thorsteinssons LLP, Troutman Pepper LLP, Stikeman Elliott LLP, and Skadden, Arps, Slate, Meagher & Flom LLP beneficially owned, directly or indirectly, less than 1% of the outstanding Common Shares and nil Trust Units.

Experts

The audited annual consolidated financial statements of UPC dated April 1, 2021 as at and for the financial years ended February 28, 2021 and February 29, 2020 together with the auditor's report thereon of PricewaterhouseCoopers LLP and the notes thereto are incorporated in the Circular. PricewaterhouseCoopers LLP has advised that it is independent with respect to UPC within the meaning of the Code of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

Certain Canadian Federal Income Tax Considerations

The following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a Shareholder who disposes of their Common Shares pursuant to the Arrangement. This summary is applicable to a Shareholder, holder of Exchangeable Shares or Trust Unitholder who, for purposes of the Tax Act: (a) deals at arm's length with the Trust, UPC, Exchangeco, or SAM LP; (b) is not affiliated with the Trust, UPC, Exchangeco, and SAM LP; and (c) holds the Common Shares and will hold any Trust Units or Exchangeable Shares acquired pursuant to the Arrangement as capital property (a "**Holder**").

Generally, Common Shares, Exchangeable Shares and Trust Units will constitute capital property to a Holder for purposes of the Tax Act if such Holder does not hold the securities in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Holders who are Residents may be entitled to make or may already have made the irrevocable election permitted by subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property any Common Shares or Exchangeable Shares (and any other "Canadian security", as defined in the Tax Act) owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years. Where a Holder makes an election with Exchangeco under section 85 of the Tax Act in respect of the Common Shares as described below, the Exchangeable Shares received under the Arrangement in exchange for the Common Shares will not be "Canadian securities" to such holder for this purpose and therefore will not be deemed to be capital property under subsection 39(4) of the Tax Act. While the Trust is not a "mutual fund trust" (within the meaning of the Tax Act), a Trust Unit will not constitute a "Canadian security" within the meaning of the Tax Act and therefore will not be deemed to be capital property under subsection 39(4). Holders whose Common Shares or Exchangeable Shares may not otherwise be considered to be capital property should consult with and rely on their own tax advisors concerning the subsection 39(4) election. This summary assumes that the Trust will not be subject to a "loss restriction event" following the Effective Date.

This summary is based on the facts set out in this Circular, an officer's certificate provided to counsel by UPC, the current provisions of the Tax Act, the Regulations and the current administrative practices of the Canada Revenue Agency ("**CRA**") published in writing by it prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) ("**Tax Proposals**") before the date of this Circular and assumes that all Tax Proposals will be enacted in the form proposed. However, no assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not take into account or anticipate any changes in law or administrative policies or assessing practices, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account provincial, territorial, or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is not applicable to a Holder: (a) that is a "financial institution" for purposes of the mark-to-market rules in the Tax Act, (b) an interest in which would be a "tax shelter investment", as defined in the Tax Act, (c) that is a "specified financial

institution”, as defined in the Tax Act, (d) that has made a functional currency reporting election under the Tax Act to report its “Canadian tax results” as defined in the Tax Act in a currency other than Canadian currency, (e) that has entered or will enter into a “derivative forward agreement” or a “synthetic disposition arrangement”, as defined in the Tax Act, in respect of the Common Shares, Exchangeable Shares or the Trust Units, or (f) that receives dividends on their Common Shares or Exchangeable Shares under or as part of a “dividend rental arrangement” as defined in the Tax Act. Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of the Trust Units or Exchangeable Shares, controlled by a non-resident corporation (or pursuant to the Tax Proposals, a non-resident person or group of persons (comprised of any combination of non-resident corporations, non-resident individuals or non-resident trusts) that do not deal at arm’s length) for purposes of the “foreign affiliate dumping” rules in section 212.3 of the Tax Act. Any such Holder to which this summary does not apply should consult its own tax advisor with respect to an acquisition of the Trust Units or Exchangeable Shares.

This summary does not describe the tax consequences relating to any investment of the Trust in property other than Common Shares. This summary assumes that, at all times, no more than 50% of the fair market value of all interests in the Trust are held by Trust Unitholders that are “financial institutions”, as such term is defined in subsection 142.2(1) of the Tax Act. This summary also assumes that the Trust will not earn any “designated income” as defined for the purpose of Part XII.2 of the Tax Act.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. Accordingly, Holders should consult their own tax advisors with the income tax consequences to them of the Arrangement, including: (a) disposing of Common Shares pursuant to the Arrangement; (b) acquiring the Trust Units and/or Exchangeable Shares pursuant to the Arrangement; (c) holding and disposing of the Trust Units, and (d) holding and disposing of Exchangeable Shares, all having regard to a Holder's own particular circumstances.

Status of the Trust

Although interests in the Trust are described by reference to units, the Trust will not, upon its initial creation, be a “unit trust” as defined in the Tax Act and therefore will not be a “mutual fund trust” as defined in the Tax Act. The consequences of not qualifying for such designations under the Tax Act are described below under the heading “*Certain Canadian Federal Income Tax Considerations – Taxation of the Trust*”.

Pursuant to the Trust Agreement, the Trust shall take such steps as necessary or advisable so that the Trust may qualify as a “unit trust” for purposes of the Tax Act prior to April 22, 2042, as determined by the Manager in its discretion. If such event does not occur, the adverse income tax considerations applicable to the Trust could be material. However, the discussion of Canadian tax consequences herein describes the tax consequences of the Trust not qualifying as a unit trust and a mutual fund trust, as is currently the case, and does not anticipate any changes to the status of the Trust.

SIFT Rules

The Tax Act provides for a special taxation regime (the “**SIFT Rules**”) applicable to a trust that is a “specified investment flow-through” trust as defined in the Tax Act (“**SIFT**”) and their investors. Under the SIFT Rules, a SIFT is not permitted to deduct any of its “non-portfolio earnings” (which includes its income from its “non-portfolio properties” other than taxable dividends) for a taxation year that it pays or makes payable in the taxation year to its investors. Such undeductible income is subject to tax in the SIFT at rates that approximate the combined federal and provincial corporate income tax rates. Distributions to the SIFT’s investors of such undeductible income are deemed to be taxable dividends from a taxable Canadian corporation, and investors are taxed accordingly.

Counsel’s understanding is that the sole undertaking of the Trust will be to hold Common Shares. UPC’s primary purpose is to invest in uranium, either directly or through wholly-owned subsidiaries, as well as lending and/or exchanging its uranium to third parties. Based on this understanding, the Trust should therefore not own “non-portfolio property” within the meaning of the Tax Act. As a result, the SIFT Rules should have no application to the Trust. This determination on the application of the SIFT Rules is not binding upon the CRA and it is possible that the CRA could take the position that the SIFT Rules apply. Counsel expresses no opinion as to the appropriateness or accuracy of this view. To the extent the SIFT Rules apply to the Trust, the tax consequences may be materially and adversely different. It is not expected that the Trust will earn income that would be subject to tax under the SIFT Rules.

Taxation of the Trust

The Trust will generally be subject to tax in each taxation year under Part I of the Tax Act on the amount of its income for the year, including net realized taxable capital gains, less the portion thereof that it claims in respect of the amount paid or payable to the Trust Unitholders in such taxation year. An amount will be considered to be payable to a Trust Unitholder in a taxation year if it is paid in the year by the Trust or the Trust Unitholder is entitled in that year to enforce payment of it.

In computing its income for purposes of the Tax Act, the Trust may deduct reasonable administrative costs and other reasonable expenses incurred by it for the purpose of earning income. However, because the Trust does not qualify as a unit trust, it may not deduct from its income for the year a portion of any reasonable expenses incurred by the Trust to issue the Trust Units.

Dividends paid to the Trust by UPC will be included in computing the income of the Trust. In addition, the Trust will also be required to take into account capital gains and losses realized on dispositions of the Common Shares. In general, the Trust will realize a capital gain (or capital loss) upon the actual or deemed disposition of the Common Shares held by the Trust, to the extent the proceeds of disposition net of any reasonable costs of disposition exceed (or are less than) the adjusted cost base of such shares unless the Trust were considered to be trading or dealing in securities or otherwise carrying on a business of buying and selling securities or the Trust has acquired the Common Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade. The “suspended loss” rules in the Tax Act may prevent the Trust from recognizing capital losses on the disposition of the Common Shares in certain circumstances which may increase the amount of net realized capital gains of the Trust to be paid or payable to Trust Unitholders.

One-half of the amount of any capital gain (a “**taxable capital gain**”) realized by the Trust in a taxation year on the disposition of the Common Shares that are capital property of the Trust must be included in computing the Trust’s income for the year, and one-half of the amount of any capital loss (an “**allowable capital loss**”) realized by the Trust in a taxation year must be deducted against any taxable capital gains realized by the Trust in the year. Any excess of allowable capital losses over taxable capital gains for a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized by the Trust to the extent and under the circumstances described in the Tax Act. Because the Trust will not qualify as a mutual fund trust, it will not be entitled to reduce (or receive a refund in respect of) its liability, if any, for any tax arising on its capital gains for a particular taxation year from the disposition of a Common Share.

Having regard to the Trust Agreement, the Trust is required to make distributions in each year to Trust Unitholders in an amount sufficient to ensure that the Trust will generally not be liable for tax under Part I of the Tax Act in any year. Income of the Trust payable to Unitholders, whether in cash, additional units or otherwise, will generally be deductible by the Trust in computing its taxable income. However, there are circumstances in which the Trust, despite making such distributions, may be liable to alternative minimum tax.

If the Trust does not qualify as a unit trust within the meaning of the Tax Act, on the day that is 21 years after the date of its creation (or on each 21 year anniversary day thereafter) the Trust may be deemed at that time to have disposed of, and reacquired, certain capital property for fair market value for the purposes of the Tax Act. Accordingly, the Trust would be subject to tax under Part I of the Tax Act on the taxable capital gains arising from such deemed disposition, less the portion thereof that it claims in respect of amounts paid or payable to the Trust Unitholders in the taxation year.

Holders who are Residents

This section of the summary of Certain Canadian Federal Income Tax Considerations is applicable to a Holder who is, or is deemed to be, a Resident (a “**Resident Holder**”). The taxation of Holders who are Non-Residents is described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Non-Residents*”.

Pursuant to the Arrangement, a Resident Holder of Common Shares who is not exempt from tax under Part I of the Tax Act, or a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act (an “**Eligible Holder**”), may elect to receive Exchangeable Shares (together with any ancillary rights), Trust Units or a combination thereof for such Holder’s Common Shares.

Ancillary Rights

A Resident Holder who receives Exchangeable Shares as part of the consideration under the Arrangement for their Common Shares will also receive ancillary rights connected to such shares (including the Exchange Right and the Automatic Exchange Right, each as defined in the Voting and Exchange Trust Agreement) (“**Ancillary Rights**”). A Resident Holder will be required to account for the Ancillary Rights in determining the proceeds of disposition of such Holder’s Common Shares and the cost

of the Exchangeable Shares received in consideration therefor.

UPC is of the view that the Ancillary Rights will have a nominal fair market value. This determination of value is not binding upon the CRA and it is possible that the CRA could take the position that the Ancillary Rights have a fair market value in excess of a nominal amount. Counsel expresses no opinion as to the appropriateness or accuracy of this view.

Call Rights

UPC is of the view that any call rights, including any Retraction Call Rights, Redemption Call Rights, Liquidation Call Rights, and Change of Law Call Rights, in respect of the Exchangeable Shares granted pursuant to the Arrangement (the “**Call Rights**”) will have a nominal fair market value. This determination of value is not binding upon the CRA and it is possible that the CRA could take the position that the Call Rights have a fair market value in excess of a nominal amount. Counsel expresses no opinion as to the appropriateness or accuracy of this view. Based on this view, the granting of the Call Rights pursuant to the Arrangement will not result in any material adverse income tax consequences to a Resident Holder.

Exchange of Common Shares for Trust Units

Pursuant to the Arrangement, Common Shares held by Resident Holders (other than Common Shares held by Dissenting Shareholders and Common Shares exchanged for Exchangeable Shares) will be transferred to the Trust in exchange for Trust Units on a one-for-one basis. A Resident Holder who exchanges Common Shares for Trust Units pursuant to the Arrangement will be considered to have disposed of such shares for proceeds of disposition equal to the fair market value at the Effective Time of such Trust Units acquired by the Holder. Such a Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the fair market value of the Trust Units received in exchange for the Common Shares exceeds (or is less than) the aggregate of the adjusted cost base of the Common Shares transferred by the Holder to the Trust and any reasonable costs of disposition. The taxation of capital gains and capital losses is described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Taxation of Capital Gains and Capital Losses*”.

The cost to a Resident Holder of the Trust Units acquired in exchange for Common Shares will be equal to the fair market value at the Effective Time of the Common Shares exchanged by the holder for such Trust Units.

Exchange of Common Shares for Exchangeable Shares – No Section 85 Election

Where no valid election is made under section 85 of the Tax Act (as described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Section 85 Election*”), the exchange of Common Shares for Exchangeable Shares (including the Ancillary Rights) will generally be a taxable event to a Resident Holder. An Eligible Holder who (a) disposes of Common Shares and who validly makes a Consideration Election pursuant to the Arrangement to receive and accordingly receives Exchangeable Shares (including the Ancillary Rights), and (b) does not make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act (as applicable and as described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Section 85 Election*”) in respect of such Common Shares, will be considered to have disposed of such Common Shares for proceeds of disposition equal to the sum of (a) the aggregate fair market value, at the time of the disposition, of the Exchangeable Shares acquired on the exchange, and (b) the fair market value of the Ancillary Rights acquired on the exchange.

Such a Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the fair market value of the Exchangeable Shares and Ancillary Rights received in exchange for the Common Shares exceeds (or is less than) the aggregate of the adjusted cost base of the Common Shares transferred by the Resident Holder to the Trust and any reasonable costs of disposition. The taxation of capital gains and capital losses is described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Taxation of Capital Gains and Capital Losses*”.

The cost to a Resident Holder of the Exchangeable Shares and Ancillary Rights acquired in exchange for Common Shares will be equal to the fair market value at the Effective Time of the Common Shares exchanged by the Holder for such shares and rights.

Exchange of Common Shares for Exchangeable Shares – Section 85 Election

A Resident Holder who (a) disposes of Common Shares pursuant to the Arrangement and who validly make a Consideration Election pursuant to the Arrangement to receive and accordingly receives, as consideration, Exchangeable Shares (including the Ancillary Rights), and (b) validly makes a joint election under subsection 85(1) or subsection 85(2) of the Tax Act (as

applicable and as described below under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Section 85 Election*”) in respect of such shares, may obtain a full or partial tax deferral of any capital gain otherwise arising on the exchange of such Common Shares as described above under “*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Exchange of Common Shares for Exchangeable Shares – No Section 85 Election*”, depending on the Elected Amount (as defined below) and the adjusted cost base to the Holder of such Common Shares at the time of the exchange.

Section 85 Election

Subject to the limitations and conditions described below, Exchangeco will make a joint election under subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation) with an Eligible Holder who validly receives Exchangeable Shares (including the Ancillary Rights) as part of the consideration, at the agreed amount selected by the Holder subject to the limitations under the Tax Act (the “**Elected Amount**”). Subject to the limitations under the Tax Act described generally below, the Elected Amount will be treated for the purposes of the Tax Act as the Eligible Holder’s proceeds of disposition of its Common Shares.

In order to make an election under subsection 85(1) or subsection 85(2), as applicable, of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation), an Eligible Holder must provide two signed copies of the necessary prescribed election forms to the Tax Election Agent within 90 days following the Effective Date, duly completed with the details of the number of Common Shares transferred and the applicable Elected Amounts for the purposes of such elections. It is the responsibility of each Eligible Holder who wishes to make such an election to obtain and complete the necessary forms, including any necessary provincial election forms, and submit the forms to the Tax Election Agent for execution by Exchangeco.

Thereafter, subject to the election forms being correct and complete and complying with the provisions of the Tax Act (and applicable provincial income tax law), the forms will be signed by Exchangeco and returned to such Eligible Holder within 90 days after the receipt thereof by the Tax Election Agent for filing with the CRA (or the applicable provincial taxing authority) by such Eligible Holder. Exchangeco will not be responsible for the proper completion of any election form and, except for Exchangeco’s obligation to return (within 90 days after receipt thereof by the Tax Election Agent) duly completed election forms which are received within 90 days of the Effective Date, Exchangeco will not be responsible for any taxes, interest or penalties resulting from the failure by an Eligible Holder to properly complete or file the election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

The relevant tax election form is CRA Form T2057 (or, in the event that the Common Shares are held as partnership property, CRA Form T2058). An Eligible Holder interested in making an election should so indicate in the Letter of Transmittal in the space provided therein. Eligible Holders should consult their own tax advisers to determine whether separate election forms must be filed with any other provincial taxing authority.

Where Common Shares are held in joint ownership and two or more of the co-owners wish to elect, one of the co-owners designated for such purpose should file the designation and a copy of the CRA Form T2057 (and where applicable, the corresponding provincial form) for each co-owner along with a list of all co-owners electing, which list should contain the address and social insurance number or tax account number of each co-owner.

In general, the Elected Amount is subject to the following limitations in respect of the Common Shares that are the subject of the election:

- the Elected Amount may not be less than the aggregate fair market value of non-share consideration received on the exchange (which would include the Ancillary Rights);
- the Elected Amount may not be less than the lesser of the adjusted cost base to the Eligible Holder of its Common Shares disposed of, determined immediately before the time of the disposition, and the fair market value of the Common Shares disposed of at that time; and
- the Elected Amount may not be greater than the fair market value at the time of the disposition of the Common Shares so disposed of.

Elected Amounts which do not comply with the foregoing limitations will be automatically adjusted pursuant to the provisions of the Tax Act so that they are in compliance. Any reference to an Elected Amount herein is a reference to such Elected Amount as so automatically adjusted.

Where an Eligible Holder and Exchangeco make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, as applicable, the tax treatment to the Eligible Holder generally will be as follows:

- the Holder's Common Shares will be deemed to have been disposed of for proceeds of disposition equal to the Elected Amount;
- if the proceeds of disposition of the Common Shares are equal to the aggregate of the adjusted cost base to the Holder of such shares, determined immediately before the disposition, and any reasonable costs of disposition, no capital gain or capital loss will be realized by the Holder;
- to the extent that the proceeds of disposition of the Common Shares exceed (or are less than) the aggregate of the adjusted cost base thereof to the Holder, determined immediately before the exchange, and any reasonable costs of disposition, the Holder will, in general, realize a capital gain (or capital loss) (the taxation of capital gains and capital losses is described below under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Taxation of Capital Gains and Capital Losses*");
- the cost to a Holder of Ancillary Rights received on the exchange will be equal to the fair market value thereof at that time; and
- the cost to a Holder of Exchangeable Shares received on the exchange will be equal to the amount by which the proceeds of disposition of the Common Shares exchanged by the Holder exceed the aggregate fair market value of the Ancillary Rights received on the exchange.

As described above, UPC is of the view that the Ancillary Rights received on the exchange will have only nominal value (see above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents - Ancillary Rights*").

Where an Eligible Holder and Exchangeco make a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, as applicable, such Holder may nonetheless realize a capital gain on the disposition of such Holder's Common Shares pursuant to the exchange to the extent that any non-share consideration (such as the Ancillary Rights) payable to such holder, net of any reasonable costs of disposition, exceeds the adjusted cost base of the Eligible Holder's Common Shares.

In order for the CRA (or any provincial tax authority to the extent applicable) to accept a tax election without a late filing penalty being paid by an electing Eligible Holder, the required election forms must be received by the appropriate tax authorities on or before the day that is the earliest of the days on or before which either Exchangeco or the electing Eligible Holder is required to file a Canadian tax return for the taxation year in which the exchange of the Common Shares occurs. The current taxation year of Exchangeco is scheduled to end on or around December 31, 2021. Thus, should the exchange occur prior to December 31, 2021, the tax election forms will, in the case of an electing Eligible Holder who is an individual (other than a trust), generally have to be received by the revenue authorities by April 30, 2022 (being generally the last day for filing the tax returns for an individual's 2021 taxation year).

Electing Eligible Holders are urged to consult their own advisers as soon as possible respecting the deadlines applicable to their own particular circumstances. However, regardless of such deadline, the tax election forms must be received by the Tax Election Agent no later than the 90th day after the Effective Date.

Any Eligible Holder who does not ensure that Exchangeco has received two duly completed copies of the necessary election forms on or before the 90th day after the Effective Date may not be able to benefit from the rollover provisions of the Tax Act. Accordingly, all Eligible Holders who wish to enter into an election with Exchangeco should give their immediate attention to this matter. The instructions for requesting a tax election package will be set out in the Letter of Transmittal. The comments herein with respect to such elections are provided for general assistance only. The law in this area is complex and contains numerous technical requirements. Eligible Holders wishing to make the election should consult their own tax advisers.

Dissenting Shareholders

If, on the Arrangement, a Holder exercises Dissent Rights and receives fair value of the Holder's Common Shares (thus becoming a Dissenting Shareholder), such Dissenting Shareholder will be considered to have disposed of the Common Shares for proceeds of disposition equal to the amount received by the Dissenting Shareholder from the Trust less any interest awarded by the Court. The Dissenting Shareholder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition exceed (or are exceeded by) the adjusted cost base of the Dissenting Shareholder's Common Shares and any reasonable costs of disposition. The tax treatment of capital gains and capital losses is described below under "*Certain Canadian Federal Income Tax Considerations – Holders Who are Resident – Taxation of Capital Gains and Capital Losses*".

Interest awarded by the Court to a Dissenting Shareholder who is a Resident will be included in the Shareholder's income for

the purposes of the Tax Act. Additional income tax considerations may be relevant to Dissenting Shareholders who fail to perfect or withdraw their claims pursuant to the right of dissent. Dissenting Shareholders are urged to consult their own tax advisors.

Taxation of Capital Gains and Capital Losses

One-half of any capital gains realized by a Resident Holder on the disposition of Common Shares will generally be included in the Holder's income as a taxable capital gain. One-half of any capital loss realized by a Resident Holder on the disposition, or deemed disposition, of a Common Share, may generally be deducted by such Holder only from taxable capital gains of the Holder in the year of disposition, in the three preceding taxation years or in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act.

If the Resident Holder is a corporation, the amount of any capital loss realized on a disposition or deemed disposition of such Common Share may be reduced by the amount of dividends received or deemed to have been received by it on such Common Share to the extent and under circumstances prescribed by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such Common Shares or where a trust or partnership of which a corporation is a beneficiary or a member is a member of a partnership or a beneficiary of a trust that owns any such Common Shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors. Additionally, see below under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Other Taxes*".

Taxation of Resident Holders of Trust Units

Distributions on Trust Units

A Resident Holder is generally required to include in computing income for a particular taxation year the portion of the net income of the Trust for the taxation year of the Trust ending on or before the particular taxation year end of the Holder, including net taxable capital gains (determined for the purposes of the Tax Act), that is paid or payable, or deemed to be paid or payable, to the Holder in the particular taxation year, whether or not those amounts are received in cash, additional units or otherwise. The non-taxable portion of any net capital gains of the Trust that is paid or payable, or deemed to be paid or payable, to a Resident Holder in a taxation year will not be included in computing the Holder's income for the year. Any other amount in excess of the net income and net taxable capital gains of the Trust that is paid or payable, or deemed to be paid or payable, by the Trust to a Resident Holder in a taxation year, will not generally be included in the Holder's income for the year. A Resident Holder will be required to reduce the adjusted cost base of its Trust Units by the portion of any amount (other than proceeds of disposition in respect of the redemption of Trust Units and the non-taxable portion of net capital gains) paid or payable to such Holder that was not included in computing the Holder's income and will realize a capital gain to the extent such amount exceeds the adjusted cost base of the Holder's Trust Units. Provided that appropriate designations are made by the Trust, such portions of the net taxable capital gains, taxable dividends received from taxable Canadian corporations, and foreign source income of the Trust as are paid or payable, or deemed to be paid or payable, by the Trust to the Resident Holders will effectively retain their character and be treated and taxed as such in the hands of the Holders for purposes of the Tax Act, and Holders may be entitled to claim a foreign tax credit for foreign taxes paid by the Trust. To the extent that amounts are designated as having been paid to Resident Holders out of the net taxable capital gains of the Trust, such designated amounts will be deemed for tax purposes to be received by Holders in the year as a taxable capital gain and will be subject to the general rules relating to the taxation of capital gains described above.

Dispositions of Trust Units

On the disposition or deemed disposition of a Trust Unit by a Resident Holder, whether on redemption or otherwise, the Holder will generally realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition exceed (or are less than) the aggregate of the Holder's adjusted cost base of the Trust Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount payable by the Trust that is otherwise required to be included in the Resident Holder's income. See above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Resident in Canada - Taxation of Capital Gains or Capital Losses*" for further details.

For the purpose of determining the adjusted cost base to a Resident Holder, when a Trust Unit is acquired, the cost of the newly-acquired Trust Unit will be averaged with the adjusted cost base of all of the Trust Units owned by the Holder as capital property immediately before that acquisition. The adjusted cost base of a Trust Unit to a Holder will include all amounts paid by the Holder for the Trust Unit, with certain adjustments. The cost to a Holder of Trust Units received in lieu of a cash distribution of income of the Trust will be equal to the amount of such distribution that is satisfied by the issuance of such units. As discussed above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Exchange of Common*

Shares for Trust Units", the initial adjusted cost base of a Resident Holder who transfers their Common Shares to the Trust in accordance with the arrangement will be equal to the fair market value of the Trust Units at the Effective Time.

Taxation of Resident Holders of Exchangeco

Dividends on Exchangeable Shares

In the case of a Resident Holder of Exchangeable Shares at the time of the dividend, dividends received, or deemed to be received, on the Exchangeable Shares will be required to be included in computing the Holder's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from a corporation resident in Canada. To the extent that Exchangeco designates a dividend as an "eligible dividend" in accordance with the provisions of the Tax Act, the dividend will be eligible for the enhanced gross-up and dividend tax credit.

In the case of a Resident Holder that is a corporation at the time of the dividend, dividends received, or deemed to be received, on the Exchangeable Shares will be included in computing such Resident Holder's income and will generally be deductible in computing its taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of a disposition or a capital gain.

A Resident Holder that is a "private corporation" (as such term is defined in the Tax Act) or any other corporation resident in Canada and controlled or deemed to be controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), may be liable under Part IV of the Tax Act to pay a refundable tax on dividends received or deemed to be received on the Exchangeable Shares to the extent that such dividends are deductible in computing the Holder's taxable income.

The Exchangeable Shares will be "taxable preferred shares" and "short-term preferred shares" for purposes of the Tax Act. Accordingly, Exchangeco will be subject to a tax under Part VI.1 of the Tax Act on dividends paid or deemed to be paid on the Exchangeable Shares and will be entitled to a deduction of an amount in respect of such tax in computing its taxable income under Part I of the Tax Act. Dividends received or deemed to be received on the Exchangeable Shares will not be subject to the 10% tax under Part IV.1 of the Tax Act.

Redemption, Retraction or Exchange of Exchangeable Shares

On the redemption (including a retraction) of an Exchangeable Share by Exchangeco, a Resident Holder will be deemed to have received a dividend equal to the amount, if any, by which the Redemption Price exceeds the paid-up capital (for purposes of the Tax Act) of the Exchangeable Share at the time the Exchangeable Share is so redeemed. The amount of any such deemed dividend will be generally subject to the tax treatment described in "*Certain Canadian Federal Income Tax Considerations – Taxation of Resident Holders of Exchangeco – Dividends on Exchangeable Shares*".

On the redemption of Exchangeable Shares, a Resident Holder will also be considered to have disposed of the Exchangeable Share for proceeds of disposition equal to the Redemption Price less the amount of such deemed dividend. A Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which the adjusted cost base to the Holder of the Exchangeable Share is less than (or exceeds) such proceeds of disposition, net of any reasonable costs of disposition. See above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Resident in Canada - Taxation of Capital Gains or Capital Losses*" for further details.

On the exchange of an Exchangeable Share by a Resident Holder with the Trust for the Exchangeable Share Price, the Holder will, in general, realize a capital gain (or a capital loss) to the extent the proceeds of disposition of the Exchangeable Share, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base thereof to the Holder. For these purposes, the proceeds of disposition will be the Exchangeable Share Price. See above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Resident in Canada – Taxation of Capital Gains or Capital Losses*" for further details.

Because of the existence of the Call Rights, as well as the Exchange Right and the Automatic Exchange Right (both as defined below under "Description of Exchangeable Shares"), a holder of Exchangeable Shares cannot control whether they will receive Trust Units by way of redemption (including retraction) of the Exchangeable Shares by Exchangeco or by way of purchase of the Exchangeable Shares by the Trust. However, it is expected that the Trust will exercise the relevant Call Right when a Holder of Exchangeable Shares, or Exchangeco, chooses to redeem Exchangeable Shares. As described above, the Canadian federal income tax consequences of a redemption (including retraction) by Exchangeco differ from those of a purchase by the Trust. See below under "*Certain Canadian Federal Income Tax Considerations – Taxation of Resident Holders of Exchangeco – Disposition of Exchangeable Shares other than on Redemption, Retraction or Exchange.*"

Disposition of Exchangeable Shares other than on Redemption, Retraction or Exchange

A disposition or deemed disposition of Exchangeable Shares by a Resident Holder, other than on the redemption, retraction or exchange of such shares, will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Holder of Exchangeable Shares immediately before the disposition. See above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Resident in Canada – Taxation of Capital Gains or Capital Losses*" for further details.

Other Taxes

A Resident Holder who is an individual or a trust (other than certain specified trusts) may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Common Shares, Exchangeable Shares or Trust Units, dividends or deemed dividends that are received in respect of Exchangeable Shares, and net income of the Trust, paid or payable, or deemed to be paid or payable, to a Holder and that is designated as net taxable capital gains or dividends. Such Resident Holders should consult their own tax advisers in this regard.

A Resident Holder that is, throughout the taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax on investment income, including dividends or deemed dividends received in respect of Exchangeable Shares that are not deductible in computing taxable income, amounts in respect of taxable capital gains and certain income designated by the Trust that is distributed by the Trust to Trust Unitholders, or amounts in respect of taxable capital gains from dispositions or deemed dispositions of Common Shares, Exchangeable Shares or Trust Units by the Holder.

Holders who are Non-Residents

This section of the summary of Certain Canadian Federal Income Tax Considerations is applicable to a Holder who at all relevant times is a Non-Resident and who does not use or hold, and is not deemed to use or hold the Common Shares or Trust Units, as the case may be, in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed herein, may apply to a Non-Resident who is an insurer carrying on business in Canada and elsewhere. The taxation of Holders who are Residents is described above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents*".

Taxation of Capital Gains

A Non-Resident Holder generally will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of the Common Shares or Trust Units (whether the disposition of such Common Share or Trust Unit is on sale, on redemption, by virtue of capital distributions by the Trust in excess of a Trust Unitholder's adjusted cost base or otherwise) unless such property constitutes "taxable Canadian property" for purposes of the Tax Act of the Non-Resident Holder and no relief is available to the holder under an applicable income tax convention. See below under "*Certain Canadian Federal Income Tax Considerations – Holders who are Non-Residents – Taxable Canadian Property*".

Taxable Canadian Property

Generally, the Common Shares will not be "taxable Canadian property" to a Non-Resident Holder at a particular time on condition that such shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the TSX), and are not otherwise deemed under the Tax Act to be "taxable Canadian property", unless at any time during the 60-month period that ends at the Effective Date: (a) any combination of (i) the Non-Resident Holder, (ii) Persons with whom the Non-Resident Holder did not deal at arm's length, (iii) partnerships in which the Non-Resident Holder or a Person described in (ii) holds an interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class or series of shares in the capital stock of UPC; and (b) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property", "timber resource property", or any option in respect of, or any interest in, such properties, whether or not the property or properties exist (all as defined in the Tax Act). Based on the representations made by UPC, the Common Shares should not be "taxable Canadian Property" at the Effective Time.

Generally, the Trust Units will not be "taxable Canadian property" to a Non-Resident Holder at a particular time provided that the Trust Units are not otherwise deemed under the Tax Act to be "taxable Canadian property", unless at any time during the 60-month period that ends at the Effective Date, more than 50% of the fair market value of the Trust Units was derived directly

or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property", "timber resource property", or any option in respect of, or any interest in, such properties, whether or not the property or properties exist (all as defined in the Tax Act).

If a Non-Resident Holder's Common Shares or Trust Units are considered to be taxable Canadian property, on the disposition or deemed disposition thereof, the capital gain (or capital loss) generally will be treated in the manner described above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Residents – Taxation of Capital Gains and Capital Losses*". However, an applicable income tax convention may provide relief from Canadian tax on any such capital gain realized by the Holder. Non-Resident Holders whose Common Shares or Trust Units, as the case may be, are taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances, including whether their Common Shares or Trust Units, as the case may be, constitute treaty-protected property.

Trust Distributions

All amounts that the Trust pays or credits, or is deemed to pay or credit, to a Non-Resident Holder which otherwise would be included in the income of such Holder (determined in accordance with the Tax Act), and any amount that can reasonably be considered to be a distribution of or derived from a dividend received by the Trust from a corporation that is a Resident other than a taxable dividend, will be subject to Canadian withholding tax at a rate of 25% of the gross amount thereof, unless such rate is reduced under an applicable income tax convention. For example, the rate of withholding tax is reduced to 15% where such distributions are paid or credited, or deemed to be paid or credited, to those Non-Resident Holders that are residents of the United States and qualified to claim full benefits under the Canada-United States Income Tax Convention, 1980, as amended.

It is expected that a portion of the distributions from the Trust will not constitute income determined in accordance with the Tax Act. Such distributions on Trust Units generally will not be subject to Canadian withholding tax, but generally will reduce the Trust Unitholder's adjusted cost base of the Trust Units.

Taxation of Dissenting Shareholders

A Dissenting Shareholder who is a Non-Resident will realize a capital gain (or a capital loss) equal to the amount by which the fair market value of the consideration received in exchange for the Common Shares exceeds (or is less than) the aggregate of the adjusted cost base of such shares and any reasonable costs of disposition. For purposes of determining the Dissenting Shareholder's capital gain (or capital loss), the proceeds of disposition will be equal to the amount received as consideration for the Common Shares less the amount of any interest awarded by the Court. The taxation of capital gains and capital losses is described above under "*Certain Canadian Federal Income Tax Considerations – Holders who are Non-Residents – Taxation of Capital Gains*".

Any interest paid or credited to a Dissenting Shareholder who is a Non-Resident pursuant to a Court award should not be subject to withholding tax. Additional income tax considerations may be relevant to Dissenting Shareholders who fail to perfect or withdraw their claims pursuant to the right of dissent. **Dissenting Shareholders are urged to consult their own tax advisors.**

Eligibility for Investment

In the opinion of Thorsteinssons LLP, counsel to UPC, provided that the Trust Units are listed on a "designated stock exchange", for the purposes of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**") which currently includes the TSX, the Trust Units will, on the date of issue, be qualified investments under the Tax Act for trusts governed by a "registered retirement savings plan" ("**RRSP**"), a "registered retirement income fund" ("**RRIF**"), a "registered disability savings plan" ("**RDSP**"), a "deferred profit sharing plan", a "tax-free savings account" ("**TFSA**") and a "registered education savings plan" ("**RESP**"), each as defined in the Tax Act.

Notwithstanding that the Trust Units may be qualified investments for a trust governed by a RRSP, RRIF, RESP, RDSP or TFSA ("**Plans**"), the holder of such RDSP or TFSA, the subscriber of such RESP or the annuitant under such RRSP or RRIF, as the case may be, will be subject to a penalty tax in respect of the Trust Units if such units are a "prohibited investment" for the RRSP, RRIF, RESP, RDSP or TFSA. The Trust Units will generally be a "prohibited investment" if the holder of a RDSP or TFSA, the subscriber of a RESP or the annuitant under a RRSP or RRIF, as the case may be, (i) does not deal at arm's length with the Trust for purposes of the Tax Act or (ii) has a "significant interest" (within the meaning of subsection 207.01(4) of the Tax Act) in the Trust.

In addition, the Trust Units will not be a "prohibited investment" if they are "excluded property", as defined in the Tax Act, for trusts governed by a RRSP, RRIF, RDSP, TFSA or RESP. **Such holders, subscribers or annuitants who intend to hold the Trust Units in a TFSA, RDSP, RRSP, RRIF or RESP, as the case may be, should consult their own tax advisors regarding the application of the foregoing "prohibited investment" rules having regard to their particular circumstances.**

The Exchangeable Shares will not be qualified investments for a trust governed by a Plan or deferred profit sharing plan.

Certain United States Federal Income Tax Considerations for U.S. Holders of Common Shares

The following is a summary of certain U.S. federal income tax considerations generally applicable to U.S. Holders (as defined below) that exchange Common Shares for Trust Units pursuant to the Arrangement, and to the ownership and disposition of the Trust Units received pursuant to the Arrangement. This summary addresses only U.S. Holders that hold Common Shares as "capital assets" (generally, assets held for investment purposes). This summary does not discuss tax considerations applicable to Eligible Holders that elect to exchange Common Shares for Exchangeable Shares, to the ownership and disposition of Exchangeable Shares or to the exchange of Exchangeable Shares for Trust Units.

The following summary does not purport to address all U.S. federal income tax considerations that may be relevant to a U.S. Holder as a result of the exchange of Common Shares for Trust Units pursuant to the Arrangement or as a result of the ownership or disposition of Trust Units received pursuant to the Arrangement, nor does it take into account the specific circumstances of any particular holder, some of which may be subject to special tax rules (including, but not limited to, tax-exempt organizations (including private foundations), banks or other financial institutions, insurance companies, broker-dealers, traders in securities that elect to use a mark-to-market method of accounting for their securities holdings, regulated investment companies, real estate investment trusts, U.S. expatriates, holders subject to the alternative minimum tax, partnerships and other pass-through entities and investors in such entities, persons that own or are treated as owning (or owned or are treated as having owned) 5% or more of UPC's shares or the Trust's Trust Units, controlled foreign corporations, persons that acquired different blocks of Common Shares at different times or different prices, persons that hold Common Shares or Trust Units as part of a straddle, hedge, conversion or constructive sale transaction or other integrated transaction, U.S. Holders that acquired their Common Shares through the exercise of an employee stock option or otherwise as compensation or through a tax-qualified retirement plan, and U.S. Holders whose functional currency is not the U.S. dollar).

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations, administrative pronouncements and rulings of the Internal Revenue Service (the "**IRS**") and judicial decisions, all as in effect on the date hereof, and all of which are subject to change (possibly with retroactive effect) and to differing interpretations. Except as specifically set forth below, this summary does not discuss applicable income tax reporting requirements. This summary does not describe any state, local or non-U.S. tax law considerations, the 3.8% Medicare surtax on certain net investment income or any aspect of U.S. federal tax law other than income taxation (e.g., estate or gift tax). U.S. Holders are urged to consult their own tax advisors regarding such matters.

No legal opinion from U.S. legal counsel or ruling from the IRS has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement or the ownership and disposition of the Trust Units received pursuant to the Arrangement. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, or contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

As used in this summary, a "**U.S. Holder**" is a beneficial owner of Common Shares (or, following the completion of the Arrangement, a beneficial owner of Trust Units) that is, for U.S. federal income tax purposes, (i) a citizen or individual resident of the United States, (ii) a corporation (or an entity classified as a corporation) created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate, the income of which is subject to U.S. federal income tax without regard to its source, or (iv) a trust if (1) a court within the U.S. is able to exercise primary supervision over the administration of the trust, and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (2) the trust has an election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The tax treatment of a partner in a partnership (or other entity or arrangement classified as a partnership for U.S. federal income tax purposes) may depend on both the partnership's and the partner's status and the activities of the partnership. Partnerships (or other entities or arrangements classified as a partnership for U.S. federal income tax purposes) that are beneficial owners of Common Shares or Trust Units, and their partners and other owners, are urged to consult their own tax advisors regarding

the tax consequences of the Arrangement and the ownership and disposition of Trust Units received pursuant to the Arrangement.

This summary is of a general nature only. It is not intended to constitute, and should not be construed to constitute, legal or tax advice to any particular holder. No opinion or representation with respect to the U.S. federal income tax consequences to any U.S. Holder is made. U.S. Holders are urged to consult their own tax advisors as to the tax considerations applicable to them in their particular circumstances.

U.S. Federal Income Tax Considerations Relating to the Arrangement

Exchange of Common Shares for Trust Units Pursuant to the Arrangement

The exchange of Common Shares for Trust Units pursuant to the Arrangement is intended to qualify as a tax-free exchange for U.S. federal income tax purposes. Subject to the PFIC rules discussed below, if the Arrangement so qualifies as a tax-free exchange, a U.S. Holder that exchanged Common Shares for Trust Units pursuant to the Arrangement would not recognize gain or loss on such exchange. A U.S. Holder's initial aggregate tax basis in the Trust Units received would be equal to the U.S. Holder's aggregate adjusted tax basis in the Common Shares exchanged, and a U.S. Holder's holding period in the Trust Units received would generally include the U.S. Holder's holding period in the Common Shares exchanged.

Neither UPC nor the Trust has sought or obtained either an opinion from legal counsel or a ruling from the IRS regarding any of the tax consequences of the exchange of Common Shares for Trust Units pursuant to the Arrangement. There can be no assurance that the IRS will not challenge the treatment of the exchange of Common Shares for Trust Units as a tax-free exchange for U.S. federal income tax purposes or that a U.S. court would uphold the status of the exchange of Common Shares for Trust Units as a tax-free exchange in the event of an IRS challenge.

If the exchange of Common Shares for Trust Units does not qualify as a tax-free exchange for U.S. federal income tax purposes, subject to the PFIC rules discussed below, a U.S. Holder that, pursuant to the Arrangement, exchanged Common Shares for Trust Units generally would recognize gain or loss on the exchange equal to the difference, if any, between: (i) the fair market value of the Trust Units (determined as of the Effective Date) received in exchange for Common Shares pursuant to the Arrangement; and (ii) the U.S. Holder's adjusted tax basis in the Common Shares exchanged therefor. In such event, a U.S. Holder's initial tax basis in its Trust Units received would be equal to the fair market value of the Trust Units (determined as of the Effective Date), and the U.S. Holder's holding period in the Trust Units received would begin on the day after the Effective Date.

As discussed below in "*PFIC Rules and PFIC Status of UPC*", although UPC has never conducted a formal PFIC analysis, there is a substantial risk that it may currently be and may have been a PFIC in one or more prior taxable years. Section 1291(f) of the Code provides that, to the extent provided in U.S. Treasury regulations, any gain on the transfer of stock in a PFIC shall be recognized notwithstanding any other provision of law. As a result, pursuant to proposed U.S. Treasury regulations promulgated under Section 1291(f) (the "**Proposed Regulations**"), and subject to the discussion in the next paragraph, U.S. Holders may be required to recognize gain, if any, on the exchange. If gain is required to be recognized as a result of Section 1291(f) of the Code and the Proposed Regulations, Shareholders that are U.S. Holders that exchange their Common Shares for Trust Units would generally recognize gain on such exchange equal to the difference, if any, between (i) the fair market value of the Trust Units (determined as of the Effective Date) received in exchange for Common Shares pursuant to the Arrangement, and (ii) the U.S. Holder's adjusted tax basis in the Common Shares exchanged therefor. Any gain realized on the exchange would be subject to the excess distribution rules discussed below under "*PFIC Rules and PFIC Status of UPC*", unless a U.S. Holder has made a mark-to-market election, also discussed below under "*PFIC Rules and PFIC Status of UPC*". A U.S. Holder's initial aggregate tax basis in the Trust Units received would be equal to the fair market value of the Trust Units (determined as of the Effective Date), and the U.S. Holder's holding period in the Trust Units received would begin on the day after the Effective Date.

A U.S. Holder that has made a timely qualified electing fund election (a "**QEF Election**"), also discussed below under "*PFIC Rules and PFIC Status of UPC*", would not be subject to these gain recognition rules. A QEF Election is considered timely if such election is timely and effectively made by a U.S. Holder for the first taxable year in which it held Common Shares. If a U.S. Holder has not made a timely QEF Election, such holder should consult with its own tax advisor regarding "purging" and "retroactive" elections which may be available to such U.S. Holder.

The Proposed Regulations also provide that gain would not be recognized on a disposition of stock in a PFIC for which no election has been made, if the disposition results from a non-recognition transfer in which the stock of the PFIC is exchanged solely for stock of another corporation that qualifies as a PFIC for its taxable year that includes the day after the non-recognition

transfer. If finalized in their current form, these Proposed Regulations are proposed to be effective for transactions occurring on or after April 1, 1992. As discussed below under "*PFIC Status of the Trust*", the Trust expects that it is likely to be classified as a PFIC for its taxable year that includes the day after the Effective Date. Accordingly, if the Proposed Regulations were finalized and made applicable to the Arrangement (even if this occurs after the Effective Date), the exchange of Common Shares for Trust Units pursuant to the Arrangement likely would not be treated as a taxable transaction pursuant to Section 1291(f) of the Code and the U.S. Treasury regulations promulgated thereunder. Because the Proposed Regulations have not yet been adopted in final form, they are not currently effective, and there is no assurance that they will be adopted in the form and with the effective date proposed. Nevertheless, the IRS has announced that, in the absence of final U.S. Treasury regulations, taxpayers may apply reasonable interpretations of the Code provisions applicable to PFICs and that it considers the rules set forth in the Proposed Regulations to be reasonable interpretations of those Code provisions.

The PFIC rules are complex, and the implementation of certain aspects of the PFIC rules require the issuance of U.S. Treasury regulations which in many instances have not been promulgated and which, when promulgated, may have retroactive effect. U.S. Holders are urged to consult their own tax advisors about the potential applicability of the PFIC rules to the Arrangement.

PFIC Rules and PFIC Status of UPC

Certain adverse U.S. federal income tax rules could apply to U.S. Holders owning shares of a PFIC. A non-U.S. corporation generally will be classified as a PFIC for U.S. federal income tax purposes in any taxable year in which, after applying relevant look-through rules with respect to the income and assets of certain subsidiaries, either at least 75% of its gross income is "passive income," or at least 50% of the average quarterly gross value (or, if elected, the adjusted tax basis) of its assets is attributable to assets that produce or are held for the production of "passive income". For this purpose, "passive income" generally includes, among other things, dividends, interest, certain rents and royalties, gains from the disposition of passive assets and certain net gains from commodities transactions. Based on past and current assets and operations and on assumptions about activities during the balance of the current taxable year, although UPC has never conducted a formal PFIC analysis, there is a substantial risk that it may currently be and may have been a PFIC in one or more prior taxable years. The determination of whether or not UPC is a PFIC is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. PFIC classification is factual in nature, generally cannot be determined until the close of the taxable year in question and is determined annually.

If a corporation is treated as a PFIC with respect to a U.S. Holder for any taxable year, such corporation will continue to be treated as a PFIC with respect to that U.S. Holder in all succeeding taxable years, regardless of whether the corporation continues to meet the PFIC requirements in such years, unless certain elections are made. Accordingly, the PFIC rules would apply to a U.S. Holder that held Common Shares during any year in which UPC was a PFIC, even if UPC is not a PFIC in the year in which the U.S. Holder disposed of its Common Shares pursuant to the Arrangement. U.S. Holders are urged to consult their own tax advisors regarding the tax consequences that would arise if UPC were treated as a PFIC for any year.

Generally, if UPC were treated as a PFIC for any taxable year during which a U.S. Holder held or holds Common Shares, unless the U.S. Holder has made a mark-to-market election or a QEF Election (as described below), any gain recognized by a U.S. Holder on the exchange of Common Shares pursuant to the Arrangement would be allocated ratably over the U.S. Holder's holding period for the Common Shares. The amounts allocated to the taxable year of the gain or "excess distribution" and to any year before UPC was a PFIC would be taxed as ordinary income in the current year. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations in such taxable year, as appropriate, and an interest charge would be imposed on the amount allocated to that taxable year. These rules would apply to a U.S. Holder that held Common Shares during any year in which UPC was a PFIC, even if UPC is not a PFIC in the year in which the U.S. Holder disposed of the Common Shares pursuant to the Arrangement.

Rather than being subject to the PFIC rules discussed above, a U.S. Holder of stock in a PFIC generally may make, either:

1. a QEF Election to be taxed currently on its pro rata portion of the PFIC's ordinary earnings and net capital gain, whether or not such earnings or gain is distributed in the form of dividends or otherwise; or
2. a "mark-to-market" election and thereby agree for the year of the election and each subsequent tax year to recognize ordinary gain or loss (but only to the extent of prior ordinary gain) based on the increase or decrease in market value for such taxable year. If such an election is made, a U.S. Holder's tax basis in its PFIC stock would be adjusted to reflect any such income or loss amounts recognized by that U.S. Holder.

In order for a U.S. Holder to have made a QEF Election, UPC would have had to provide certain information regarding its ordinary earnings and net capital gain. In order for U.S. Holders to have been able to make a mark-to-market election, the

Common Shares must be treated as regularly traded on a qualified exchange or other market within the meaning of the applicable U.S. Treasury regulations.

U.S. Holders are urged to consult their own tax advisors with respect to UPC's status under the PFIC rules and the potential application of the PFIC rules to their particular situation, including the availability of any elections that may mitigate the application of the PFIC rules.

U.S. Federal Income Tax Considerations of the Ownership and Disposition of Trust Units Received Pursuant to the Arrangement

U.S. Federal Income Tax Classification of the Trust

The Trust has filed an affirmative election with the IRS to be classified as an association taxable as a corporation for U.S. federal income tax purposes.

Distributions on Trust Units

The Trust does not anticipate making regular cash distributions to Trust Unitholders. Subject to the PFIC discussion below, any distributions made by the Trust with respect to the Trust Units will be included in the gross income of U.S. Holders as a dividend to the extent attributable to the Trust's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of the Trust's earnings and profits will be treated first as a nontaxable return of capital to the extent of the U.S. Holder's tax basis in the Trust Units and thereafter as gain from the disposition of Trust Units. Since the Trust will be a PFIC, as described below, dividends paid on the Trust Units to a U.S. Holder that is an individual, trust or estate (a "**U.S. Individual Holder**") will generally not be treated as "qualified dividend income" that is taxable to U.S. Individual Holders at preferential tax rates. Any dividends generally will be treated as foreign-source income for U.S. foreign tax credit limitation purposes.

Sale, Exchange or Other Disposition of Trust Units

A U.S. Holder will recognize gain or loss on the sale, exchange or other taxable disposition of the Trust Units in an amount equal to the difference between the amount realized for the Trust Units and the U.S. Holder's adjusted tax basis in such Trust Units. Subject to the PFIC rules discussed below, the gain or loss will generally be a capital gain or loss. Capital gains of non-corporate U.S. Holders derived with respect to capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Any capital gain or loss recognized by a U.S. Holder generally will be treated as U.S. source gain or loss for U.S. foreign tax credit purposes.

PFIC Status of the Trust

Based on past and current assets and operations of UPC and on assumptions about activities of the Trust following the Arrangement, the Trust expects that it is likely to be classified as a PFIC for its taxable year that includes the day after the Effective Date and for subsequent taxable years. The determination of whether or not UPC is or the Trust will be a PFIC is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. PFIC classification is factual in nature, generally cannot be determined until the close of the taxable year in question and is determined annually.

The following tax consequences would apply to a U.S. Holder if the Trust were classified as a PFIC. A U.S. Holder would be required to report any gain on the disposition of any Trust Units as ordinary income, rather than as capital gain, and to compute the tax liability on the gain and any "Excess Distribution" (as defined below) received in respect of the Trust Units as if such items had been earned ratably over each day in the U.S. Holder's holding period (or a portion thereof) for the Trust Units. The amounts allocated to the taxable year of disposition and to years before the Trust (or UPC) became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount. An "Excess Distribution" is the amount by which distributions received by a U.S. Holder during a taxable year in respect of its Trust Units exceed 125% of the average amount of distributions in respect thereof received during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Trust Units). For purposes of these rules, gifts, exchanges pursuant to corporate reorganizations and use of the Trust Units as security for a loan may be treated as a taxable disposition of the Trust Units.

Certain additional adverse tax rules will apply to a U.S. Holder for any taxable year in which the Trust is treated as a PFIC with respect to such U.S. Holder and any of the Trust's subsidiaries is also treated as a PFIC (a "**Subsidiary PFIC**"). In such a case, the U.S. Holder will generally be deemed to own its proportionate interest (by value) in any Subsidiary PFIC and be subject to the PFIC rules described above with respect to the Subsidiary PFIC regardless of such U.S. Holder's percentage ownership in the Trust.

The tax consequences described above may be mitigated if a U.S. Holder makes a timely QEF Election with respect to its interest in the Trust provided the Trust provides the necessary information regarding its ordinary earnings and net capital gain. Consequently, if the Trust is classified as a PFIC, it would likely be advantageous for a U.S. Holder to make a QEF Election with respect to the Trust. If a U.S. Holder makes a timely QEF Election with respect to the Trust, the electing U.S. Holder would be required in each taxable year that the Trust is considered a PFIC to include in gross income (i) as ordinary income, the U.S. Holder's pro rata share of the ordinary earnings of the Trust and (ii) as capital gain, the U.S. Holder's pro rata share of the net capital gain (if any) of the Trust, whether or not the ordinary earnings or net capital gain are distributed. An electing U.S. Holder's basis in Trust Units will be increased to reflect the amount of any taxed but undistributed income. Distributions of income that had previously been taxed will result in a corresponding reduction of basis in the Trust Units and will not be taxed again as distributions to the U.S. Holder.

A QEF Election made with respect to the Trust will not apply to any Subsidiary PFIC; a QEF Election must be made separately for each Subsidiary PFIC (in which case the treatment described above would apply to such Subsidiary PFIC). If a U.S. Holder makes a timely QEF Election with respect to a Subsidiary PFIC, it would be required in each taxable year to include in gross income its pro rata share of the ordinary earnings and net capital gain of such Subsidiary PFIC, but may not receive a distribution of such income. Such a U.S. Holder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge (which would not be deductible for U.S. federal income tax purposes if the U.S. Holder were an individual).

The U.S. federal income tax on any gain from the disposition of Trust Units or from the receipt of Excess Distributions may be greater than the tax would be if a timely QEF Election is made. U.S. Holders are urged to consult their own tax advisors regarding the advisability and availability of making a QEF Election with respect to the Trust and any Subsidiary PFIC.

Alternatively, a U.S. Holder could also avoid certain of the rules described above by making a mark-to-market election (instead of a QEF Election), provided the Trust Units are treated as regularly traded on a qualified exchange or other market within the meaning of the applicable Treasury regulations. However, a U.S. Holder will not be permitted to make a mark-to-market election with respect to a Subsidiary PFIC. U.S. Holders are urged to consult their own tax advisors regarding the potential availability and consequences of a mark-to-market election, as well as the advisability of making a protective QEF Election in case the Trust is classified as a PFIC in any taxable year.

During any taxable year in which the Trust or any Subsidiary PFIC is treated as a PFIC with respect to a U.S. Holder, that U.S. Holder generally must file IRS Form 8621, subject to certain exceptions. U.S. Holders should consult their own tax advisors concerning annual filing requirements.

U.S. Holders are urged to consult their own tax advisors regarding the tax consequences which would arise if the Trust were treated as a PFIC for any taxable year, including as to how such a classification would impact the tax consequences of the Arrangement.

Additional Considerations

Foreign Currency Considerations

If any dividends paid to U.S. Holders of Trust Units are paid in Canadian currency, the amount includible in gross income will be the U.S. dollar value of such dividend, calculated by reference to the exchange rate in effect on the date of actual or constructive receipt of the payment, regardless of whether the payment is actually converted into U.S. dollars. Canadian currency received by a U.S. Holder will have a tax basis equal to its U.S. dollar value at the time such currency is received. If such Canadian currency is converted into U.S. dollars on the date of receipt, the U.S. Holder generally should not be required to recognize any foreign currency gain or loss. The amount of gain or loss recognized on a subsequent sale or other disposition of such Canadian currency will equal the difference between (i) the amount of U.S. dollars, or the fair market value in U.S. dollars of other property received, in such sale or other disposition, and (ii) the U.S. Holder's tax basis in such Canadian currency. Any such gain or loss generally will be treated as U.S.-source ordinary income or loss.

Foreign Tax Credit Considerations

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement or in connection with the ownership or disposition of Trust Units may be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on an annual basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during that taxable year.

The rules governing the foreign tax credit are complex and subject to a number of significant limitations. U.S. Holders are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Foreign Asset Reporting

Certain U.S. Holders are required to report information relating to an interest in the Trust Units, subject to certain exceptions (including an exception for Trust Units held in accounts maintained by financial institutions). U.S. Holders are urged to consult their own tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of the Trust Units received pursuant to the Arrangement.

Risk Factors Related to the Trust

The completion of the Arrangement involves risks. **In addition to the following risks related to the Trust, the Trust will be subject to most of the same risks relating to UPC which are discussed under the heading "Risk Factors" in the UPC AIF and under the heading "Risk Factors" in the Annual MD&A, both as incorporated by reference herein.** Shareholders should carefully consider such risk factors, and those below, before making a decision regarding approving the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive and additional risks and uncertainties, including those currently unknown or considered immaterial to UPC or the Trust, may also adversely affect the Common Shares before the Arrangement, the Trust Units and Exchangeable Shares following the Arrangement, and/or the business of UPC before the Arrangement and of the Trust following the Arrangement. See "*Part I – The Arrangement – Risk Factors Related to the Arrangement*". Shareholders should carefully consider all such risk factors.

The risk factors relating to the Trust are as follows:

There is currently no market for the Trust Units and a public market for the Trust Units may not develop, which would adversely affect the liquidity and price of the Trust Units

Although it is a condition of closing the Arrangement that the Trust Units be conditionally approved for listing on the TSX, there is currently no market for the Trust Units. There is no assurance that a listing of the Trust Units on TSX will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of the TSX.

Following completion of the Arrangement, the price of the Trust Units may vary significantly due to general market or economic conditions. Furthermore, an active public trading market for the Trust Units may never develop or, if developed, may not be sustained. Investors may be unable to sell their Trust Units unless a market can be established and sustained.

The Trust may not be able to list the Trust Units on a United States stock exchange

Although SAM LP will be contractually committed to pursue a listing of the Trust Units on a stock exchange in the United States (and fund up to \$1.5 million in expenses in connection therewith), there is no assurance that a listing of the Trust Units on the NYSE Arca or any other U.S. stock exchange will be obtained and any listing will be subject to the Trust fulfilling all of the listing requirements of any such U.S. stock exchange. The process of pursuing a listing of the Trust Units on a United States stock exchange will be a costly and time-consuming undertaking and may not be successful. Even if a United States listing is achieved, there is no assurance that such listing will have the result expected by the UPC Board of increasing the liquidity of the Trust Units, increasing access to capital or increasing the profile of the Trust with United States or international investors.

The rights of Trust Unitholders differ from those of shareholders of a corporation

Because the Trust is organized as a trust rather than a corporation, the rights of Trust Unitholders will be set forth in the Trust Agreement rather than the articles of UPC and the OBCA. This means that Trust Unitholders will not have the statutory rights normally associated with the ownership of shares in an Ontario corporation nor any special rights conferred by the articles of UPC, as in the case of UPC. See "The Trust".

The Trust may terminate and liquidate at a time that is disadvantageous to Trust Unitholders

If the Trust is required to terminate and liquidate or SAM LP determines to terminate and liquidate the Trust, such termination and liquidation could occur at a time which is disadvantageous to Trust Unitholders, such as when uranium prices are lower than the uranium prices at the time when Trust Unitholders purchased their Trust Units. In such a case, when the Trust's physical uranium is sold as part of the Trust's liquidation, the resulting proceeds distributed to Trust Unitholders will be less than if uranium prices were higher at the time of sale. In certain circumstances, SAM LP will have the ability to terminate the Trust without the consent of Trust Unitholders. SAM LP's interests may differ from those of the Trust Unitholders, and SAM LP may terminate the Trust at a time that is not advantageous for the Trust Unitholder. The termination and liquidation of the Trust may result in taxable income or gain for Trust Unitholders.

SAM LP and its affiliates may also manage other funds that invest in physical uranium and other assets that may be held by the Trust, and conflicts of interest by SAM LP or its affiliates may occur

SAM LP will be responsible for the day to day business and operation of the Trust and, therefore, exercises significant control over the Trust. SAM LP may have different interests than the Trust Unitholders and consequently may act in a manner that is not advantageous to Trust Unitholders at any particular time. SAM LP, its officers and the directors and officers of its general partner, and its respective affiliates and associates may engage in the promotion, management or investment management of other accounts, funds or trusts that may also acquire and hold physical uranium. SAM LP currently manages other physical bullion funds, mutual funds and hedge funds that may also include physical commodities as part of their portfolios. Although officers and professional staff of SAM LP and the directors and officers of its general partner may devote as much time to the Trust as is deemed appropriate to perform their duties, such persons may have conflicts in allocating their time and services among the Trust and the other accounts, funds or trusts managed by SAM LP.

Trust Unitholders may be liable for obligations of the Trust to the extent the Trust's obligations are not satisfied out of the Trust's assets

The Trust Agreement will provide that no Trust Unitholder will be subject to any liability whatsoever, in tort, contract or otherwise, to any person in connection with the investment obligations, affairs or assets of the Trust and all such persons will look solely to the Trust's assets for satisfaction of claims of any nature arising out of or in connection therewith. Also, under the *Trust Beneficiaries' Liability Act, 2004* (Ontario), holders of Trust Units of a trust governed by the laws of the Province of Ontario that is a reporting issuer under the *Securities Act* (Ontario) (as the Trust is expected to be) are not, as beneficiaries, liable for any act, default, obligation or liability of the trust. Notwithstanding the above, there is a risk that a Trust Unitholder could be held personally liable for obligations of the Trust to the extent that claims are not satisfied out of the assets of the Trust if a court finds: (i) that Ontario law does not govern the ability of a third party to make a claim against a beneficiary of a trust and that the applicable governing law permits such a claim; or (ii) that the Trust Unitholder was acting in a capacity other than as a beneficiary of the trust. In the event that a Trust Unitholder should be required to satisfy any obligation of the Trust, under the Trust Agreement, such Trust Unitholder will be entitled to reimbursement from any available assets of the Trust.

Regulatory changes may adversely affect the Trust and its Trust Unitholders

The Trust may be affected by changes in regulatory requirements, customs duties and other taxes. Such changes could, depending on their nature, benefit or adversely affect the Trust and its Trust Unitholders.

The Trust will not qualify as a "unit trust" or a "mutual fund trust" as defined in the Tax Act

Although interests in the Trust are described by reference to units, the Trust will not be a "unit trust" and therefore will not be a "mutual fund trust", each as defined in the Tax Act. The failure of the Trust to qualify as a "mutual fund trust" will give rise to certain additional risks and uncertainties relating to the Trust and to the Trust Unitholders. Certain of these risks are set out below.

Deemed disposition

If the Trust does not qualify as a unit trust, within the meaning of the Tax Act, on the day that is 21 years after the date of its creation (or on each 21 year anniversary day thereafter) the Trust may be deemed at that time to have disposed of, and reacquired, certain capital property for fair market value for the purposes of the Tax Act. Accordingly, the Trust would be subject to tax under Part I of the Tax Act on the taxable capital gains arising from such deemed disposition, including the deemed disposition of the Common Shares then held by the Trust, less the portion thereof that it claims in respect of amounts paid or payable to the Trust Unitholders in the taxation year. Pursuant to the Trust Agreement, the Trust shall take such steps as necessary or advisable so that the Trust may qualify as a "unit trust" for purposes of the Tax Act prior to April 22, 2042, as

determined by the Manager in its discretion. If such event does not occur, the adverse income tax considerations applicable to the Trust could be material.

Eligibility for investment

At any particular time the Trust Units will only be qualified investments under the Tax Act for trusts governed by a “registered retirement savings plan”, “registered retirement income fund”, “registered education savings plan”, “registered disability savings plan”, “tax-free savings account”, or a “deferred profit sharing plan” (collectively, the “**Registered Plans**”), each as defined in the Tax Act, if at that time the Trust Units are listed on a “designated stock exchange” (which currently includes the TSX). Registered Plans and/or the holders, annuitants or subscribers thereof, as the case may be, will be subject to a penalty tax in respect of Trust Units held by such plans at any time that the Trust Units are not listed on a designated stock exchange, and other negative tax consequences may result. It is a condition of closing of the Arrangement that the Trust Units will be listed on the TSX, however if such event does not occur by the time that a Registered Plan acquires Trust Units pursuant to the Arrangement, then such penalty tax would apply in respect of any Trust Units acquired by the Registered Plan, and other negative tax consequences may result.

Election concerning “Canadian Securities”

Investors who are residents of Canada for the purposes of the Tax Act are entitled to make an irrevocable election under subsection 39(4) of the Tax Act, the effect of which may be to deem to be capital property any “Canadian security”, as defined in the Tax Act, owned by such investor in the taxation year in which the election is made and in all subsequent taxation years. So long as the Trust is not a “mutual fund trust” within the meaning of the Tax Act, Trust Units will not constitute “Canadian securities” for purposes of subsection 39(4), and therefore investors holding Trust Units will not be eligible to benefit from deemed capital gains treatment under subsection 39(4).

The Canadian federal income tax consequences of holding Trust Units or Exchangeable Shares will differ from holding Common Shares

The Canadian federal income tax consequences to Trust Unitholders or holders of Exchangeable Shares may differ materially from the consequences of holding Common Shares. Investors should seek their own advice regarding these tax consequences and before making any decisions with respect to holding an investment in the Trust.

The Consideration Election may not be available to Eligible Holders in certain circumstances

The Consideration Election in respect of Exchangeable Shares contained in the Arrangement Agreement allows an Eligible Holder to fully or partially defer tax under the Tax Act by allowing such holder to exchange Common Shares for Exchangeable Shares rather than for Trust Units, subject to the limitations in, and requirements of, the Tax Act, including the filing of appropriate elections. The Arrangement Agreement provides limitations on whether Exchangeable Shares can be issued pursuant to Consideration Elections. If the Consideration Election is not available in respect of any Common Shares that are disposed of by an Eligible Holder pursuant to the Arrangement Agreement, then such shareholder will be taxable on an exchange of such Common Shares for Trust Units. In this regard, investors should consult their own tax advisors.

A holder of Exchangeable Shares may be deemed to receive a taxable dividend for Canadian tax purposes that may exceed the holder’s economic gain

If any call rights held by the Trust are not exercised on a redemption (including a retraction) of any Exchangeable Shares, a holder of such Exchangeable Shares may be deemed to receive a taxable dividend for Canadian tax purposes that may exceed the holder’s economic gain. However, it is expected that the Trust will exercise the relevant call right when a holder of Exchangeable Shares, or Exchangeco, chooses to redeem Exchangeable Shares. Shareholders should read carefully the information in the Circular under “*Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations*”, which provides further information on the Canadian tax consequences of a redemption or retraction Exchangeable Shares, and “*Part II – Information Concerning the Trust – Description of Exchangeable Shares*”, which provides further information on the call rights associated with the Exchangeable Shares.

PART II — INFORMATION CONCERNING THE TRUST

The following information about the Trust should be read in conjunction with the information concerning the Trust appearing elsewhere in this Circular. Capitalized terms used but not otherwise defined in this Part II shall have the meaning ascribed to them in this Circular.

The information concerning the Trust contained in this Circular has been provided by Sprott and the Trust. Although UPC has no knowledge that would indicate that any of such information is untrue or incomplete, UPC does not assume any responsibility for the accuracy or completeness of such information or the failure by UPC to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to UPC.

History and Development of the Trust

Sprott Physical Uranium Trust (the "**Trust**") was established on April 23, 2021 under the laws of the Province of Ontario, Canada. It will be governed by an amended and restated trust agreement among the Settlor, Sprott Asset Management LP (the "**Manager**") and RBC Investor Services Trust (the "**Trustee**"), as trustee, to be entered into prior to the Effective Date.

The Trust's office will be located at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1. The Manager's office is located at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and its telephone number is (416) 362-7172. The Trustee is located at 155 Wellington Street West, Street Level, Toronto, Ontario, Canada M5V 3L3.

The physical uranium will be held at the Facilities designated by the Manager on behalf of the Trust, and the Trust's assets other than uranium will be held by the Trustee, as the Trust's custodian.

The Trust was created to participate in the Arrangement and to subsequently invest and hold substantially all of its assets in physical uranium.

Under applicable Canadian Securities Laws, the Trust is expected to be considered a non-redeemable investment fund and subject to the Investment Fund Regime.

Investment Objectives of the Trust

The Trust was created to participate in the Arrangement and to subsequently invest and hold substantially all of its assets in uranium. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding uranium. The Trust does not anticipate making regular cash distributions to unitholders of the Trust.

Investment Strategies of the Trust

The Trust is expressly prohibited from investing in Trust Units or shares of other investment funds or collective investment schemes other than money market mutual funds and then only to the extent that its interest does not exceed 10% of the total net assets of the Trust.

The Trust will not use leverage other than for short-term borrowings to settle trades. The Trust's use of leverage is also subject to the restrictions on using leverage applicable to non-redeemable investment funds as set out in National Instrument 81-102 – *Investment Funds* ("NI 81-102").

Investment Restrictions and Operating Restrictions

Non-redeemable investment funds are subject to certain restrictions and practices contained in securities legislation, including NI 81-102, that are designed in part to ensure that the investments of the investment fund are diversified and relatively liquid and to ensure the proper administration of the investment fund. Subject to the specific exceptions from NI 81-102 set out under "*Part II – Information Concerning the Trust*" in the section entitled "*Exemptions and Approvals*" of this Circular, the Trust will be managed in accordance with these restrictions and practices.

In making investments on behalf of the Trust, the Manager will be subject to certain investment and operating restrictions (the "**Investment and Operating Restrictions**"), which will be set out in the Trust Agreement. The Investment and Operating

Restrictions may not be changed without the prior approval of Trust Unitholders and the Special Voting Unitholder in accordance with the Trust Agreement.

The Investment and Operating Restrictions are intended to be conducted in accordance with, among other things, the following investment and operating restrictions, and they provide that the Trust:

- (a) will invest in and hold, directly or indirectly, a minimum of 90% of the total net assets of the Trust in uranium and invest in and hold, directly or indirectly, no more than 10% of the total net assets of the Trust, at the discretion of the Manager, in debt obligations guaranteed by the Government of the United States or a state thereof or by the Government of Canada or a province of Canada, short-term commercial paper obligations of a corporation or other person whose short-term commercial paper is rated R-1 (or its equivalent, or higher) by Dominion Bond Rating Service Limited or its successors or assigns or F1 (or its equivalent, or higher) by Fitch Ratings or its successors or assigns or A-1 (or its equivalent, or higher) by Standard & Poor's or its successors or assigns or P-1 (or its equivalent, or higher) by Moody's Investor Service or its successors or assigns, interest-bearing accounts and short-term certificates of deposit issued or guaranteed by a Canadian chartered bank or trust company, money market mutual funds, short-term government debt or short-term investment grade corporate debt, cash or other short-term debt obligations approved by the Manager from time to time (for the purpose of this paragraph, the term "**short-term**" means having a date of maturity or call for payment not more than 182 days from the date on which the investment is made), except during the 60-day period following the closing of additional offerings or prior to the distribution of the assets of the Trust;
- (b) will have the ability to optimize the value of the Trust through normal nuclear fuel cycle transactions, including loans, swap/exchanges, and similar transactions, so long as these transactions provide value to the Trust and the risk associated with each transaction is minimized to the satisfaction of the Manager;
- (c) will not issue Trust Units following the Effective Date except (i) if the net proceeds per Trust Unit to be received by the Trust are not less than 100% of the most recently calculated Class Net Asset Value (as defined in the Trust Agreement) per Trust Unit prior to, or upon, the determination of the pricing of such issuance or (ii) by way of Trust Unit distribution in connection with an income distribution;
- (d) will not invest in financial instruments that represent uranium or that may be exchanged for uranium, other than through forward contracts for the sole purpose of purchasing physical uranium for future delivery;
- (e) will ensure that the storage of physical uranium is governed by agreements with the Facilities having generally customary terms for agreements of such nature;
- (f) subject to (e) above, will ensure that the physical uranium remains unencumbered;
- (g) will not guarantee the securities or obligations of any Person other than the Manager, and then only in respect of the activities of the Trust;
- (h) will not use leverage other than for short-term borrowings to settle trades;
- (i) in connection with requirements of the Tax Act, will not invest in any security that would be a tax shelter investment within the meaning of section 143.2 of the Tax Act;
- (j) in connection with requirements of the Tax Act, will not invest in the securities of any non-resident corporation, trust or other non-resident entity (or of any partnership that holds such securities) if the Trust (or the partnership) would be required to include any significant amount in income under sections 94, 94.1 or 94.2 of the Tax Act; and
- (k) in connection with requirements of the Tax Act, will not carry on any business and make or hold any investments that would result in the Trust itself being subject to the tax for SIFT trusts as provided for in section 122 of the Tax Act,

provided that notwithstanding the foregoing, the Trust, the Trustee and/or the Manager shall have the power to take such acts as are determined by the Manager to be necessary or appropriate to give effect to the Arrangement and to execute such instruments as may be necessary and desirable to do so.

Description of Trust Units and Special Voting Unit

Division of the Trust into Trust Units and Special Voting Unit

Subject to amendment in accordance with the Trust Agreement, the Manager shall have sole discretion in determining whether the capital of the Trust is divided into one or more classes of Trust Units and into one or more series of each such class of Trust Units, the attributes that shall attach to each class or series of Trust Units and whether any class or series of Trust Units should be redesignated as a different class or series of from time to time. The class or classes of Trust Units and the series of each such class of Trust Units created and authorized for the Trust, including any redesignation of any class or any series of a class of Trust Units, shall be as shown from time to time in the register kept for the Trust.

Until changed in accordance with the Trust Agreement, the beneficial interests in the Trust shall be divided into interests of two classes, described and designated as Trust Units and a special voting unit of the Trust (the “**Special Voting Unit**”), which shall be entitled to the rights and subject to the limitations, restrictions and conditions set out in the Trust Agreement and each class or series of a class of Trust Units or the Special Voting Unit shall have the following attributes, as applicable:

- (a) each Trust Unit and the Special Voting Unit shall be without nominal or par value;
- (b) each whole Trust Unit of a particular class or a series of a class shall entitle the holder thereof to one vote at all meetings of Trust Unitholders or in respect of any written resolution of Trust Unitholders where all classes and series of Trust Units and/or the Special Voting Unit vote together and to one vote at all meetings of Trust Unitholders or in respect of any written resolution of Trust Unitholders where that particular class or series of a class of Trust Units votes separately as a class or series;
- (c) each Trust Unit of a particular class or series of a class shall entitle the holder thereof to participate pro rata, in accordance with the provisions of the Trust Agreement, with respect to all distributions made to that class or series of a class and, upon liquidation of the Trust, to participate pro rata with other Trust Unitholders of that same class or series of a class in the Net Asset Value of the Trust remaining after the satisfaction of outstanding liabilities of the Trust and the class or series of a class as provided in the Trust Agreement;
- (d) the Special Voting Unit has no economic entitlement in the Trust. The Special Voting Unit may only be issued in connection with or in relation to Exchangeable Shares for the purpose of, effectively, providing voting rights with respect to the Trust to the holders of Exchangeable Shares;
- (e) the Special Voting Unit shall only be issued to the trustee under the Voting and Exchange Trust Agreement to be entered into in connection with the issuance of the Exchangeable Shares and shall only be issued at the time of issue of such Exchangeable Shares. The Special Voting Unit shall entitle the holder of record thereof to a number of votes at all meetings of the Trust Unitholders and Special Voting Unitholder (collectively, the “**Voting Unitholders**”) or in respect of any written resolution of Voting Unitholders equal to the number of Trust Units into which the outstanding Exchangeable Shares (other than those held by the Trust or its affiliates) are exchangeable, exercisable or convertible. The Special Voting Unit shall be redeemable by the Trust, provided that there are no outstanding Exchangeable Shares (other than those held by the Trust or its affiliates). In the event of an offer by any person to purchase Exchangeable Shares which is made on identical terms to the holders of all outstanding Trust Units, the Special Voting Unit may be transferred pursuant to such offer without permission of the Trustee. The Special Voting Unitholder shall not be entitled to a certificate representing or evidencing such Special Voting Unit and shall only be entitled to be entered on the register as the Special Voting Unitholder and the register shall be conclusive as to the Special Voting Unitholder and the voting entitlement of the Special Voting Unitholder;
- (f) concurrently with the issuance of any Exchangeable Shares, the Manager on behalf of the Trust shall enter into such agreements as may be necessary or desirable to properly provide for the terms of the Exchangeable Shares, the voting rights attached to the Special Voting Unit and the, direct or indirect, conversion, exercise, redemption or exchange of such Exchangeable Shares for Trust Units including, without limitation, consolidation and subdivision provisions that provide for concurrent consolidation or subdivision, as the case may be, upon the consolidation or subdivision of the Trust Units, and the conditional and automatic conversion, exercise, redemption or exchange of such Exchangeable Shares in the event of a take-over bid for the Trust Units;
- (g) distributions shall be allocated among the classes or series of a class of Trust Units in such manner as the

Manager considers appropriate and equitable and in accordance with the specific attributes of such classes or series of a class of Trust Units;

- (h) there shall be no pre-emptive rights attaching to the Trust Units;
- (i) there shall be no cancellation or surrender provisions attaching to the Trust Units except as set out herein;
- (j) once the Net Asset Value per Trust Unit for the applicable class or series of a class, determined in accordance with the Trust Agreement, at the time of issuance has been paid, the Trust Units shall be non-assessable so that there shall be no liability for future calls or assessments with respect to the Trust Units;
- (k) all Trust Units shall be transferable, but only as contemplated in the Trust Agreement;
- (l) subject to limitations and requirements determined from time to time by the Manager and disclosed in the disclosure documents, each Trust Unit of a particular class or series of a class of the Trust may be redesignated by the Manager as a Trust Unit of another class or series of the Trust based on the respective Net Asset Value per Trust Unit for each such class or series of Trust Units on the date of the redesignation;
- (m) the number of Trust Units and the classes and series of Trust Units of the Trust that may be issued is unlimited;
- (n) there shall only be one Special Voting Unit; and
- (o) fractional Trust Units of a class or series of a class may be issued and shall be proportionately entitled to all the same rights as whole Trust Units of that same class or series, except voting rights (however fractional Trust Units held by a single Trust Unitholder may be combined).

Each class and series of a class of Trust Units shall also have the features and characteristics disclosed from time to time in the disclosure documents or such other offering documents of the Trust. The Trustee and the Manager may be Trust Unitholders.

Voting

Subject to the restrictions described above, (i) each Trust Unitholder shall be entitled to one vote for each whole Trust Unit held by such Trust Unitholder and (ii) the Special Voting Unitholder shall be entitled to one vote per each whole Exchangeable Share outstanding (other than Exchangeable Shares that are owned by the Trust or an affiliate thereof).

Meetings of Trust Unitholders

Meetings of the Voting Unitholders shall be held by the Manager or the Trustee at such time and on such day as the Manager or the Trustee may from time to time determine for the purpose of considering the matters required to be placed before such meetings in accordance with the Trust Agreement or applicable laws and for the transaction of such other related matters as the Manager or the Trustee determines. Voting Unitholders holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its affiliates) for Units) may requisition a meeting of Voting Unitholders by giving a written notice to the Manager or the Trustee setting out in detail the reason(s) for calling and holding such a meeting. The Trustee shall, upon the written request of the Manager or the Voting Unitholders holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its affiliates) for Trust Units), requisition a meeting of Voting Unitholders, provided that in the event of a request to call a meeting of Voting Unitholders made by such Voting Unitholders, the Trustee shall not be obligated to call any such meeting until it has been satisfactorily indemnified by such Voting Unitholders against all costs of calling and holding such meeting. Unless otherwise required under applicable laws or stock exchange rules, the Trust need only to hold meetings of Voting Unitholders as described above and is not required to hold annual or other periodic meetings.

Meetings of Voting Unitholders will be held at the principal office of the Trust or elsewhere in the municipality in which its office is located or, if the Manager so determines, at any other place in Canada.

Subject to the Trust Agreement, notice of the time and place of each meeting of Voting Unitholders shall be given not less than

21 days before the day on which the meeting is to be held to each Voting Unitholder of record at 4:00 p.m. (Toronto Time) on the day on which the notice is given. Notice of a meeting of Voting Unitholders shall state the general nature of the matters to be considered by the meeting. The Trustee, the auditors, any Technical Advisor and any Investment Manager (each as defined in the Trust Agreement) are entitled to receive all notices and other communications relating to any meeting of Voting Unitholders that any Voting Unitholder is entitled to receive and shall be entitled to attend at any meeting of Voting Unitholders.

A quorum for the transaction of business at any meeting of Voting Unitholders shall be at least two Voting Unitholders holding not less than 5% of the outstanding Voting Units (and for this purpose only, the Special Voting Unit shall be deemed to represent the Trust Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its affiliates) for Trust Units) on such date present in person or represented by proxy and entitled to vote thereat. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened on the requisition of Voting Unitholders, shall be cancelled but in any other case shall be adjourned to such place and time on a date fixed by the chairman of the meeting not later than 14 days thereafter (which for greater certainty can be at a later time on the date of the originally scheduled meeting) at which adjourned meeting the Voting Unitholders present in person or represented by proxy shall be deemed to constitute a quorum.

At any meeting of Voting Unitholders, every Person shall be entitled to vote who, as at the end of the Business Day immediately preceding the date of the meeting, is entered in the register maintained in accordance with the Trust Agreement, unless in the notice of meeting and accompanying materials sent to Voting Unitholders in respect of the meeting a record date is established for Persons entitled to vote thereat.

For the purpose of determining the Voting Unitholders who are entitled to receive notice of and to vote at any meeting, or any adjournment thereof, or for the purpose of any action other than as provided in the Trust Agreement, the Manager may fix a date not more than 60 days nor fewer than 30 days prior to the date of any meeting of Voting Unitholders, or other action, as a record date for the determination of Voting Unitholders entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to receive such distributions, or to be treated as Voting Unitholders of record for purposes of such other action, and any Voting Unitholder who was a Voting Unitholder at the time so fixed shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Voting Unitholder of record for purposes of such other action, even though the Voting Unitholder has since that date disposed of the Voting Unitholder's Voting Units and no Voting Unitholder becoming such after that date shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Voting Unitholder of record for purposes of such other action.

At any meeting of Voting Unitholders, any Voting Unitholder entitled to vote thereat may vote by proxy and a proxy need not be a Voting Unitholder, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Manager, or with such other agent of the Trust as the Manager may direct, prior to the commencement of such meeting. If approved by the Manager, proxies may be solicited naming the Manager as proxy and the cost of such solicitation shall be paid out of the Trust Property. When any Voting Unit is held jointly by several Persons, any one of them may vote at any meeting in person or by proxy in respect of such Voting Unit, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote shall not be received in respect of such Voting Unit. The instrument appointing any proxy shall be in such form and executed in such manner as the Manager may from time to time determine.

At any meeting of Voting Unitholders every question shall, unless otherwise required by the Trust Agreement or applicable laws, be determined by an "ordinary resolution" approved, in person or by proxy, by Trust Unitholders and the Special Voting Unitholder holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Trust Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 50% of the Class Net Asset Value, as determined in accordance with the Trust Agreement, at a duly constituted meeting of Trust Unitholders and the Special Voting Unitholder, or at any adjournment thereof, called and held in accordance with the Trust Agreement, or a written resolution signed by Trust Unitholders holding Trust Units or the Special Voting Unitholder holding the Special Voting Unit representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Trust Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 50% of the Class Net Asset Value, as determined in accordance with the Trust Agreement;

Subject to the provisions of the Trust Agreement or applicable laws, any question at a meeting of Voting Unitholders shall be decided by a show of hands unless a poll thereon is required or demanded as hereinafter provided. Upon a show of hands every Person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon

a question, unless a poll thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima face evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Voting Unitholders upon the said question.

A resolution in writing forwarded to all Voting Unitholders entitled to vote on such resolution at a meeting of Voting Unitholders and signed by the requisite number of Voting Unitholders required to obtain approval of the matter addressed in such resolution is as valid as if it had been passed at a meeting of Voting Unitholders in accordance with the Trust Agreement.

Any resolution passed in accordance with the provisions of the Trust Agreement shall be binding on all Voting Unitholders and their respective heirs, executors, administrators, other legal representatives, successors and assigns, whether or not such Voting Unitholder was present or represented by proxy at the meeting at which such resolution was passed and whether or not such Voting Unitholder voted against such resolution.

Trust Unitholder Liability

No Trust Unitholder or Special Voting Unitholder shall be held to have any personal liability as such and no resort shall be had to the Trust Unitholder's or Special Voting Unitholder's private property for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of any of the Trust, the Manager or the Trustee or any obligation which a Trust Unitholder would otherwise have to indemnify the Trustee for any personal liability incurred by the Trustee as such, but rather, only the trust property is intended to be liable and subject to levy or execution for such satisfaction. If the Trust acquires any investments subject to existing contractual obligations, the Manager, or the Trustee on the direction of the Manager, as the case may be, shall use its best efforts to have any obligations modified so as to achieve disavowal of contractual liability. Further, the Manager shall cause the operations of the Trust to be conducted, with the advice of counsel, in such a way and in such jurisdictions as to avoid, as far as possible, any material risk of liability on the Trust Unitholders or the Special Voting Unitholder of claims against the Trust and shall, to the extent it determines to be possible and reasonable, including the cost of premiums, cause the Trust to carry insurance for the benefit of the Trust Unitholders or the Special Voting Unitholder in such amounts as it considers adequate to cover any such foreseeable non-contractual or non-excluded contractual liability.

Calculation of Net Asset Value

The calculation of the Net Asset Value of the Trust shall be the responsibility of the Manager, who may consult with the valuation agent (the "**Valuation Agent**"), any investment manager, any Technical Advisor, the Facilities, any custodian and/or the auditors. The Net Asset Value of the Trust shall be determined for the purposes of subscriptions as at the time (the "**Valuation Time**") and the date (the "**Valuation Date**") as the Manager determines, in United States dollars. The Net Asset Value of the Trust determined on the last Valuation Date of each year shall include all income, common expenses, class expenses or any other items to be accrued to December 31st of each year and since the last calculation of the Net Asset Value per Unit or the Class Net Asset Value (as defined below) per Trust Unit for the purpose of the distribution of net income and net realized capital gains of the Trust to Trust Unitholders.

The "**Net Asset Value of the Trust**" as at the Valuation Time on each Valuation Date shall be the amount obtained by deducting from the aggregate fair market value of the assets of the Trust as of such Valuation Date an amount equal to the fair value of the liabilities of the Trust (excluding all liabilities represented by outstanding Trust Units) as of such Valuation Date. The "**Net Asset Value per Trust Unit**" shall be determined by dividing the Net Asset Value of the Trust on a Valuation Date by the total number of Trust Units then outstanding assuming for these purposes that all Exchangeable Shares have been exchanged for Trust Units in accordance with their terms on such Valuation Date. The Net Asset Value of the Trust as at the Valuation Time on a Valuation Date shall be determined in accordance with the following:

- (a) The assets of the Trust shall be deemed to include the following property:
 - a. all uranium owned by or contracted for the Trust;
 - b. all cash on hand or on deposit, including any interest accrued thereon adjusted for accruals deriving from trades executed but not yet settled
 - c. all bills, notes and accounts receivable;
 - d. all interest accrued on any interest-bearing securities owned by the Trust other than interest, the

- payment of which is in default;
 - e. prepaid expenses; and
 - f. any of the foregoing property held by a Subsidiary.
- (b) The market value of the assets of the Trust (whether held directly or indirectly through one or more Subsidiaries) shall be determined as follows:
- a. the value of uranium shall be its market value based on the prices of such uranium provided by a widely recognized pricing service or an average of such services (the “**Pricing Services**”) as directed by the Manager or a Technical Advisor and, if such service is not available, such uranium shall be valued at prices provided by another pricing service as determined by the Manager or a Technical Advisor in consultation with the Valuation Agent;
 - b. the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, and interest accrued and not yet received, shall be deemed to be the full amount thereof unless the Manager shall have determined that any such deposit, bill, demand note, account receivable, prepaid expense or interest is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the fair value thereof;
 - c. short-term investments including notes and money market instruments shall be valued at cost plus accrued interest
 - d. the value of any security or other property for which no price quotations are available or, in the opinion of the Manager, to which the above valuation principles cannot or should not be applied, shall be the fair value thereof determined from time to time in such manner as the Manager shall from time to time provide; and
 - e. the value of all assets and liabilities of the Trust valued in terms of a currency other than the currency used to calculate the Net Asset Value of the Trust shall be converted to the currency used to calculate the Net Asset Value of the Trust by applying the rate of exchange obtained from the best available sources to the Valuation Agent as agreed upon by the Manager including, but not limited to, the Trustee or any of its affiliates.
- (c) The liabilities of the Trust shall be calculated on a fair value basis and shall be deemed to include the following:
- a. all bills, notes and accounts payable;
 - b. all fees (including Management Fees) and administrative and operating expenses and applicable taxes payable and/or accrued by the Trust;
 - c. all contractual obligations for the payment of money or property, including distributions of net income and net realized capital gains, if any, declared, accrued or credited to the Trust Unitholders and holders of Exchangeable Shares but not yet paid on the day before the Valuation Date as of which the Net Asset Value of the Trust is being determined;
 - d. all allowances authorized or approved by the Manager or the Trustee for taxes or contingencies;
 - e. all other liabilities of the Trust of whatsoever kind and nature, except liabilities represented by outstanding Trust Units; and
 - f. any of the above liabilities of the Subsidiaries.
- (d) For the purposes of determining the market value of any security or property pursuant to (b) above which, in the opinion of the Valuation Agent in consultation with the Manager, the above valuation principles cannot be applied (because no price or yield equivalent quotations are available as provided above, or the current pricing option is not appropriate, or for any other reason), shall be the fair value as determined in such manner

by the Valuation Agent in consultation with the Manager and generally adopted by the marketplace from time to time, provided that any change to the standard pricing principles as set out above shall require prior consultation and written agreement with the Manager. For greater certainty, fair valuing an investment comprising the trust property may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close.

- (e) For the purposes of determining the value of uranium, the Manager relies solely on the Pricing Services. The Manager, any Technical Advisor, the Trustee or the Valuation Agent shall not be required to make any investigation or inquiry as to the accuracy or validity of such Pricing Services.
- (f) Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the Net Asset Value of the Trust made after the date on which the transaction becomes binding.
- (g) The Net Asset Value of the Trust and Net Asset Value per Trust Unit on the first Business Day following a Valuation Date shall be deemed to be equal to the Net Asset Value of the Trust (or the Net Asset Value per Trust Unit, as the case may be) on such Valuation Date after payment of all fees and applicable taxes, including Management Fees, and after processing of all subscriptions of Units in respect of such Valuation Date.
- (h) The Net Asset Value of the Trust and the Net Asset Value per Trust Unit determined by the Manager in accordance with the provisions of this section shall be conclusive and binding on all Unitholders and holders of Exchangeable Shares.
- (i) The Manager, any Technical Advisor and any Investment Manager may determine such other rules, not in conflict with the section above, regarding the calculation of the Net Asset Value of the Trust and the Net Asset Value per Trust Unit which they deem necessary from time to time, which rules may deviate from IFRS.

Calculation of Class Net Asset Value and Class Net Asset Value per Trust Unit

- (a) The Net Asset Value for a particular class or series of a class of Trust Units (the “**Class Net Asset Value**”) as at the Valuation Time on a Valuation Date shall be determined for the purposes of subscriptions in accordance with the following calculation:
 - a. the Class Net Asset Value last calculated for that class or series of a class; plus
 - b. the increase in the assets attributable to that class or series of a class as a result of the issue of Trust Units of that class or series of a class or the redesignation of Trust Units into that class or series of a class since the last calculation; minus
 - c. the decrease in the assets attributable to that class or series of a class as a result of the redesignation of Trust Units out of that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - d. the proportionate share of the net change in non-portfolio assets attributable to that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - e. the proportionate share of market appreciation or depreciation of the portfolio assets attributable to that class or series of a class since the last calculation; minus
 - f. the proportionate share of the common expenses and applicable taxes allocated to that class or series of a class since the last calculation; minus
 - g. any class expenses and applicable taxes allocated to that class or series of a class since the last calculation.

- (b) A Trust Unit of a class or series of a class being issued or a Trust Unit that has been redesignated as a part of that class or series of a class shall be deemed to become outstanding as of the next calculation of the applicable Class Net Asset Value immediately following the Valuation Date at which the applicable Class Net Asset Value per Trust Unit that is the issue price or redesignation basis of such Trust Unit is determined and the issue price received or receivable for the issuance of the Trust Unit shall then be deemed to be an asset of the Trust attributable to the applicable class or series of a class.
- (c) A Trust Unit of a class or series of a class that has been redesignated as no longer being a part of that class or series of a class shall be deemed to remain outstanding as part of that class or series of a class until immediately following the Valuation Date as of which the applicable Class Net Asset Value per Trust Unit that is the redesignation basis of such Trust Unit is determined; thereafter, the Unit which has been redesignated will be deemed to be outstanding as a part of the class or series of a class into which it has been redesignated.
- (d) On any Valuation Date that a distribution is paid to Trust Unitholders of a class or series of a class, a second Class Net Asset Value shall be calculated for that class or series of a class, which shall be equal to the first Class Net Asset Value calculated on that Valuation Date minus the amount of the distribution. For greater certainty, the second Class Net Asset Value shall be used for determining the Class Net Asset Value per Trust Unit on such Valuation Date for purposes of determining the issue price for Trust Units on such Valuation Date, as well as the redesignation basis for Trust Units being redesignated into or out of such class or series of a class, and Trust Units redesignated out of that class or series of a class as at such Valuation Date shall participate in such distribution while Trust Units subscribed for or redesignated into such class or series of a class as at such Valuation Date shall not.
- (e) The Class Net Asset Value per Trust Unit of a particular class or series of a class of Trust Units as at any Valuation Date is the quotient obtained by dividing the applicable Class Net Asset Value as at such Valuation Date by the total number of Trust Units of that class or series of a class outstanding at such Valuation Date. This calculation shall be made without taking into account any issuance or redesignation of Trust Units of that class or series of a class to be processed by the Trust immediately after the Valuation Time of such calculation on that Valuation Date. The Class Net Asset Value per Unit for each class or series of a class of Trust Units for the purpose of the issue of Trust Units shall be calculated on each Valuation Date by or under the authority of the Manager as at the Valuation Time on every Valuation Date as shall be fixed from time to time by the Manager and the Class Net Asset Value per Trust Unit so determined for each class or series of a class shall remain in effect until the Valuation Time as of which the Class Net Asset Value per Trust Unit for that class or series of a class is next determined.

Reporting of Net Asset Value

The value of the net assets of the Trust and the NAV will be updated on each Business Day or as determined by the Manager in accordance with the Trust Agreement and will be made available as soon as practicable at no cost on the Trust's website (www.sprott.com) or by calling the Manager at (416) 943-6707 or toll free at 1-866-299-9906 (9:00 a.m. to 5:00 p.m., Toronto Time). Information contained in, or connected to, the Manager's website is not incorporated into, and does not form part of, this Circular.

Market for the Trust Units

The Trust has filed an application to list its Trust Units on the TSX. Listing on the TSX is subject to the Trust fulfilling all of the requirements of the TSX. It is a condition of the Arrangement that the Trust Units be listed on the TSX upon closing of the Arrangement and, within six months following the completion of the Arrangement, pursuant to the Management Agreement, SAM LP, as the manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Trust Units on NYSE Arca.

No Redemption of Trust Units

Trust Units may not be redeemed.

Description of Exchangeable Shares

The following is a summary description of the material provisions of the rights, privileges, restrictions and conditions attaching

to the Exchangeable Shares and is qualified in its entirety by reference to the complete text thereof which is attached as Annex A to the Plan of Arrangement, attached as Schedule A to the Arrangement Agreement which is attached to this Circular as Appendix A-2.

The Exchangeable Shares represent securities of Exchangeco having economic and voting rights that are, as nearly as practicable, equivalent to those of Trust Units. The receipt of Exchangeable Shares (rather than Trust Units) permits certain Shareholders to take advantage of a full or partial tax deferral available under the Tax Act. Certain Eligible Holders may want to make a Consideration Election to receive Exchangeable Shares rather than Trust Units.

The Exchangeable Shares shall be redeemable into Trust Units generally on a one-for-one basis.

The Exchangeable Shares shall be subject to each of the Liquidation Call Right, the Redemption Call Right, the Change of Law Call Right and the Retraction Call Right (each as defined in the Plan of Arrangement and discussed below) in each case, in favour of the Trust, and the overriding nature thereof in connection with the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, or the retraction or redemption of Exchangeable Shares, as the case may be, and to be bound thereby in favour of the Trust.

Holders of Exchangeable Shares shall not have any voting rights in respect of their Exchangeable Shares, but are entitled through special voting rights, administered through the Voting and Exchange Trust Agreement, to vote as if they were holders of Trust Units.

A disadvantage of holding Exchangeable Shares is that the Exchangeable Shares will not be listed or posted for trading on any stock exchange, as a result of which there may be limited or no active trading markets for the Exchangeable Shares. Moreover, if any call rights are not exercised on redemption or retraction of the Exchangeable Shares, a holder of Exchangeable Shares may be deemed to receive a taxable dividend for Canadian tax purposes that may exceed the holder's economic gain.

Exchangeco will be prohibited from issuing additional Exchangeable Shares after the Effective Date if the issuance of such additional Exchangeable Shares would result in the issued and outstanding Exchangeable Shares being exchangeable for 20% or more of the Trust Units on a fully-diluted basis.

Ranking

The Exchangeable Shares shall be entitled to a preference over the common shares of Exchangeco and any other shares ranking junior to the Exchangeable Shares: (a) with respect to the payment of dividends or other distributions; and (b) with respect to the distribution of assets in the event of the liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs.

Dividends and Other Distributions

A holder of an Exchangeable Share shall be entitled to receive and the board of directors of Exchangeco (in effect, the Trust) shall, subject to applicable law, on each date on which any distribution on the Trust Units is declared (a "**Trust Distribution Declaration Date**"), declare a dividend or other distribution on each Exchangeable Share:

- (i) in the case of a cash distribution declared on the Trust Units, in an amount in cash for each Exchangeable Share equal to the distribution declared on each Trust Unit on the Trust Distribution Declaration Date;
- (ii) in the case of a distribution declared on the Trust Units to be paid in Trust Units, by the issue or transfer by Exchangeco of such number of Exchangeable Shares for each Exchangeable Share as is equal to the number of Trust Units to be paid on each Trust Unit; provided, however, that Exchangeco may, in lieu of such share dividend or other distribution, elect to effect a corresponding, contemporaneous and economically equivalent (as determined by the board of directors) subdivision of the outstanding Exchangeable Shares; or
- (iii) in the case of a distribution declared on the Trust Units in property other than cash or Trust Units, in such type and amount of property for each Exchangeable Share as is the same as or economically equivalent (as determined in accordance with the Arrangement Agreement) to the type and amount of property declared as a distribution on each Trust Unit,

and such dividends or other distributions shall be paid out of money, assets or property of Exchangeco properly applicable to the payment of dividends or other distributions, out of authorized but unissued shares of Exchangeco or through the subdivision of outstanding Exchangeable Shares, as applicable. The holders of Exchangeable Shares shall not be entitled to any dividends or other distributions other than or in excess of the dividends or other distributions referred to above.

The record date for the determination of the holders of Exchangeable Shares entitled to receive payment of, and the payment date for, any dividend or other distribution declared on the Exchangeable Shares shall be the same dates as the record date and payment date, respectively, for the corresponding distribution declared on the Trust Units. The record date for the determination of the holders of Exchangeable Shares entitled to receive Exchangeable Shares in connection with any subdivision of the Exchangeable Shares and the effective date of such subdivision, shall be the same dates as the record and payment date, respectively, for the corresponding unit distribution declared on the Trust Units.

Certain Restrictions

So long as any of the Exchangeable Shares are outstanding, Exchangeco shall not at any time without, but may at any time with, the approval of the holders of the Exchangeable Shares:

- (i) pay any dividends or other distributions on the common shares of Exchangeco or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or other distributions, other than stock or share dividends payable in common shares of Exchangeco or any such other shares ranking junior to the Exchangeable Shares, as the case may be;
- (ii) redeem or purchase or make any capital distribution in respect of common shares of Exchangeco or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or the distribution of the assets in the event of the liquidation, dissolution or winding up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs;
- (iii) redeem or purchase or make any capital distribution in respect of any other shares of Exchangeco ranking equally with the Exchangeable Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of Exchangeco, whether voluntary or involuntary, or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs; or
- (iv) issue any Exchangeable Share or any other shares ranking equally with, or superior to, the Exchangeable Shares, other than, in each case, by way of stock or share dividends to the holders of such Exchangeable Shares or pursuant to a shareholders rights plan adopted by Exchangeco,

provided, however, that the restrictions above shall not apply if all dividends or other distributions on the outstanding Exchangeable Shares corresponding to distributions declared and paid on the Trust Units shall have been declared and paid in full on the Exchangeable Shares prior to or as at the date of any such event referred to above.

Distribution on Liquidation

Subject to applicable laws and the due exercise by the Trust of the Liquidation Call Right (which shall itself be subject to the sale and purchase contemplated by the Automatic Exchange Right), in the event of the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares shall be entitled to receive from the assets of Exchangeco in respect of each Exchangeable Share held by such holder on the effective date of such liquidation, dissolution, winding-up or other distribution (the “**Liquidation Date**”), before any distribution of any part of the assets of Exchangeco among the holders of the common shares of Exchangeco or any other shares ranking junior to the Exchangeable Shares with respect to dividends or other distributions an amount per share (the “**Liquidation Amount**”) equal to the Exchangeable Share Price applicable on the last Business Day prior to the Liquidation Date, which price shall be satisfied in full by Exchangeco delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Liquidation Amount.

After Exchangeco has satisfied its obligations to pay the holders of the Exchangeable Shares the aggregate Liquidation Amount per Exchangeable Share, such holders shall not be entitled to share in any further distribution of the assets of Exchangeco.

Retraction of Exchangeable Shares by Holders

A holder of Exchangeable Shares shall be entitled at any time to require Exchangeco to redeem any or all of the Exchangeable Shares registered in the name of such holder (the “**Retracted Shares**”) for an amount per share equal to the Exchangeable Share Price (as defined in the Plan of Arrangement) applicable on the last Business Day prior to the Retraction Date (the “**Retraction Price**”), which price shall be satisfied in full by Exchangeco delivering or causing to be delivered to such holder the Exchangeable Share Consideration (being Trust Units and certain other consideration) representing the Retraction Price.

The Trust shall have the overriding right (the “**Retraction Call Right**”) to purchase all but not less than all the Retracted Shares directly from the holder and that the request to redeem such Exchangeable Shares shall be deemed to be a revocable offer by the holder to sell the Retracted Shares to the Trust in accordance with the Retraction Call Right on the Retraction Date.

Certain Rights of the Trust to Acquire Exchangeable Shares

The Trust shall have the following rights in respect of the Exchangeable Shares:

- (i) the overriding right (the “**Liquidation Call Right**”), in the event of and notwithstanding the proposed liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, subject to the sale and purchase contemplated by the Automatic Exchange Right (as defined in the Voting and Exchange Trust Agreement), to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Liquidation Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration (as defined in the Plan of Arrangement)) applicable on the last Business Day prior to the Liquidation Date (the “**Liquidation Call Purchase Price**”). In the event of the exercise of the Liquidation Call Right by the Trust, each such holder of Exchangeable Shares (other than the Trust and its affiliates) shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Liquidation Date upon payment by the Trust to such holder of the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration) for each such share, and Exchangeco shall have no obligation to pay any Liquidation Amount to the holders of such shares so purchased.
- (ii) the overriding right (the “**Redemption Call Right**”) to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Redemption Date (as defined in the Plan of Arrangement) all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Redemption Date (the “**Redemption Call Purchase Price**”). In the event of the exercise of the Redemption Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Redemption Date upon payment by the Trust to such holder of the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration), and Exchangeco shall have no obligation to redeem, or to pay the Redemption Price (as defined in the Plan of Arrangement) in respect of, such shares so purchased. The Redemption Date is the date, if any, established by the board of directors of Exchangeco for the redemption by Exchangeco of all but not less than all of the outstanding Exchangeable Shares, which date shall be no earlier than the third anniversary of the Effective Date unless certain conditions prescribed in the Plan of Arrangement have occurred pursuant to which the board of directors of Exchangeco may accelerate such redemption date.
- (iii) the overriding right (the “**Change of Law Call Right**”), in the event of a Change of Law (as defined in the Plan of Arrangement), to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Change of Law Call Date (as defined in the Plan of Arrangement) all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Change of Law Call Date (the “**Change of Law Call Purchase Price**”). In the event of the exercise of the Change of Law Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Change of Law Call Date upon payment by the Trust to such holder of the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).

Voting and Exchange Trust Agreement

The following description of certain material provisions of the Voting and Exchange Trust Agreement is qualified in its entirety by reference to the complete text of the Voting and Exchange Trust Agreement, which is attached as Schedule D to the Arrangement Agreement which is attached to this Circular as Appendix A-2.

The purpose of the Voting and Exchange Trust Agreement is to create a trust for the benefit of the registered holders from time to time of Exchangeable Shares (other than the Trust and its affiliates). The Voting Trustee will hold the Special Voting Share in order to enable the Voting Trustee to exercise the voting rights attached thereto and will hold the Exchange Right and the Automatic Exchange Right (as such terms are defined in the Voting and Exchange Trust Agreement) in order to enable the Voting Trustee to exercise such rights, in each case as trustee for and on behalf of such registered holders.

Voting Rights

Pursuant to the Voting and Exchange Trust Agreement, the Trust will issue to the Voting Trustee the Special Voting Share to be held of record by the Voting Trustee, as trustee for and on behalf of, and for the use and benefit of, the registered holders from time to time of Exchangeable Shares (other than the Trust and its affiliates) (the “**Beneficiaries**”) and in accordance with the provisions of the Voting and Exchange Trust Agreement.

The Voting Trustee, as the holder of record of the Special Voting Unit, shall be entitled to exercise all of the voting rights (the “**Voting Rights**”), including the right to consent to or vote in person or by proxy the Special Voting Unit, on any matter, question, proposal or proposition whatsoever that may properly come before the Trust Unitholders at a meeting of Trust Unitholders or in respect of Trust Unitholder consents.

The Voting Rights shall be and remain vested in and exercisable by the Voting Trustee on behalf of the Beneficiaries as provided in this Agreement, and subject to the terms of the Voting and Exchange Trust Agreement:

- (i) the Voting Trustee shall exercise the Voting Rights only on the basis of instructions received from Beneficiaries on the record date established by the Trust or by applicable law for the meeting of Trust Unitholders or in respect of Trust Unitholder consents, who are entitled to instruct the Voting Trustee as to the voting thereof;
- (ii) to the extent that no instructions are received from a Beneficiary with respect to the Voting Rights in respect of which such Beneficiary is entitled to instruct the Voting Trustee, the Voting Trustee shall not exercise or permit the exercise of such Voting Rights; and
- (iii) without prejudice to the paragraph above, under no circumstances shall the Voting Trustee exercise or permit the exercise of a number of Voting Rights which is greater than the number of Exchangeable Shares outstanding at the relevant time.

With respect to all meetings of Trust Unitholders at which holders of Trust Units are entitled to vote and with respect to all written consents sought by the Trust from Trust Unitholders, each Beneficiary shall be entitled to instruct the Voting Trustee to cast and exercise, in the manner instructed, that number of votes equal to, subject to certain exceptions, the number of Exchangeable Shares owned of record by such Beneficiary at the close of business on the record date established by the Trust or by applicable law for such Trust Unitholder meeting or Trust Unitholder consent, as the case may be, in respect of each matter, question, proposal or proposition to be voted on at such meeting or consent.

All rights of a holder of Exchangeable Shares to exercise votes attached to the Special Voting Share will cease upon the exchange of such holder’s Exchangeable Shares for Trust Units.

Exchange and Automatic Exchange

The Voting Trustee as trustee for and on behalf of, and for the use and benefit of, the Beneficiaries, is granted: (i) the right (the “**Exchange Right**”), upon the occurrence and during the continuance of any insolvency, dissolution or winding-up event of Exchangeco, to require the Trust to purchase from each or any Beneficiary all or any part of the Exchangeable Shares held by such Beneficiary, all in accordance with the provisions of the Voting and Exchange Trust Agreement, and (ii) the Automatic Exchange Right.

The “**Automatic Exchange Right**” enables the Beneficiaries to participate on a pro rata basis with the holders of Trust Units in the distribution of assets of the Trust in connection with any insolvency, dissolution or winding-up event of the Trust. Immediately prior to the effective date (the “**Liquidation Event Effective Date**”) of a Liquidation Event, each of the then outstanding Exchangeable Shares (other than Exchangeable Shares held by the Trust and its affiliates) shall be automatically

exchanged for one-half of one Trust Unit. To effect such automatic exchange, the Trust shall purchase each such Exchangeable Share outstanding immediately prior to the Liquidation Event Effective Date, and each Beneficiary shall sell each Exchangeable Shares held by it at such time, free and clear of any lien, claim or encumbrance, for a purchase price per share equal to the Exchangeable Share Price immediately prior to the Liquidation Event Effective Date, which price shall be satisfied in full by the Trust delivering to such holder the Exchangeable Share Consideration representing such Exchangeable Share Price.

Exchangeable Share Support Agreement

The following is a summary description of the material provisions of the Exchangeable Share Support Agreement and is qualified in its entirety by reference to the complete text of the Exchangeable Share Support Agreement, which is attached as Schedule C to the Arrangement Agreement.

Covenants Regarding Exchangeable Shares

So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust shall:

- (i) not take any action that will result in the declaration or payment of any distribution on the Trust Units unless:
 - a. in the case of a distribution by the Trust other than a distribution in Trust Units, Exchangeco shall (A) simultaneously declare or pay, as the case may be, an equivalent dividend or other distribution economically equivalent thereto (as determined in accordance with the Exchangeable Share provisions) on the Exchangeable Shares (an “**Equivalent Distribution**”), and (B) have sufficient money or other assets or authorized but unissued securities available to enable the due declaration and the due and punctual payment, in accordance with applicable law and the Exchangeable Share provisions, of any such Equivalent Distribution; or
 - b. if the distribution is of Trust Units, in lieu of such distribution, Exchangeco shall:
 - i. effect a corresponding, contemporaneous and economically equivalent subdivision of the outstanding Exchangeable Shares (as determined in accordance with the Exchangeable Share provisions) (an “**Equivalent Share Subdivision**”), and
 - ii. have sufficient authorized but unissued securities available to enable the Equivalent Share Subdivision;
- (ii) advise Exchangeco sufficiently in advance of the declaration by the Trust of any distribution on the Trust Units and take all such other actions as are reasonably necessary or desirable, in co-operation with Exchangeco, to ensure that:
 - a. the respective declaration date, record date and payment date for an Equivalent Distribution shall be the same as the declaration date, record date and payment date for the corresponding distribution on the Trust Units; or
 - b. the record date and effective date for an Equivalent Share Subdivision shall be the same as the record date and payment date for the corresponding unit distribution of Trust Units, in lieu of such a distribution on the Trust Units;
- (iii) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit Exchangeco, in accordance with applicable law, to pay and otherwise perform its obligations with respect to the satisfaction of the Liquidation Amount, the Retraction Price or the Redemption Price in respect of each issued and outstanding Exchangeable Share upon the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, the delivery of a retraction request by a holder of Exchangeable Shares or a redemption of Exchangeable Shares by Exchangeco, as the case may be, including without limitation all such actions and all such things as are necessary or desirable to enable and permit Exchangeco to deliver or cause to be delivered Trust Units or other property to the holders of Exchangeable Shares in accordance with the provisions of the Exchangeable Share Support Agreement, as the case may be, of the Exchangeable Share provisions;

- (iv) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the Voting Trustee under the Voting and Exchange Trust Agreement in accordance with applicable law to perform its obligations under the Voting and Exchange Trust Agreement, including, without limitation, all such actions and all such things as are reasonably necessary or desirable to enable and permit the Voting Trustee to exercise such number of votes in respect of a meeting of Trust Unitholders or a Trust Unitholder consent as is equal to the aggregate number of Exchangeable Shares outstanding at the relevant time other than those held by the Trust and its affiliates;
- (v) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the Trust, in accordance with applicable law, to perform its obligations arising upon the exercise by it of the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right, or the Redemption Call Right, including without limitation all such actions and all such things as are necessary or desirable to enable and permit the Trust to deliver or cause to be delivered Trust Units or other property to the holders of Exchangeable Shares in accordance with the provisions of the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right or the Redemption Call Right, as the case may be; and
- (vi) not exercise its vote as a shareholder of Exchangeco to initiate the voluntary liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, nor take any action or omit to take any action that is designed to result in the liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs.

Economic Equivalence

So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding:

- (i) the Trust shall not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares:
 - a. issue or distribute Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to the holders of all or substantially all of the then outstanding Trust Units by way of unit distribution, other than (A) an issue of Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to holders of Trust Units who exercise an option to receive distributions in Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) in lieu of receiving cash distributions, (B) pursuant to any distribution reinvestment plan or scrip dividend or similar arrangement, or (C) to distribute the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the Tax Act;
 - b. issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Trust Units entitling them to subscribe for or to purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units); or
 - c. issue or distribute to the holders of all or substantially all of the then outstanding Trust Units (A) units or securities of the Trust of any class other than Trust Units (or securities convertible into or exchangeable for or carrying rights to acquire Trust Units), (B) rights, options, warrants or other assets other than those referred to above, (C) evidence of indebtedness of the Trust or (D) assets of the Trust,

unless, in each case, Exchangeco issues or distributes the economic equivalent of such rights, options, warrants, securities, shares, evidences of indebtedness or other assets simultaneously to holders of the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with, the Arrangement Agreement and the Plan of Arrangement.

- (ii) The Trust shall not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares:
 - a. subdivide, redivide or change the then outstanding Trust Units into a greater number of Trust Units; or
 - b. reduce, combine, consolidate or change the then outstanding Trust Units into a lesser number of Trust Units except for a consolidation of units in accordance with the Trust Agreement; or

- c. reclassify or otherwise change the Trust Units or effect an amalgamation, merger, reorganization or other transaction affecting the Trust Units,

unless, in each case, the same or an economically equivalent change is made simultaneously to, or in the rights of the holders of, the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with the Arrangement Agreement and the Plan of Arrangement.

The board of directors of Exchangeco (or shareholder acting in place thereof pursuant to any unanimous shareholder declaration) shall determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the board or shareholder, as applicable, may determine), “economic equivalence” for the purposes of any event referred to above and each such determination shall be conclusive and binding on the Trust. In making each such determination, the following factors shall, without excluding other factors determined by the board of directors, or shareholder, as applicable, of Exchangeco, as applicable, to be relevant, be considered by the board of directors or shareholder, as applicable, of Exchangeco:

- (i) in the case of any distribution payable in Trust Units, the number of such Trust Units issued as a result of such distribution in proportion to the number of Trust Units previously outstanding;
- (ii) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units), the relationship between the exercise price of each such right, option or warrant, the number of such rights, options or warrants to be issued or distributed in respect of each Trust Unit and the current market price of a Trust Unit, the price volatility of the Trust Units and the terms of any such instrument;
- (iii) in the case of the issuance or distribution of any other form of property (including without limitation any units of the Trust of any class other than Trust Units, any rights, options or warrants other than those referred to above, any evidences of indebtedness of the Trust or any assets of the Trust), the relationship between the fair market value (as determined by the board of directors or shareholder, as applicable, of Exchangeco in the manner above contemplated) of such property to be issued or distributed with respect to each outstanding Trust Unit and the current market price of a Trust Unit; and
- (iv) in the case of any subdivision, redivision or change of the then outstanding Trust Units into a greater number of Trust Units or the reduction, combination, consolidation or change of the then outstanding Trust Units into a lesser number of Trust Units or any amalgamation, merger, arrangement, reorganization or other transaction affecting Trust Units, the effect thereof upon the then outstanding Trust Units.

Exchangeco agrees that, to the extent required, upon due notice from the Trust, Exchangeco shall use its best efforts to take or cause to be taken such steps as may be necessary for the purposes of ensuring that appropriate dividends are paid or other distributions are made by Exchangeco, or subdivisions, redivisions or changes are made to the Exchangeable Shares, in order to implement the required economic equivalence with respect to the Trust Units and Exchangeable Shares.

Tender Offers

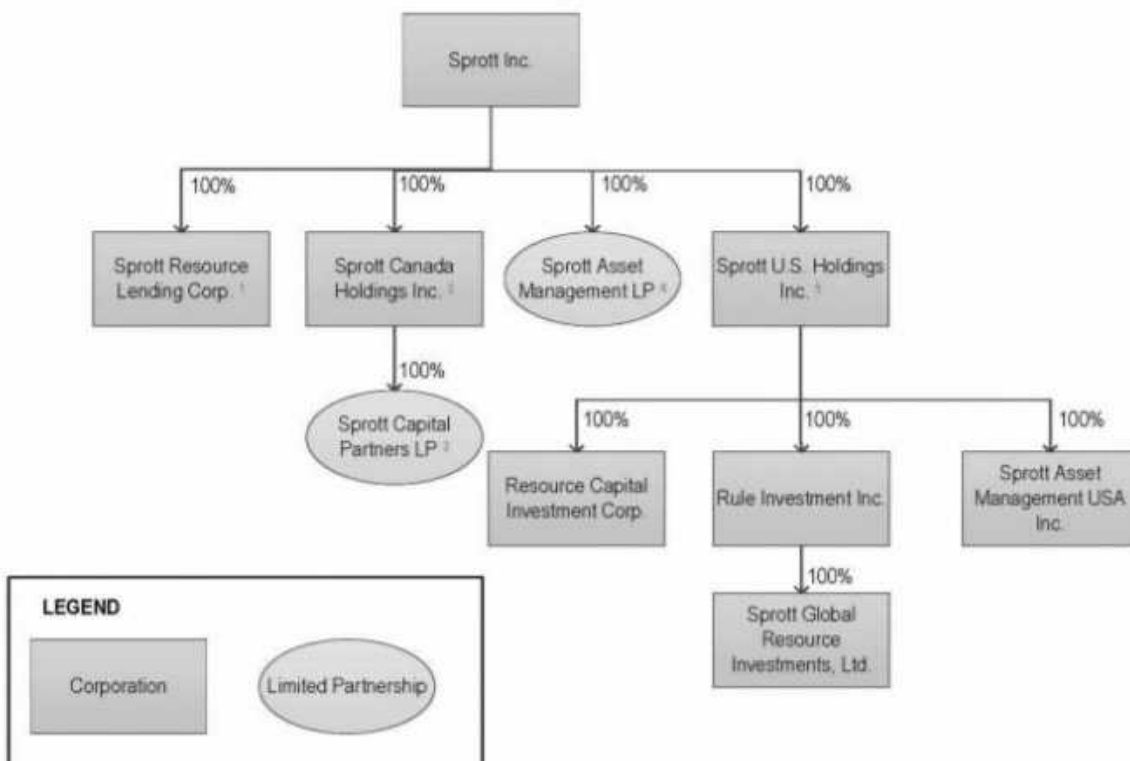
The Exchangeable Share Support Agreement provides that in the event that a tender offer, share exchange offer, issuer bid, take-over bid or similar transaction with respect to Trust Units (an “Offer”) is proposed by the Trust or is proposed to the Trust or its Trust Unitholders and is recommended by the board of directors of the Trust, or is otherwise effected or to be effected with the consent or approval of the board of directors of the Trust, and the Exchangeable Shares are not redeemed by Exchangeco or purchased by the Trust pursuant to the Redemption Call Right, the Trust and Exchangeco will use reasonable efforts to take all such actions and do all such things as are necessary or desirable to enable and permit holders of Exchangeable Shares (other than the Trust and its affiliates) to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Trust Units, without discrimination. Without limiting the generality of the foregoing, the Trust and Exchangeco will use reasonable efforts in good faith to ensure that holders of Exchangeable Shares may participate in each such Offer without being required to retract Exchangeable Shares as against Exchangeco (or, if so required, to ensure that any such retraction shall be effective only upon, and shall be conditional upon, the closing of such Offer and only to the extent necessary to tender or deposit to the Offer). The foregoing shall not affect the rights of Exchangeco to redeem, or the Trust to purchase pursuant to the Redemption Call Right, Exchangeable Shares in the event of a Trust control transaction.

Responsibility for Operation of the Trust

The Manager

Pursuant to the Management Agreement, the Manager will act as the manager of the Trust. The Manager is a limited partnership formed and organized under the laws of the Province of Ontario, Canada, pursuant to the *Limited Partnerships Act* (Ontario) by declaration dated September 17, 2008. The general partner of the Manager is Sprott Asset Management GP Inc. (“**SAM GP**”), which is a corporation incorporated under the laws of the Province of Ontario, Canada, on September 17, 2008. The general partner is a wholly-owned subsidiary of Sprott, which is a corporation incorporated under the laws of the Province of Ontario, Canada, on February 13, 2008. Sprott is also the sole limited partner of the Manager. Pursuant to an internal corporate reorganization of Sprott completed on June 1, 2009, the Manager acquired the assets related to Sprott Asset Management Inc.'s portfolio management business.

As of May 4, 2021, the Manager, together with its affiliates and related entities, had assets under management totalling an estimated US\$18.2 billion, and provides management and investment advisory services to many entities, including private investment funds, the Sprott mutual funds, the Sprott discretionary managed accounts, and management of certain companies. The Manager also acts as manager for the Sprott Gold Bullion Fund, a Canadian public mutual fund that invests in physical gold bullion; Sprott Physical Gold Trust, a public mutual fund that invests in physical gold bullion; Sprott Silver Bullion Fund, a Canadian public mutual fund that invests in physical silver bullion; Sprott Physical Silver Trust, a public mutual fund that invests in physical silver bullion; and Sprott Physical Platinum and Palladium Trust, a public mutual fund that invests in physical platinum and palladium bullion. The corporate structure of Sprott and its material subsidiaries are as indicated in the following chart:



Notes:

- (1) Sprott Resource Lending, which is incorporated under the federal laws of Canada, is the general partner of the Lending Funds.
- (2) Sprott Canada Holdings Inc. is incorporated under the Business Corporations Act (Ontario) (the "OBCA").
- (3) Sprott Capital Partners GP Inc., which is incorporated under the OBCA, is the general partner of Sprott Capital Partners LP
- (4) Sprott Asset Management GP Inc. which is incorporated under the OBCA, is the general partner of Sprott Asset Management LP.
- (5) Sprott U.S. Holdings Inc. was formed to acquire Rule Investment, Inc. (which in turn owns Sprott Global Resource Investments, Ltd.), SAM USA and RCIC. Sprott U.S. Holdings Inc. exists under the laws of the State of Delaware. Rule Investment, Inc., Sprott Global Resource Investments, Ltd. and SAM USA exist under the laws of the State of California. RCIC exists under the laws of the State of Nevada

The registered office of the Manager is located at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1. Further contact information of the Manager is as follows:

Tel: (416) 943 6707
 Fax: (416) 943 6497
 Email: invest@sprott.com
 Website: www.sprott.com
 Toll free number: 1-855-943-8099

The names, places of residence and present positions held by the directors and officers of the Manager and/or of the SAM GP are listed below.

Name and Municipality of Residence	Position with the Manager	Position with SAM GP	Principal Occupation
John Ciampaglia Toronto, Ontario, Canada	Chief Executive Officer, Director and Ultimate	President and Director	Chief Executive Officer of the Manager and SAM GP

Name and Municipality of Residence	Position with the Manager	Position with SAM GP	Principal Occupation
	Designated Person		
Kevin Hibbert Toronto, Ontario, Canada	Director	Director	Chief Financial Officer and Corporate Secretary of Sprott
Whitney George Darien, Connecticut, USA	Chief Investment Officer and Director	Chief Investment Officer and Director	Chief Investment Officer of the Manager and SAM GP
Varinder Bhathal Toronto, Ontario, Canada	Chief Financial Officer	Chief Financial Officer	Managing Director of Finance and Investment Operations of Sprott
Lara Misner Toronto, Ontario, Canada	Chief Compliance Officer	Chief Compliance Officer	Chief Compliance Officer of the Manager and SAM GP

Mr. Ciampaglia has served as the Chief Executive Officer of the Manager since August 1, 2017.

Mr. Hibbert served as the Vice-President, Finance of Sprott from January 2014 to December 4, 2015. Prior thereto, he served as the Director, Finance of the Royal Bank of Canada.

Mr. George has served as the Chief Investment Officer of the Manager since December 5, 2018.

Ms. Bhathal previously served as the Vice President of Finance for Sprott.

Ms. Misner joined the Manager in June 2020 as Chief Compliance Officer. She has over 25 years of investment industry experience and prior to joining the Manager was the Chief Compliance Officer of WisdomTree Asset Management Canada and Purpose Investments.

Duties and Services Provided by the Manager

The Manager is responsible for the day-to-day business and administration of the Trust, including management of the Trust's portfolio and all clerical, administrative and operational services. The Trust maintains a public website that contains information about the Trust and the Trust Units. The internet address of the website is www.sprott.com. This internet address is provided here only as a convenience to you, and the information contained on or connected to the website is not incorporated into, and does not form part of, this Circular.

The long-time experience in the commodity industries of the Manager, its predecessor, Sprott Asset Management Inc., and its affiliates has permitted them to gain an extensive knowledge base in the business of commodities, including buying, selling, valuing, pricing, securing or storing commodity-related assets.

Powers and Duties of the Manager

Pursuant to the Trust Agreement and Management Agreement, the Manager reserves and retains full authority and exclusive power to manage and direct the business and affairs of the Trust including, without limitation, to provide the Trust with all necessary investment management services to the Trust property and all clerical, administrative and operational services to the Trust as set forth in the Trust Agreement or in the Management Agreement, including the power to further delegate certain investment management, clerical, administrative and operational services of the Trust (including without limitation to a Technical Advisor and/or Investment Manager), where in the sole discretion of the Manager, it would be in the best interests of the Trust.

The Manager shall have the following duties with respect to the Trust and shall, subject to the provisions of the Trust Agreement, be able to delegate such duties to one or more Technical Advisors, at the Manager's sole discretion:

- (a) to determine the investment objectives and strategies, including any restrictions on investments, which it deems advisable to implement the Investment Policy (as defined in the Trust Agreement), as may be amended from time to time;
- (b) to ensure that the Trust complies with applicable laws including those relating to the investment of the Trust Property, the distribution of the Units and applicable stock exchange listing requirements;
- (c) to comply with applicable laws in connection with its duties and actions as manager of the Trust, including applicable anti-bribery and anti-corruption laws;
- (d) to oversee the direct and indirect administration of the Subsidiaries;
- (e) to monitor the performance of the uranium and other trust property;
- (f) to provide investor relations, sales and marketing support for the Trust, as well as client service support;
- (g) to arrange for, and complete, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of uranium at the best prices available over a prudent period of time, and to enter into any contracts or commitments related thereto;
- (h) obtain brokerage and other services (including without limitation from a Technical Advisor) with respect to the purchase and sale of uranium, as well as other services aimed at optimizing the value of the Trust's portfolio;
- (i) to provide services in respect of the Trust's daily operations, including the processing of and determination of procedures applicable to subscriptions of Trust Units (including the acceptance and rejection of subscriptions) and to submit such subscriptions to the registrar and transfer agent for processing, and any other services not otherwise specifically contemplated by the Trust Agreement;
- (j) to offer Trust Units for sale to prospective purchasers including the power and authority to enter into arrangements regarding the distribution and sale of Trust Units and other arrangements relating to the right to charge fees of any nature or kind (including, without limitation, sales commissions, distribution fees and transfer fees) in connection with the distribution or sale of Trust Units. Any such fees may be deducted from the amount of a subscription or a distribution if not paid separately by a Trust Unitholder;
- (k) to determine from time to time the form of Trust Unit certificates;
- (l) to conduct or cause to be conducted the day-to-day correspondence and administration of the Trust;
- (m) to provide to the Trust, adequate for carrying on the undertaking and business of the Trust, all requisite office accommodation, office facilities and personnel, telephone and telecommunication services, stationery, office supplies, statistical and research services, record-keeping services, bookkeeping and internal accounting and audit services in respect of the operations of the Trust and other usual and ordinary office services that may be required to properly and efficiently carry out its duties set forth in the Trust Agreement and the Management Agreement;
- (n) to provide for the Trust all other administrative and other services and facilities required by the Trust in relation to the Trust Unitholders and be responsible for all aspects of the Trust's relationship with Trust Unitholders, including the preparation for and holding of meetings of Unitholders, and other services for the provision of information to Trust Unitholders;
- (o) to establish general matters of policy and governance of the Trust subject, where specifically provided in the Trust Agreement, to the approval of the Trustee;
- (p) to establish the Trust's operating expense budgets and to authorize the payment of actual operating expenses incurred;

- (q) to appoint the auditors and to change the auditors (with the prior consent of the Trustee and the Independent Review Committee, and after providing notice to the Trust Unitholders);
- (r) to maintain the accounting records for the Trust and to cause the financial statements of the Trust to be audited for each fiscal year;
- (s) to appoint an advisor, Technical Advisor, consultant, or other service provider to provide certain services to the Trust, pursuant to an advisory, consultant or other agreement in respect of matters relating to the Trust's holding, purchases and sales of uranium;
- (t) to appoint the bankers of the Trust and to establish banking procedures to be implemented by the Trustee;
- (u) to appoint a Facility or Facilities and obtain commercial services with respect to the movement and safe storage of uranium and appoint the custodian to hold the trust property other than uranium, all of which appointments shall be subject to the approval of any applicable securities authorities having jurisdiction over the Trust, and for greater certainty, the appointment of the custodian shall also be subject to the approval of the Trustee;
- (v) provide for the Trust delivery and payment particulars in respect of each purchase and sale of uranium and arrange with the Facilities for the storage of uranium held by or for the account of the Trust, including arrangements regarding indemnities or insurance for the loss of such uranium in accordance with industry practices;
- (w) monitor relationships with the Facilities (and any other service providers) that have been appointed to hold and store the uranium that is owned by the Trust;
- (x) to calculate the Net Asset Value of the Trust, the Net Asset Value per Trust Unit, the Class Net Asset Value and the Class Net Asset Value per Trust Unit in accordance with the Trust Agreement, as applicable, to appoint the Valuation Agent and to review the valuation of the trust property as calculated by such Valuation Agent on each Valuation Date and, from time to time, consider the appropriateness of the valuation policies adopted by the Trust;
- (y) to appoint a registrar and transfer agent and distribution agent (which may be the registrar and transfer agent or an affiliate thereof) to make distributions of net income and net realized capital gains and other distributions;
- (z) to authorize, negotiate, enter into and execute all agreements, instruments or other documents relating to the affairs of the Trust including, without limitation, any loan agreement, granting of a security interest and supporting documentation, or to perform any act or deed which the Manager deems necessary or advisable in the best interests of the Trust;
- (aa) to apply for listing of the Trust Units on the TSX, to apply for listing of the Trust Units on the NYSE Arca or similar U.S. exchange and to prepare, execute and file with the appropriate securities authorities or stock exchanges any other documents that are required or appropriate under relevant securities legislation or stock exchange rules and regulations in respect of the Trust;
- (bb) to prepare, execute and file with the appropriate securities authorities the disclosure documents, annual information forms, management reports of fund performance or such other continuous disclosure documents relating to the Trust, and any amendments thereto, as may be required under applicable securities legislation;
- (cc) to prepare, certify, execute and distribute to Trust Unitholders and file with the securities authorities and applicable tax authorities all such documents as may be necessary or desirable in connection with the issue, sale and distribution of Trust Units, including such interim financial statements, audited annual financial statements, reports to Trust Unitholders and other disclosure as may be required under applicable securities legislation, and to make all designations, elections, determinations, allocations and applications under the Tax Act as the Manager considers to be reasonable in the circumstances;

- (dd) to determine and compute for distribution purposes the net income and net realized capital gains of the Trust and determine when, to what extent, and in what manner distributions shall be made payable to Trust Unitholders, as well as determine whether distributions are payable out of the income, dividends received from taxable Canadian corporations, capital gains, capital or otherwise of the Trust;
- (ee) to authorize the issuance of additional Trust Units and the consolidation of the Units outstanding after such a distribution;
- (ff) to direct the registrar and transfer agent regarding the allotment and issue of Trust Units;
- (gg) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, to prepare and deliver to Trust Unitholders the information pertaining to the Trust, including all distributions and allocations which is required by the Tax Act or which is necessary to permit Unitholders to complete their individual tax returns for the preceding year;
- (hh) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, and such other date(s) in each year, to prepare and deliver to the appropriate taxation authorities in Canada and the United States, all relevant tax filings and/or returns for the Trust that are required by applicable laws;
- (ii) within 45 days from the end of each taxable year of the Trust, to provide Unitholders with all information necessary to enable Trust Unitholders or beneficial owners of Trust Units, as applicable to elect to treat the Trust as a QEF for U.S. federal income tax purposes, including a completed "PFIC Annual Information Statement";
- (jj) to keep proper records relating to the performance of its duties as Manager hereunder, which records shall be accessible for inspection by the Trustee, its agents, or the Manager's agents, including the Investment Manager, the Technical Advisor and the auditors, at any time, upon reasonable notice, during ordinary business hours;
- (kk) on or before 90 days following December 31 in each year, to provide the Trustee with a certificate of compliance ("**Annual Certificate of Compliance**") and a copy of the audited annual financial statements of the Trust, together with the report of the auditors thereon;
- (ll) on or before 90 days following June 30 in each year, to provide the Trustee with an interim certificate of compliance ("**Interim Certificate of Compliance**"); and
- (mm) to do all such other acts and things as are incidental to the foregoing, and to exercise all powers which are necessary or useful to carry on the business of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of this Trust Agreement and the Management Agreement.

The Manager may act as the Investment Manager to the Trust with responsibility for implementing the Investment Policy, including providing investment advisory and portfolio management services to the Trust, or arrange for the implementation of such Investment Policy or portfolio management services by appointing, on behalf of the Trust, one or more Investment Managers, and delegating any of its investment advisory responsibilities to such Investment Managers. The Manager, on behalf of the Trust, shall enter, in its sole discretion, into an investment management agreement with any such Investment Manager to act for all or part of the portfolio investments of the Trust and shall advise the Trustee of such appointment. The appointment of any such Investment Manager shall be deemed to be effective upon the later of the date of receipt by the Trustee of a direction notifying the Trustee of such appointment or the effective date specified therein and such appointment shall continue in force until receipt by the Trustee of a direction containing notice to the contrary. Any instructions from an Investment Manager shall be deemed to be instructions of the Manager pursuant to the provisions of the Trust Agreement. The Trustee shall also be entitled to rely conclusively on and shall be fully protected in acting in accordance with the direction of the Investment Manager in the exercise of powers conferred by the Trust Agreement. The Investment Manager will be a Person or Persons who, if required by applicable laws, will be duly registered and qualified as a portfolio manager under applicable securities legislation and will determine, in its sole discretion, which portfolio securities and other assets of the Trust shall be purchased, held or sold and shall execute or cause the execution of purchase and sale orders in respect such determinations. The Manager shall ensure that any Investment Manager appointed hereunder shall act in accordance with the Investment Policy and applicable laws.

Any Investment Manager shall have the right to resign as Investment Manager of the Trust by giving notice in writing to the Manager and the Trustee not less than 60 days prior to the date on which such resignation is to take effect. The Manager may at any time terminate the appointment of any Investment Manager of the Trust by giving notice in writing to the Trustee and the Investment Manager not less than 60 days prior to the date on which such resignation is to take effect. The Manager, in its sole discretion, may appoint a successor investment manager of the Trust. If prior to the effective date of the Investment Manager's resignation, a successor investment manager is not appointed, the Manager shall assume the duties and responsibilities of such investment manager until such time as a successor shall be appointed and/or approved, as the case may be.

The Manager may from time to time employ or retain any other person or entity where the Manager has determined, in its sole discretion, that it would be in the best interests of the Trust to do so (including without limitation any Technical Advisor or Investment Manager), to perform any of the duties of the Manager set out in the Trust Agreement (including without limitation any Technical Advisor or Investment Manager).

Standard of Care and Indemnification of the Manager

The Manager shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Trust and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent professional manager would exercise in comparable circumstances.

The Manager may employ or engage, and rely and act on information or advice received from any Technical Advisor, any Investment Manager, auditors, other distributors, brokers, depositories, a Facility, the custodian, electronic data processors, advisers, counsel and others and shall not be responsible or liable for the acts or omissions of such Persons or for any other matter, including any loss or depreciation in the Net Asset Value of the Trust or any particular asset of the Trust, provided that the Manager acted in good faith in accordance with its standard of care in relying on such information or advice.

The Manager shall be entitled to assume that any information received from the Trustee, any Technical Advisor, a Facility, any custodian or any sub-custodian, or their respective authorized representatives associated with the day-to-day operation of the Trust is accurate and complete and no liability shall be incurred by the Manager as a result of any error in such information or any failure to receive any notices required to be delivered pursuant to this Trust Agreement, except to the extent that any such information provided to, or failure to receive any notices by, the Manager arises or results from the Manager's failure to comply with the terms of this Trust Agreement or the Management Agreement in providing any required directions or information related thereto.

In the event that the Manager, its partners, employees, associates and affiliates or any of them now or hereafter carry on activities competitive with those of the Trust or buy, sell or trade in assets and portfolio securities of the Trust or of other investment funds, none of them shall be under any liability to the Trust or to the Trust Unitholders for so acting. The Manager shall not be required to devote its efforts exclusively to or for the benefit of the Trust and may engage in other business interests and may engage in other activities similar or in addition to those relating to the activities to be performed for the Trust.

The Manager, its affiliates and agents, and their respective directors, partners, officers and employees shall at all times be indemnified and held harmless by the Trust from and against all legal fees, judgments and amounts paid in settlement, actually and reasonably incurred by them in connection with the Manager's services provided to the Trust pursuant to the Trust Agreement and the Management Agreement, provided that the Trust has reasonable grounds to believe that the action or inaction that caused the payment of the legal fees, judgments and amounts paid in settlement was in the best interests of the Trust and provided that such Person(s) shall not be indemnified by the Trust where:

- (a) there has been negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty on the part of the Manager or such other Person;
- (b) a claim is made as a result of a misrepresentation contained in any current disclosure documents or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of the Trust Units or under applicable securities legislation; or
- (c) the Manager has failed to fulfill its standard of care or its other obligations in accordance with applicable laws or the provisions set forth in the Trust Agreement and the Management Agreement, unless in an action brought against the Manager or such Persons they have achieved complete or substantial success as a defendant.

In order for the Trust, acting through the Trustee, to satisfy itself as to whether the indemnification provided for in the Trust Agreement is in the best interests of the Trust, before paying out any such indemnity, the Trust, acting through the Trustee, may obtain a satisfactory legal opinion that the Trust has reasonable grounds to believe that the indemnification is in the best interests of the Trust, and instead of or in addition to the obtainment of such a legal opinion, the Trustee in its sole discretion and at the expense of the Trust, may call a meeting of the Trust Unitholders pursuant to the Trust Agreement to direct the Trustee as to any such payments out of the Trust.

Conflicts of Interest of the Manager

The Manager is responsible for the management, administration and investment management of the portfolio held by the Trust. The Manager provides, and may in the future provide, management and/or investment advisory services to other corporations, limited partnerships or other investment funds or managed accounts in addition to the Trust including, without limitation, the Sprott Gold Bullion Fund and the Sprott Silver Bullion Fund. In the event that the Manager elects to undertake such activities and other business activities in the future, the Manager and its principals may be subject to conflicting demands in respect of allocating management time, services and other functions. The Manager and its principals and affiliates endeavor to treat each client, investment pool and managed account fairly and not to favor one client, investment pool or managed account over another.

To avoid any conflict of interest, or the appearance of a conflict of interest, the Manager has adopted a policy pursuant to which any entity or account that is: (a) managed; or (b) for whom investment decisions are made, directly or indirectly, by a person that is involved in the decision-making process of, or has non-public information about, follow-on offerings of the Trust is prohibited from investing in the Trust, and no such decision-making person is permitted to invest in the Trust for that decision-making person's benefit, directly or indirectly. In addition, the policy requires that any sales of Trust Units of the Trust owned by such persons must be precleared by the IRC.

In executing its duties on behalf of the Trust, the Manager is subject to the provisions of the Trust Agreement, the Management Agreement and the Manager's Code of Ethics (a copy of which is available for review upon request at the offices of the Manager), which provide that the Manager will execute its duties in good faith and with a view to the best interests of the Trust and its Trust Unitholders.

Regulation of the Manager

The Manager is registered with the Ontario Securities Commission as an investment fund manager, a portfolio manager, an exempt market dealer and a commodity trading manager. It is also registered as an investment fund manager, portfolio manager and/or exempt market dealer in certain other provinces. The Manager's operations are subject to the rules, regulations and policies of the Canadian Securities Administrators. The distribution of the securities of the various investment funds managed by the Manager is also subject to regulation under the securities legislation of those jurisdictions where such funds are sold.

The Manager is subject to regulations that cover all aspects of the securities business, including sales methods, trading practices, use and safekeeping of funds and securities, capital structure, record keeping, conflicts of interest and the conduct of directors, officers and employees. The Ontario Securities Commission, as the Manager's principal regulator, has jurisdiction over the Manager and its activities and is empowered to conduct administrative proceedings that can result in censure, fine, the issuance of cease-and-desist orders or the suspension of registration of the Manager or its directors, officers or employees. The Manager is also subject to rules respecting the maintenance of minimum regulatory working capital and insurance. The Manager regularly reviews its policies, practices and procedures to ensure that they comply with current regulatory requirements and employees are routinely updated on all relevant legal requirements.

The Manager is also subject to Canadian federal and provincial privacy laws regarding the collection, use, disclosure and protection of client information. The *Personal Information Protection and Electronic Documents Act* (Canada) ("**PIPEDA**"), which is the Canadian federal privacy legislation governing the private sector, requires that organizations only use personal information for purposes that a reasonable person would consider appropriate in the circumstances and for the purposes for which it is collected. The Trust complies with the applicable requirements of PIPEDA and all applicable provincial personal information laws. The Manager, on behalf of the Trust, collects personal information directly from the investors or through their financial advisor and/or dealer in order to provide such investor with services in connection with their investment, to meet legal and regulatory requirements and for any other purposes to which such investor may consent.

The Manager does not sell, lease, barter or otherwise deal with personal information collected by it with third parties. The Manager carefully safeguards all personal information collected and retained by it and, to that end, restricts access to personal information to those employees and other persons who need to know the information to enable the Manager to provide its

services. Employees are responsible for ensuring the confidentiality of all personal information they may access. Annually, each of the Manager's employees is required to sign a code of conduct, which contains policies on the protection of personal information.

The Trustee

The Trustee has authority to delegate the performance of custody functions to sub-custodians who are members of its international custody network or, with the consent of the Manager, to other persons.

In general, the Trustee, subject only to the specific limitations contained in the Trust Agreement, has the full, absolute, and exclusive power, control and authority over the Trust's property to do all such acts and things as it, in its sole judgment and discretion deems necessary or incidental to, or desirable for, the carrying out of any of the purposes of the Trust or conducting the business of the Trust, including varying the investments of the Trust in accordance with the investment objectives, strategies or restrictions of the Trust.

Subject to the specific limitations contained in the Trust Agreement, including the Investment Policy, and without any action or consent by the Trust Unitholders or the Special Voting Unitholder, the Trustee shall have and may exercise, at any time and from time to time, the following powers and authorities which may or may not be exercised by it in its sole judgment and discretion, and in such manner and upon such terms and conditions as it may from time to time deem proper:

- (a) to hold the Trust property other than uranium that it may acquire hereunder exercising the same degree of care which it gives to its own property of a similar kind under its own custody;
- (b) to deliver any cash at any time held by it as directed by the Manager or any Technical Advisor to purchase, or otherwise acquire, on behalf of the Trust, uranium and to retain the same in trust hereunder in its capacity as Trustee; provided, however, that the Trustee shall have no responsibility for the custody, authenticity or validity of title of any Trust Property consisting of such uranium held at the Facilities;
- (c) subject to certain other provisions of the Trust Agreement, with any cash at any time held by it to purchase, or otherwise acquire, and to sell, on behalf of the Trust, any securities, currencies, assets or other such Trust property (other than uranium) of a kind permitted pursuant to the Investment Policy and to hold and retain the same in trust hereunder in its capacity as Trustee;
- (d) to enter into and settle foreign exchange transactions on behalf of the Trust for purposes of facilitating settlement of trades of such Trust property held by it at any time and any such transactions may be entered into with such counterparties as the Trustee may choose, in its sole discretion, including its affiliates;
- (e) to sell, convey, exchange for other securities or other property, convert, transfer, assign, pledge, encumber or otherwise dispose of any such Trust property held by it at any time, by any means considered reasonable by the Trustee and to receive the consideration and grant discharges therefor;
- (f) to commence, defend, adjust or settle suits or legal proceedings in connection with the Trust and to represent the Trust in any such suits or legal proceedings and to keep the Manager informed; provided, however, that the Trustee shall not be obliged or required to do so unless it has been indemnified to its satisfaction against all expenses and liabilities sustained or anticipated by the Trustee by reason thereof;
- (g) subject to applicable securities legislation, to lend money whether secured or unsecured;
- (h) to exercise any corporate action in connection with any such Trust property at any time held by the Trustee, and to make any payments incidental thereto; to consent to, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation or merger of any corporation, company or association, or to the sale, mortgage, pledge or lease of the property of any corporation, company or association, or of any of the securities of which may at any time be held by it, and to do any act with reference thereto, including the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which it may deem necessary or advisable in connection therewith; to hold any such Trust Property which it may so acquire and generally to exercise any of the powers of any owner with respect to such Trust property, provided that where direction from the Manager is not provided within the time frame specified by the Trustee in any notice provided in accordance with the Trust Agreement, the Trustee shall take no action;

- (i) to vote personally, or by general or by limited proxy, any such Trust property which may be held by it at any time, and similarly to exercise personally or by general or by limited power of attorney any right appurtenant to any Trust property held by it at any time, provided that where direction is not provided by the Manager within the time frame as set out in the voting materials forwarded to it in accordance with the Trust Agreement, the Trustee shall take no action;
- (j) to incur and pay out of such Trust property held by it at any time any charges or expenses and disburse any assets of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustee, the Manager or any Technical Advisor, as the case may be, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the business of the Trust including, without limitation, the Management Fee, fees payable to the Facilities, the custodian, the Valuation Agent and the registrar and transfer agent, custodian settlement fees, any expenses related to the implementation and on-going operation of the Independent Review Committee, brokerage fees and commissions, federal and provincial income taxes, goods and services taxes and withholding taxes, or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustee in connection with the Trust or such Trust property or upon or against such Trust property or any part thereof and for any of the purposes in the Trust Agreement;
- (k) to renew or extend or participate in the renewal or extension of any such Trust property held by it at any time, upon such terms as it may deem advisable, and to agree to a reduction in the rate of interest on any such Trust property or of any guarantee pertaining thereto, in any manner and to any extent that it may deem advisable; to waive any default whether in the performance of any covenant or condition of any such Trust property, or in the performance of any guarantee, or to enforce rights in respect of any such default in such manner and to such extent as it may deem advisable; to exercise and enforce any and all rights of foreclosure, to bid on property on sale or foreclosure with or without paying a consideration therefore and in connection therewith to release the obligation on the covenant secured by such security and to exercise and enforce in any action, suit or proceeding at law or in equity any rights or remedies in respect of any such security or guarantee pertaining thereto;
- (l) to make, execute, acknowledge and deliver any and all deeds, leases, mortgages, conveyances, contracts, waivers, releases of other documents of transfer and any and all other instruments in writing that may be necessary or proper for the accomplishment of any of the powers herein granted, whether for a term extending beyond the office of the Trustee or beyond the possible termination of the Trust or for a lesser term;
- (m) in its sole discretion, to advance monies to the Trust for the purposes of settlement of transactions and overdrafts against such Trust property held by it at any time, on such terms and conditions as the Trustee may, in its sole discretion, determine, provided that, in order to secure the obligations of the Trust to repay such borrowings, the principal of and interest charged on such borrowing shall be paid out of the Trust property and shall constitute a charge against the Trust property until paid;
- (n) to purchase, hold, sell or exercise call or put options on securities, indices of shares or other securities, financial and stock index futures contracts, securities or currency futures or forward contracts or other financial or derivative instruments, all whether or not any such options, indices, contracts or instruments are traded on a regular exchange and in connection therewith to deposit such Trust property held by it at any time with the counterparty as margin and to grant security interest therein;
- (o) to deposit any such Trust property, including securities and documents of title held by it under the Trust Agreement, with the custodian, including the Trustee, any of its affiliates, a sub-custodian appointed by the Trustee or a depository;
- (p) to employ in respect of the Trust such counsel, auditors, advisors, agents or other person as the Trustee may deem necessary from time to time for the purpose of discharging its duties hereunder and to pay out of the Trust their reasonable expenses and compensation;
- (q) to issue Trust Units for consideration as set forth in the Trust Agreement;
- (r) to dispose of any Trust property for the purpose of paying obligations of the Trust or for repaying any loan authorized hereby and the Trustee shall give prompt notice to the Manager and any Technical Advisor of any such disposition;

- (s) to hold such portion of the such Trust property held by it at any time that is uninvested in cash and, from time to time, to retain such cash balances on deposit with the Trustee or any of its affiliates or with a chartered bank or other depository, in such account as the Trustee, in its sole discretion determines, whether or not such deposits will earn interest;
- (t) to delegate any of the powers and duties of the Trustee to any one or more agents, representatives, officers, employees, independent contractors or other Persons without liability to the Trustee except as specifically provided in this Trust Agreement; and
- (u) to do all such acts, to take all such proceedings and to exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee may deem necessary to administer the Trust, and to carry out the purposes of the Trust established under the Trust Agreement.

The exercise of any one or more of the foregoing powers or any combination thereof from time to time shall not be deemed to exhaust the rights of the Trustee to exercise such power or powers or combination of them thereafter from time to time.

The following enumerated powers shall only be exercised by the Trustee on the direction of the Manager or any Investment Manager: subsections (c), (e), (f), (g), (h), (i), (j) as applicable, (k), (l), (n) and (q), and with respect to subsection (n), to the extent that the Trustee is required to execute any documents relating to such investments which the Trustee did not negotiate or in respect to which the Trustee is not responsible hereunder, upon an indemnity being provided from the Manager acceptable to the Trustee in the circumstances.

The Trustee may, and is expressly authorized from time to time, in its sole discretion, to appoint, employ, invest in, contract or deal with any individual, firm, partnership, association, trust or body corporate with which it may be directly or indirectly affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise) and, without limiting the generality of the foregoing, the Trustee may:

- (a) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as may be held by the Trust, whether on the Trustee's own account or for the account of another (in a fiduciary capacity or otherwise);
- (b) use in other capacities, knowledge gained in its capacity as Trustee hereunder; provided that such use does not adversely affect the interests of the Trust and provided further that the Trustee may not make use of any specific confidential information for its own benefit or advantage that, if generally known, might be expected to affect materially the value of the Trust property or the Trust Units;
- (c) retain cash balances from time to time on hand in the Trust and pay interest to the Trust on such balances and the Trustee may, in its sole discretion:
 - a. hold the same on a pooled basis and pay interest thereon at the rate from time to time established by the Trustee and paid with respect to cash balances so held for similar accounts; or
 - b. hold such cash balances on deposit with a Canadian chartered bank or such other deposit-taking institution in any jurisdiction, including itself or its affiliates, in such interest bearing account as the Trustee, in its sole discretion, may determine; and
- (d) provide financial, investment or brokerage services related to any securities which form part of the Trust property or to the issuer of any securities forming part of the Trust property, invest in the securities or other property of any body corporate with which the Trustee may be directly or indirectly associated, affiliated or interested, or earn profits from any of the activities listed herein,

all without being liable to account therefor and without being in breach of the trust established hereunder.

Standard of Care and Indemnification of the Trustee

The Trustee shall exercise the powers and discharge the duties of its office honestly and in good faith and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent Canadian trust company would exercise in comparable circumstances.

The Trust Agreement provides that the Trustee shall:

- (a) be fully protected in acting upon any instrument, certificate or other writing believed by it to be genuine and to be signed or presented by the proper person or persons;
- (b) be under no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained;
- (c) not be responsible for or liable except as provided in accordance with the Trust Agreement for:
 - a. the proper application by any Trust Unitholder of any part of its interests in the Trust if payments are made in accordance with written directions of such Trust Unitholder as herein provided;
 - b. the adequacy of the Trust to meet and discharge any and all payments and liabilities in respect of a Trust Unitholder;
 - c. the compliance by any Trust Unitholder with the rules under the Tax Act or any applicable laws including limits on investments in non-Canadian securities;
 - d. the validity of title to any Trust property which the Trustee did not arrange itself to have registered;
 - e. any act or omission (other than an act or omission related solely to the Trustee) required or demanded by any governmental, taxing regulatory or other competent authority in any country in which all or part of the Trust property is held or which has jurisdiction over the Trustee, the Manager or the Trust;
 - f. any loss or damage of any nature whatsoever resulting from official action, war or threat of war, insurrection or civil disturbance, interruption in postal, telephone, telegraph, telex or other electromechanical communication systems or power supply, or any other factor beyond the Trustee's control which obstructs, affects, prohibits or delays the Trustee, its directors, officers, employees or agents in carrying out the responsibilities provided for herein, in whole or in part;
 - g. any ongoing monitoring of the Investment Policy of the Trust as set out in the Trust Agreement or any risk factor whatsoever related thereto;
 - h. any Trust property which it does not hold or which is not directly controlled by it, its affiliates or its appointed agents (including any sub-custodians), including any assets pledged or loaned to a third party or uranium held by a Facility; or
 - i. any compliance, reporting or filings in accordance with applicable securities legislation or United States tax laws, regulations, rules or policies that apply to the Trust, including for greater certainty the additional trustee duties.

The Trustee may rely and act upon any statement, report or opinion prepared by or any advice received from the auditors, counsel or other professional advisors of the Trust and shall not be responsible nor held liable for any loss or damage resulting from so relying or acting if the advice was within the area of professional competence of the person from whom it was received, the Trustee acted in good faith in relying thereon and the professional advisor was aware that the Trustee was receiving the advice in its capacity as trustee of the Trust and the Trustee acted in good faith in relying thereon.

The Trustee shall in no way be responsible for, nor incur any liability based on, the action or failure to act or for acting pursuant to or in reliance on instructions of the Manager, any Investment Manager, any Technical Advisor, a Facility, the custodian (if not the Trustee), the Valuation Agent (if not the Trustee), the registrar and transfer agent (if not the Trustee), or any person or organization to whom its responsibilities are delegated pursuant to the Trust Agreement.

The Trustee shall not be liable to the Trust or to any Trust Unitholder for any loss or damage relating to any matter regarding the Trust, including any loss or diminution in the Net Asset Value of the Trust or to any particular asset of the Trust, except to the extent that the Trustee does not meet its standard of care set out in the Trust Agreement. In no event shall the Trustee be liable for indirect, consequential or special damages including, but not limited to, loss of reputation, good will or business.

Except to the extent that any such claim has been directly caused by the negligence, willful misconduct or dishonesty on the part of the Trustee, its affiliates, nominees or agents or any of their respective directors, officers and employees or the Trustee's failure to meet its standard of care set forth above, the Trustee, its affiliates, nominees and agents and each of their respective directors, officers and employees shall at all times be indemnified and held harmless by the Trust and to the extent that the property of the Trust is insufficient for such purpose, by the Manager, from and against:

- (a) all claims whatsoever (including costs, losses, damages, penalties, actions, suits, judgments, charges and expenses, including legal fees in connection therewith) brought, commenced or prosecuted against any of them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Trustee's duties as Trustee, and
- (b) all other liabilities, costs, charges and expenses which any of them sustains or incurs in or about or in relation to the affairs of the Trust.

The commencement of formal legal proceedings will not be a precondition for indemnification under the Trust Agreement.

With respect to any references in the Trust Agreement to (i) distributions being at the discretion of the Trustee acting on the direction of the Manager or (ii) the Trustee having the power to vary the investments of the Trust in accordance with the Investment Policy together with any duties, obligations or responsibilities related thereto, the Manager shall agree that:

- (a) the Trustee shall not have any liability with respect to such additional trustee duties; and
- (b) in addition to the indemnity provided to the Trustee in the Trust Agreement, the Manager has shall agree to indemnify the Trustee and its directors, officers, employees and agents for:
 - a. all claims whatsoever (including costs, losses, damages, penalties, actions, suits, judgments, charges and expenses, including legal fees in connection therewith) brought, commenced or prosecuted against any of them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the additional trustee duties; and
 - b. all other liabilities, costs, charges and expenses which any of them sustains or incurs in or about or in relation to such additional trustee duties,

that arise or result from any conflict between such additional trustee duties and the Trustee's defined duties, obligations and responsibilities as set out in this Trust Agreement (excluding such additional trustee duties) and agreed upon by the Manager.

Resignation or Removal of the Trustee and Successor Trustees

The Trustee or any successor trustee may resign as Trustee of the Trust created by the Trust Agreement by giving notice to the Trust Unitholders and to the Manager not less than 90 days prior to the date when such resignation shall take effect. Such resignation shall take effect on the date specified in such notice unless at or prior to such date a successor trustee is appointed by the Manager in which case such resignation shall take effect immediately upon the appointment of such successor trustee.

The Trustee may be removed by the Manager at any time by notice to the Trustee and the Unitholders not less than 90 days prior to the date that such removal is to take effect; provided a successor trustee is appointed or the Trust is terminated and dissolved in accordance with the Trust Agreement.

In the event that the Trustee resigns or is removed or becomes incapable of acting or if for any cause a vacancy shall occur in the office of the Trustee, a successor trustee shall forthwith be appointed by the Manager to fill such vacancy. Forthwith following such appointment of a successor trustee, the Trustee shall execute and deliver such documents as the Manager may reasonably require for the conveyance of any Trust property (other than uranium) held in the Trustee's name to the successor trustee and, shall account to the Manager for all of the Trust property which the Trustee retains as trustee and shall thereupon be discharged as trustee.

In the event that the Manager shall fail to appoint a successor to the Trustee, the Trust shall be terminated and dissolved upon the effective date of the resignation or removal of the Trustee (which shall be considered to be the effective date on which the Trust is to be terminated for the purposes of the Trust Agreement), and, after providing for all liabilities of the Trust, the Trust property shall be distributed to the Trust Unitholders in accordance with the termination provisions set out in the Trust

Agreement and the Trustee shall continue to act as trustee of the Trust until such Trust property has been so distributed. Fees and expenses of the Trustee shall be a charge, to the extent permitted by applicable law, on the Trust property or the interests of the Trust Unitholders to secure payment thereof.

In the event that the Trustee resigns or is removed or becomes incapable of acting or if for any cause a vacancy shall occur in the office of the Trustee, a successor trustee shall forthwith be appointed by the Manager to fill such vacancy. Forthwith following such appointment of a successor trustee, the Trustee shall execute and deliver such documents as the Manager may reasonably require for the conveyance of any Trust Property (other than uranium) held in the Trustee's name to the successor trustee and, shall account to the Manager for all of the Trust Property which the Trustee retains as trustee and shall thereupon be discharged as trustee.

Amendments to the Trust Agreement

Any provision of the Trust Agreement may be amended, deleted, expanded or varied by the Manager, with the approval of the Trustee, upon notice to Trust Unitholders, the Special Voting Unitholder and holders of Exchangeable Shares, if the amendment, in the opinion of counsel for either the Trustee or the Manager, does not constitute a material change and does not relate to any of the matters that require Voting Unitholder approval, but no amendment shall be made which adversely affects the pecuniary value of the interest of any Trust Unitholder or the rights of the Special Voting Unitholder or restricts any protection provided to the Trustee or increases the responsibilities of the Trustee under the Trust Agreement.

The Trust Agreement may also be amended by the Manager without the approval of, or notice to, Voting Unitholders for the following purposes:

- (a) to remove any conflicts or other inconsistencies which may exist between any terms of the Trust Agreement and any provisions of any applicable law affecting the Trust;
- (b) to make any change or correction in the Trust Agreement which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (c) to bring the Trust Agreement into conformity with applicable laws, rules and policies of securities authorities, stock exchanges on which the Trust Units are listed or with current practice within the securities industry, provided that any such amendment does not adversely affect the rights, privileges or interests of any Trust Unitholder or the Special Voting Unitholder;
- (d) to add a redemption feature for any class of Trust Units that is necessary or advisable in connection with the Trust undertaking to list such class of Trust Units on a U.S. stock exchange, or so that the Trust may qualify as a "unit trust" for purposes of the Tax Act, in either case as determined by the Manager in its discretion; or
- (e) to provide added protection or benefit to Voting Unitholders.

Voting Unitholder Approval

Subject to the provisions of the Trust Agreement, certain matters relating to the Trust and the Trust Agreement require approval by the Voting Unitholders. Such approval must be given at a meeting duly called for that purpose or by written resolution. Any provision of the Trust Agreement may be amended, deleted, expanded or varied with the approval of the Voting Unitholders for the following purposes by resolution passed by an ordinary resolution, other than (a) and (b) below which require approval of Voting Unitholders by an extraordinary resolution:

- (a) a change in the investment objective of the Trust or the investment strategy;
- (b) a change in the investment and operating restrictions of the Trust, unless such change or changes are necessary to ensure compliance with applicable laws or other requirements imposed from time to time by securities authorities or stock exchanges on which the Trust Units are listed;
- (c) any change in the basis of calculating a fee or expense that is charged to the Trust or directly to its Trust Unitholders by the Trust or the Manager in connection with the holding of Trust Units which could result in an increase in charges to the Trust or to its Trust Unitholders;

- (d) the introduction of a fee or expense to be charged to the Trust or directly to its Trust Unitholders by the Trust or the Manager in connection with the holding of Units which could result in an increase in charges to the Trust or to its Trust Unitholders;
- (e) a reduction in the frequency of calculating the Net Asset Value of the Trust, the Net Asset Value per Trust Unit, the Class Net Asset Value or the Class Net Asset Value per Trust Unit;
- (f) a change in the Manager, unless the successor manager is an affiliate of the current Manager or the successor manager occurs primarily as a result of a Manager reorganization;
- (g) the Trust undertakes a reorganization with, or transfers its assets to, another investment fund, if
 - a. the Trust ceases to continue after the reorganization or transfer of assets, and
 - b. the transaction results in the Trust Unitholders becoming unitholders in the other investment fund; or
- (h) the Trust undertakes a reorganization with, or acquires assets from, another investment fund, if
 - a. the Trust continues after the reorganization or acquisition of assets,
 - b. the transaction results in the unitholders of the other investment fund becoming Trust Unitholders in the Trust, and
 - c. the transaction would be a material change to the Trust.

Despite the foregoing, the approval of Voting Unitholders is not required to be obtained for a change referred to in (c) above if

- (a) the Trust is at arm's length to the person charging the fee or expense to the Trust which is changed;
- (b) the disclosure documents disclose that, although the approval of Voting Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change that is to be made which could result in an increase in charges to the Trust; and
- (c) the notice referred to above is sent 60 days before the effective date of the change.

Despite the foregoing, the approval of Voting Unitholders is not required to be obtained for a change referred to in clause (f) above if

- (a) the Independent Review Committee has approved the change in accordance with NI 81-107;
- (b) the Trust is being reorganized with, or its assets are being transferred to, another investment fund to which NI 81-102 and NI 81-107 apply and that is managed by the Manager or its affiliate;
- (c) the reorganization or transfer of assets of the Trust complies with the criteria set forth in NI 81-102;
- (d) the disclosure documents disclose that, although the approval of Voting Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change; and
- (e) the notice to Voting Unitholders referred to above is sent 60 days before the effective date of the change.

Any reorganization or transfer of assets pursuant to (g) or (f) above, including a transaction approved by the Independent Review Committee, must satisfy certain additional criteria as set forth in the Trust Agreement.

In addition, any material amendment, modification or variation in the provisions of, or rights attaching to, a particular class or series of a class of Voting Units must be approved by an extraordinary resolution of the Voting Unitholders of that class or series of a class of Voting Units, as the case may be.

The approval of Voting Unitholders of any amendment, deletion, expansion or variation of the Trust Agreement reasonably required or advisable (as determined by the Manager acting in good faith) for, or in connection with, the listing or potential listing of the Trust Units on a U.S. stock exchange shall only require a resolution approved, in person or by proxy, by Trust Unitholders and the Special Voting Unitholder holding Voting Units representing in aggregate not less than 50% of the Trust Units (and for this purpose only, the Special Voting Unit shall be deemed to represent the Trust Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its affiliates) for Trust Units) or a written resolution signed by Trust Unitholders holding Trust Units or the Special Voting Unitholder holding the Special Voting Unit representing in aggregate not less than 50% of the Trust Units (and for this purpose only, the Special Voting Unit shall be deemed to represent the Trust Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its affiliates) for Trust Units).

The Auditors appointed by the Manager may not be changed unless the Independent Review Committee has approved the change of auditors in accordance with NI 81-107; the disclosure documents disclose that, although the approval of Trust Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change; and the notice to Voting Unitholders is sent 60 days before the effective date of the change.

Notice of any amendment shall be given in writing to Trust Unitholders, the Special Voting Unitholder and the holders of Exchangeable Shares and any such amendment shall take effect on a date to be specified therein, which date shall be not less than 60 days after notice of the amendment is given to Trust Unitholders, the Special Voting Unitholder and the holders of Exchangeable Shares, except that the Manager and the Trustee may agree that any amendment shall become effective at an earlier date if, in the opinion of the Manager and the Trustee, an earlier date is desirable, provided such amendment does not adversely affect the rights, privileges or interests of any Trust Unitholder.

Asset Management

Storage of the Trust's Physical Uranium

The Trust's physical uranium shall be held at the Facilities in accordance with the terms of the applicable storage and transfer agreements. Please see the UPC AIF for additional information about storage arrangements currently in place for UPC's assets, which are expected to continue after the completion of the Arrangement.

The Manager, with the consent of the Trustee and subject to Sprott's obligations under the Arrangement Agreement, may determine to change the storage arrangements of the Trust.

Custodian for the Trust's Assets Other Than Physical Uranium

As compensation for the custodial services rendered to the Trust, the Trustee shall receive such fees as mutually agreed upon with the Manager from time to time. These fees are paid by the Trust out of the cash reserve held for ongoing expenses. The Trustee is responsible for the safekeeping of all of the assets of the Trust delivered to it and acts as the custodian of such assets. The Manager, in accordance with applicable law and with the consent of the Trustee, will have the authority to change the custodial arrangement described above including, but not limited to, the appointment of a replacement custodian and/or additional custodians. The Trustee carries such insurance as it deems appropriate for its businesses and its position as custodian of the Trust's assets. The Trust Agreement does not require the Trustee to carry insurance in connection with any claims the Trust or Trust Unitholders may have against the Trustee in its capacity as custodian of the Trust's assets.

Technical Advisor

WMC Energy B.V. ("WMC") was appointed as the technical advisor to the Manager pursuant to a technical advisory agreement dated as of April 26, 2021 between the Manager and WMC. WMC is an independent physical commodity merchant and industrial asset development company focused on the low carbon energy sector, and sources, stores, finances and delivers physical commodities worldwide.

Auditors

KPMG LLP was appointed as the Trust's auditors effective as of April 23, 2021 in respect of the financial year of the Trust commencing on such date. KPMG LLP's principal office is located at 333 Bay Street, Suite 4600, Toronto, Ontario, M5H 2S5.

The auditors will annually audit the financial statements of the Trust to determine whether they fairly represent, in all material respects, the Trust's financial position, results of operations and changes in equity and cash flows in accordance with IFRS.

Transfer Agent and Registrar

Pursuant to a transfer agent, registrar and disbursing agent agreement to be entered into between TSX Trust and the Manager, as well as Exchangeco, TSX Trust will be appointed as the transfer agent and registrar for the Trust Units and Exchangeable Shares. TSX Trust's principal office is located at 301-100 Adelaide St. W, Toronto, Ontario, Canada M5H 4H1, and the register of Trust Units will be kept at such address.

The transfer agent, registrar and disbursing agent agreement to be entered into may be terminated by either party to such agreement on 60 days' notice in writing being given to the other at the address set out in such agreement or at such other subsequent address of which notice has been subsequently given. Notwithstanding the foregoing, the transfer agent, registrar and disbursing agent agreement may be terminated by TSX Trust on 30 days' notice in writing to the Trust in the event the Trust refuses or fails to pay an invoice for fees and expenses, or other demand for payment issued or made pursuant to such agreement by TSX Trust, within 60 days of the original invoice or demand.

TSX Trust will receive fees for the transfer agent and registrar-related services provided to the Trust and Exchangeco.

Valuation Agent

The valuation agent will be responsible for providing valuation services to the Trust and calculating the value of the net assets of the Trust and NAV pursuant to the terms of the valuation services agreement. See "*Part II – Information Concerning the Trust – Calculation of Net Asset Value*".

In carrying out its duties as valuation agent, the valuation agent will be required to exercise the powers and discharge the duties of its office honestly and in good faith and, in connection therewith, must exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Except to the extent any liability arises directly out of the negligence, willful misconduct or lack of good faith of the valuation agent, the valuation agent is not expected to be liable for any act or omission in the course of, or connected with, rendering the services under the valuation services agreement or for loss to, or diminution of, the Trust's property. It is expected that in no event will the valuation agent be liable for any consequential or special damages including, but not limited to, loss of reputation, goodwill or business. It is expected that the Manager will indemnify and hold harmless the valuation agent, its affiliates and agents, and their respective directors, officers, and employees from and against all taxes, duties, charges, costs, expenses, damages, claims, actions, demands and any other liability whatsoever to which any such persons or entities may become subject, including legal fees, judgments and amounts paid in settlement in respect of anything done or omitted to be done in connection with the valuation services provided under the valuation services agreement, except to the extent incurred as a result of the negligence, willful misconduct or lack of good faith of the indemnified party. Notwithstanding the foregoing, it is expected that the liability of the valuation agent under the valuation services agreement will in no event exceed the aggregate amount of fees received by the valuation agent from the Manager with respect to the services provided during the immediately preceding twelve months.

It is expected that the valuation services agreement will provide that it may be terminated by either party without penalty at any time by providing to the other party 60 days' prior written notice of such termination unless the parties mutually agree in writing to a different period. It is expected that either party will be able to terminate the valuation services agreement immediately upon notice in the event that either party is declared bankrupt or will be insolvent, the assets or the business of either party become liable to seizure or confiscation by a public or governmental authority, or the Manager's power and authority to act on behalf of, or to represent, the Trust has been revoked, terminated or is otherwise no longer in full force and effect.

The valuation agent receives fees for the valuation services provided to the Trust.

Principal Holders of Securities

Prior to the completion of the Arrangement, the Trust has issued, as at the date hereof, one-half of one Trust Unit in connection with the formation of the Trust. This Trust Unit is owned by the settlor of the Trust, Lara Misner, and will be presented for cancellation upon the completion of the Arrangement. No other Trust Units have been issued by the Trust.

Trust Governance

Under applicable Canadian Securities Laws, the Trust is expected to be considered a non-redeemable investment fund and subject to the Investment Fund Regime. The Manager has established appropriate policies, procedures and guidelines to ensure the proper management of the Trust. The systems implemented monitor and manage the business and sales practices, risks and internal conflicts of interest relating to the Trust while ensuring compliance with regulatory and corporate requirements.

IRC

Pursuant to applicable securities legislation, the Manager must establish an Independent Review Committee for the Trust. The Independent Review Committee shall consist of at least three members, each of whom shall be independent of the Manager and its affiliates, and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of an Independent Review Committee member's judgement. The Manager has established an Independent Review Committee for all mutual funds and non-redeemable investment funds managed by the Manager or any of its affiliates, which will include the Trust.

The Manager shall refer all conflict of interest matters to the Independent Review Committee for its review and/or approval. The Manager shall establish a written charter for the Independent Review Committee which shall include its mandate, responsibilities and functions, and the written policies and procedures it will follow when performing its functions, including dealing with conflict of interest matters. The Manager shall maintain records in respect of these matters and shall provide assistance to the Independent Review Committee in carrying out its functions. The Independent Review Committee shall conduct regular assessments and provide reports, at least annually, to the Trust and to Trust Unitholders in respect of its functions. The report prepared by the Independent Review Committee shall be made available on the Trust's website (www.sprott.com) or, at a Trust Unitholder's request, sent to the Trust Unitholder at no cost.

The Independent Review Committee shall:

- (a) review and provide input on the Manager's written policies and procedures that deal with conflict of interest matters;
- (b) review conflict of interest matters referred to it by the Manager and make recommendations to the Manager regarding whether the Manager's proposed actions in connection with the conflict of interest matter achieve a fair and reasonable result for the Trust;
- (c) consider and, if deemed appropriate, approve the Manager's decision on a conflict of interest matter that the Manager refers to the Independent Review Committee for approval; and
- (d) perform such other duties as may be required of the Independent Review Committee under applicable securities legislation.

All fees and expenses of the Independent Review Committee incurred in connection with its duties with respect to the Trust shall be paid by the Trust and the Independent Review Committee shall have the authority to retain, at the expense of the Trust, independent counsel or other advisors if the Independent Review Committee deems it appropriate to do so. The members of the Independent Review Committee shall be indemnified by the Trust, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care.

The current members of the IRC and their principal occupations are as follows:

Name and Municipality of Residence	Principal Occupation
Michele D. McCarthy Toronto, Ontario, Canada	Consultant
Kevin Drynan Toronto, Ontario, Canada	Consultant
Fraser Howell Toronto, Ontario, Canada	Consultant

Fees and Expenses

This table lists the fees and expenses that the Trust will pay for the continued operation of its business and that Trust Unitholders may have to pay if they invest in the Trust. Payment of these fees and expenses will reduce the value of the Trust Unitholders' investment in the Trust.

Fees and Expenses Payable by the Trust

Type of Fee	Amount and Description
Management Fees and Additional Fees:	<p>Pursuant to the Management Agreement, the ongoing operation of the Trust will be managed by the Manager and the Trust will pay the Manager a management fee equal to 1/12 of 0.35% of the NAV of the Trust plus any applicable federal and provincial taxes (the “Management Fee”). The Management Fee shall be calculated and accrued daily and payable monthly in arrears on the last day of each month. In addition, the Manager will be entitled to: (i) a commission of 1.0% of the gross value of any purchases or sales of U3O8 or UF6 provided that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all such transactions; and (ii) for certain other value-added services, an additional fee equal to the amount that would be paid an arm’s length party for comparable services, which shall generally be between \$25,000 and \$75,000 per transaction but shall not exceed the economic benefit to the Trust of such value-added service (collectively, the “Additional Fees”). In addition to the Management Fees and Additional Fees, the Trust shall reimburse the Manager for all reasonable out-of-pocket expenses incurred by the Manager in accordance with the Management Agreement.</p>
Operating Expenses:	<p>The Trust will be responsible for paying the filing and listing fees of the applicable securities authorities and stock exchanges, the fees and expenses payable to the transfer agent.</p> <p>Except as otherwise described in this Circular, the Trust will be responsible for all costs and expenses incurred in connection with the ongoing operation and administration of the Trust including, but not limited to: the fees and expenses payable to and incurred by the Trustee, the Manager, any investment manager, the custodian, any sub-custodians, the transfer agent and the valuation agent of the Trust; transaction and handling costs for the physical uranium; storage fees for the physical uranium; custodian settlement fees; counterparty fees; legal, audit, accounting, bookkeeping and record keeping fees and expenses; costs and expenses of reporting to Trust Unitholders and conducting Trust Unitholder meetings; printing and mailing costs; filing and listing fees payable to applicable securities regulatory authorities and stock exchanges; other administrative expenses and costs incurred in connection with the Trust's continuous disclosure public filing requirements and investor relations; any applicable Canadian taxes payable by the Trust or to which the Trust may be subject; interest expenses and borrowing costs, if any; brokerage expenses and commissions; costs and expenses relating to the issuance of Trust Units; costs and expenses of preparing financial and other reports; any expenses associated with the implementation and ongoing operation of the IRC of the Trust; costs and expenses arising as a result of complying with all applicable laws; and any expenditures incurred upon the termination of the Trust.</p>
Other Fees and Expenses:	<p>The Trust will be responsible for the fees and expenses of any action, suit or other proceedings in which, or in relation to which, the Trustee, the Manager, the uranium custodian, the Trustee as non-uranium custodian, any sub-custodians, the transfer agent or the valuation agent and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Trust.</p>

Type of Fee	Amount and Description
	No other charges will apply. If applicable, the Trust Unitholder may be subject to brokerage commissions or other fees associated with trading the Trust Units.

Distribution Policy

Distribution of Net Income and Net Realized Capital Gains to Trust Unitholders

As at the Valuation Time on the last Valuation Date in each fiscal year or such other date as the Manager may, in its sole discretion, determine (a **“Distribution Date”**), the Manager shall determine the amount of the net income and the net Realized Capital Gains of the Trust for the period since the immediately preceding Distribution Date (or in the case of the first Distribution Date, from the inception date of the Trust).

The net income and the net realized capital gains of the Trust shall be computed as of the Valuation Time on each Distribution Date in accordance with the following:

“net income” for any taxation year of the Trust shall be the net income for the year determined pursuant to the provisions of the Tax Act having regard to the provisions thereof that relate to the calculation of income of a trust, other than subsection 104(6), and taking into account such adjustments thereto as are determined by the Manager; provided, however, that capital gains and capital losses shall be excluded from the computation of net income.

“net realized capital gains” of the Trust for any taxation year of the Trust shall be determined as the amount, if any, by which the aggregate of the capital gains of the Trust in the taxation year exceeds:

- (a) the aggregate of the capital losses of the Trust in the taxation year; and
- (b) the amount determined by the Manager in respect of any unapplied net capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for the applicable taxation year and provided that, in the sole discretion of the Manager, the net realized capital gains of the Trust for a taxation year may be calculated without subtracting the full amount of the net capital losses of the Trust carried forward from previous taxation years.

Commencing with the fiscal year ending December 31, 2021, the Manager intends to cause the Trust to make annual distributions to Trust Unitholders of net income, if any, for each year calculated in accordance with the Trust Agreement.

Commencing with the fiscal year ending December 31, 2021, the Manager also intends to cause the Trust to make annual distributions to Trust Unitholders of such portion of net realized capital gains, if any, for each year as determined in accordance with the Trust Agreement. All such distributions to Unitholders, including the amount of net income and net realized capital gains, as applicable, allocated to each Trust Unitholder, are in the discretion of the Trustee, acting on the direction of the Manager.

Having regard to the present intention of the Manager to allocate, distribute and make payable to Trust Unitholders all net income or net realized capital gains so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year, it is the intention of the Manager that the total amount due and payable on the last Distribution Date in any year shall not be less than the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the Tax Act for such year after taking into account the Trust’s entitlement to a capital gains refund, if any.

The Manager may direct that such distribution or payment shall be due and payable by the Trust in cash or in additional Trust Units. Where distributions are payable in additional Trust Units, the registrar and transfer agent, acting on the direction of the Manager, may round up or round down the number of Trust Units in order to avoid the Trust issuing fractional Trust Units. Any additional Trust Units that are issued in this manner shall be of the same class or series of a class at a price equal to the Net Asset Value per Trust Unit as at the Valuation Time on the applicable Distribution Date and the Trust Units shall be immediately consolidated so that the number of outstanding Trust Units following the distribution shall equal the number of Trust Units outstanding prior to the distribution, and the Manager is hereby irrevocably constituted attorney for each Trust Unitholder to so apply such distributions on behalf of each Trust Unitholder on the relevant Distribution Date. Notwithstanding the foregoing, where Canadian tax is required to be withheld in respect of a Trust Unitholder’s share of a distribution paid in

Trust Units, the consolidation will result in such Trust Unitholder holding that number of Trust Units equal to the product of (i) the sum of the number of Trust Units held by such Trust Unitholder prior to the distribution and the number of Trust Units received by such Trust Unitholder in connection with the distribution (net of the total of the number of whole or fractional Trust Units withheld by the Trust to satisfy the Trust's withholding obligations and the number of whole or fractional Trust Units withheld on account of the reasonable expenses incurred in respect of the sale of such Trust Units withheld on account of withholding taxes), and (ii) a quotient, the numerator of which is the aggregate number of Trust Units outstanding prior to the distribution, and the denominator of which is the aggregate number of Trust Units that would be outstanding following distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Trust Unitholders. Such Trust Unitholder will be required to surrender the Trust Unit certificates, if any, representing such Trust Unitholder's original Trust Units in exchange for a Trust Unit certificate representing such Trust Unitholder's post-consolidation Trust Units.

Distributions, if any, of net income or net realized capital gains will generally be made to Trust Unitholders who were Trust Unitholders of record as of 5:00 p.m. (Toronto Time) on the last Business Day prior to any relevant Distribution Date. The amounts to be paid to a Trust Unitholder shall be the amount of net income or net realized capital gains divided by the total number of Trust Units outstanding on the Distribution Date multiplied by the number of Trust Units held by such Trust Unitholder on the applicable Distribution Date.

All distributions, if declared and paid, shall be calculated and, if a cash distribution, paid in United States currency.

Additional Distributions, Designations, Determinations, Allocations and Elections

In addition to any distributions made to Trust Unitholders as described above, on the direction of the Manager, the Trust shall at such times and in such manner as directed by the Manager make such additional distributions of monies or properties of the Trust including, without restriction, returns of capital, in such amounts per Trust Unit, payable at such time or times and to Trust Unitholders of record on such Distribution Date, as from time to time may be determined by the Manager, and also make such designations, determinations, allocations and elections for tax purposes of amounts or portions of amounts which it has received, paid, declared payable or allocated to Trust Unitholders and of expenses incurred by the Trust and of tax deductions of which the Trust may be entitled, as the Manager may, in its sole discretion, determine.

Material Income Tax Considerations

Shareholders should read carefully the information in the Circular under "*Part I – The Arrangement - Certain Canadian Federal Income Tax Considerations*" which qualifies the information set out below and should consult their own tax advisors.

Shareholders who are Residents (including Eligible Holders that do not make a valid tax election as discussed below) will generally realize a taxable disposition of their Common Shares under the Arrangement. Shareholders who are Eligible Holders may elect to receive consideration that includes Exchangeable Shares. Such an Eligible Holder who elects to receive Exchangeable Shares and makes a valid tax election with Exchangeco may generally defer all or part of the Canadian income tax on any capital gain that would otherwise arise on the exchange of such Eligible Holder's Common Shares under the Arrangement.

Shareholders who are Non-Residents and that do not hold their Common Shares as "taxable Canadian property" will generally not be subject to tax under the Tax Act on the disposition of their Common Shares under the Arrangement.

Remuneration of Directors, Officers, Trustee and the IRC

No payment or reimbursement has been made to the directors and officers of the Manager by the Trust to date. The Trustee will be entitled to receive from the Trust, pursuant to the Trust Agreement, trustee fees, custody, administration and security holder reporting fees. For the financial year ended December 31, 2020, the aggregate compensation paid to the IRC by all the investment funds managed by the Manager was \$75,395 (including GST/HST). None of such compensation has been allocated to the Trust to date.

Material Contracts

Copies of the material contracts of the Trust, listed below, will be made available for inspection during normal business hours following completion of the Arrangement at the offices of the Manager at Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1:

- (a) the Trust Agreement;
- (b) the Management Agreement;
- (c) the Exchangeable Share Support Agreement; and
- (d) the Voting and Exchange Trust Agreement.

Copies of these material contracts have been or will be filed under the Trust's SEDAR profile. Substantially complete versions are also attached as schedules to the Arrangement Agreement. You may also obtain copies of these material contracts following completion of the Arrangement by requesting them in writing or by telephone at the following address and phone number: Suite 2700, South Tower, Royal Bank Plaza, 200 Bay Street, Toronto, Ontario, Canada M5J 2J1 and (416) 943-4394.

Legal and Administrative Proceedings

There are currently no ongoing legal or administrative proceedings involving the Manager which may be material to the Trust, nor are there any such proceedings known to be contemplated as of the date of this Circular.

Termination of the Trust

The Trust will be terminated and dissolved in the event of any of the following:

- (a) there are no outstanding Trust Units;
- (b) the Trustee resigns or is removed and no successor trustee is appointed by the Manager within the prescribed time limit;
- (c) the Manager resigns and no successor manager is appointed by the Manager and approved by Voting Unitholders within the prescribed time limit;
- (d) the Manager is, in the opinion of the Trustee, in material default of its obligations under the Trust Agreement and such default continues for 120 days from the date that the Manager receives notice of such default from the Trustee and no successor manager has been appointed by the Trust Unitholders;
- (e) the Manager has been declared bankrupt or insolvent or has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reconstruction) and no successor manager has been appointed by the Trust Unitholders;
- (f) the Manager makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency and no successor manager has been appointed by the Trust Unitholders; or
- (g) the assets of the Manager have become subject to seizure or confiscation by any public or governmental authority and no successor manager has been appointed by the Trust Unitholders.

In addition, the Manager may, in its discretion, terminate the Trust, without Trust Unitholder approval, if, in the opinion of the Manager, after consulting with the IRC, the value of the net assets of the Trust has been reduced such that it is no longer economically feasible to continue the Trust and it would be in the best interests of the Trust Unitholders to terminate the Trust, by giving the Trustee and each Trust Unitholder at the time at least 90 days' written notice. To the extent such termination in the discretion of the Manager may involve a matter that would be a "conflict of interest matter" as set forth in applicable Canadian regulations, the matter would be referred by the Manager to the IRC for its recommendation.

Exemptions and Approvals

The Trust will seek to obtain exemptive relief from the Canadian securities regulatory authorities for relief from NI 81-102 and the *Securities Act* (Ontario) (the "**Exemptive Relief**") to permit the Trust to make its investments in uranium indirectly and to permit (i) the Trust to invest more than 20% of its net asset value each of UPC and the Subsidiaries; (ii) the Trust to acquire and hold securities of the each of Exchangeco, UPC and the Subsidiaries representing more than 10% of the votes attaching to the outstanding voting securities of such entities; (iii) to permit the Trust to acquire and hold the securities of each of Exchangeco, UPC and the Subsidiaries even though such securities are "illiquid assets" for purposes of NI 81-102; and (iv) the

appointment of the Facilities as custodians of the Trust's physical uranium; and (v) the Trust to make and hold an investment in securities of each of Exchangeco, UPC and the Subsidiaries. The Trust will also seek to obtain exemptive relief from the Canadian securities regulatory authorities for relief from the requirement for Exchangeco to comply with (i) continuous disclosure requirements under National Instrument 51-102 *Continuous Disclosure Obligations* and (ii) certification of disclosure requirements under National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* .

PART III — INFORMATION CONCERNING UPC

The following information about UPC should be read in conjunction with the documents incorporated by reference into this Part III and the information concerning UPC appearing elsewhere in this Circular.

General

Business of UPC

Uranium Participation Corporation was incorporated pursuant to the *Business Corporations Act* (Ontario) on March 15, 2005 and became a publicly listed company on the TSX on May 10, 2005 under the symbol "U". For more information regarding the intended change to the existence of UPC as a corporation governed by the OBCA to that of a trust governed by the laws of Ontario pursuant to the Transaction, see "*Part II – Information Concerning the Trust*" and "*Schedule B – Comparison of Rights as a Unitholder of the Trust and as a Shareholder of UPC*".

UPC's primary purpose is to invest in uranium, such that the Common Shares represent an indirect interest in physical uranium. UPC also lends and/or exchanges its uranium to third parties from time to time. On June 28, 2018, the shareholders of UPC ratified and approved the adoption of the Amended and Restated By-Law No. 1 of UPC effective May 11, 2018. In accordance with (and as defined in) UPC's by-laws, UPC is required to use at least 85% of the "Aggregate Gross Proceeds" for "Uranium Purchases", and UPC intends to use at least 85% of the aggregate gross proceeds from public issuances of securities of UPC (other than an issuance in connection with certain exclusions, including conversion of convertible securities and "at the market distributions", where unpredictable or incidental proceeds may be received by UPC) towards the aggregate cost of all of UPC's purchases of uranium or to hold as cash or other short term investments to fund the future purchases of uranium.

UPC's uranium is held directly by UPC and indirectly through UPC's wholly-owned subsidiaries, Uranium Participation Bermuda Limited and Uranium Participation Bermuda 2 Limited. UPBL was formed effective March 11, 2016 pursuant to a certificate of continuance issued by the Bermuda Register of Companies on the migration of UPC's subsidiary Uranium Participation Cyprus Limited ("UPCL") from Cyprus to Bermuda. UPCL was incorporated under the laws of the Republic of Cyprus on September 10, 2006. UPB2L was formed pursuant to a certificate of incorporation issued by the Bermuda Register of Companies effective October 3, 2018. Each of UPBL and UPB2L were established to invest directly in and hold uranium.

UPC has no employees. Since formation, UPC has appointed DMI, a wholly-owned subsidiary of Denison Mines Corp., to manage UPC pursuant to the DMI MSA. DMI provides three officers to UPC, being the President and Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. DMI is required to arrange, on behalf of UPC and its subsidiaries, for storage of the uranium at the Facilities and for insurance coverage. It is also responsible for the preparation of draft regulatory filing materials including financial statements, investor relations activities including responding to shareholder requests and to furnish office facilities to UPC. Pursuant to the DMI MSA, DMI is entitled to (a) a base fee of \$400,000 per annum, payable in equal quarterly installments; (b) a variable fee equal to (i) 0.3% per annum of UPC's total assets in excess of \$100,000,000 and up to and including \$500,000,000, and (ii) 0.2% per annum of UPC's total assets in excess of \$500,000,000; (c) a fee, at the discretion of the UPC Board, for on-going monitoring or work associated with a transaction or arrangement (other than a financing, or the acquisition of or sale of U₃O₈ or UF₆); and (d) a commission of 1.0% of the gross value of any purchases or sales of U₃O₈ or UF₆ or gross interest fees payable to UPC in connection with any uranium loan arrangements. For more information regarding the intended termination of the DMI MSA and the commencement of SAM LP as the manager of the business of the Trust pursuant to the Arrangement, see "*Part I - The Arrangement*".

For further information regarding UPC and its business activities, see the UPC AIF which is incorporated by reference in this Circular.

Recent Developments

On May 26, 2021, UPC completed a bought-deal equity offering (the "**2021 Offering**") of 15,481,300 Common Shares, at a price of \$5.20 per Common Share, which included the full exercise of the over-allotment option granted to the underwriters, for aggregate gross proceeds of \$80,502,760. The 2021 Offering was completed pursuant to a short form prospectus dated May 18, 2021. The 2021 Offering was underwritten by a syndicate of underwriters co-led by Cormark Securities Inc. and Cantor Fitzgerald Canada Corporation, as co-bookrunners, and included Canaccord Genuity Corp., Sprott Capital Partners LP, Haywood Securities Inc., Raymond James Ltd., Scotia Capital Inc. and TD Securities Inc.

Documents Incorporated by Reference

Information in respect of UPC has been incorporated by reference in this Circular from documents filed with the Canadian securities regulators. Copies of the documents incorporated herein by reference may be obtained on the SEDAR website at www.sedar.com.

The following documents of UPC, filed with the Canadian securities regulators, are specifically incorporated by reference into and form an integral part of this Circular:

- (a) UPC AIF;
- (b) the audited annual consolidated financial statements of UPC dated April 1, 2021 as at and for the financial years ended February 28, 2021 and February 29, 2020 together with the auditor's report thereon and the notes thereto;
- (c) the management's discussion and analysis of UPC dated April 1, 2021 for the financial year ended February 28, 2021 (the "**Annual MD&A**");
- (d) the management information circular of UPC dated July 16, 2020 prepared in connection with the annual and special meeting of shareholders of UPC held on August 25, 2020;
- (e) the material change report dated April 27, 2021 in respect of the Arrangement;
- (f) the material change report dated May 3, 2021 in respect of the announcement of the 2021 Offering.

Any documents of the type described in Section 11.1 of Form 44-101F1 filed by UPC with the Canadian securities regulators subsequent to the date of this Circular and prior to the Meeting shall be deemed to be incorporated by reference in this Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

Prior Sales

During the 12 month period before the date of this Circular, UPC has not issued Common Shares, or securities that are convertible into Common Shares, other than 15,481,300 Common Shares issued pursuant to the 2021 Offering.

Consolidated Capitalization

There has been no material change in the share and loan capital of UPC on a consolidated basis, since February 28, 2021, the date of UPC's most recently filed annual financial statements, other than 15,481,300 Common Shares issued pursuant to the 2021 Offering.

Description of Share Capital

The authorized share capital of UPC consists of an unlimited number of Common Shares. As of June 7, 2021, there were 150,420,951 Common Shares outstanding.

The rights, privileges, restrictions and conditions attaching to the Common Shares are as follows:

Notice of Meetings and Voting

Pursuant to the by-laws of UPC, holders of Common Shares are entitled to notice of, to attend and to one vote per Common Share at all meetings of Shareholders.

Rights on Liquidation

Pursuant to the by-laws of UPC, in the event of liquidation, dissolution or winding-up of UPC, the holders of Common Shares are entitled to participate pro rata in the distribution of the proceeds from the sale of uranium and any other net assets of UPC, subject to applicable laws.

Dividends

The UPC Board has adopted a policy of dedicating cash flow to reinvestment in the business. In addition, pursuant to the by-laws of UPC, 85% of the gross proceeds from certain offerings of securities by UPC is to be used to acquire uranium.

Monthly Price Range and Trading Volumes

The Common Shares are listed on the TSX under the symbol “U”.

The following table sets forth the high and low closing market prices per Common Share and trading volumes as reported on such exchanges for the 12 months prior to the date hereof (Source: TMX Datalinx).

Date	High	Low	Volume
<u>2020</u>			
June	\$5.10	\$4.46	7,045,089
July	\$5.39	\$4.67	8,795,981
August	\$5.05	\$4.53	4,851,747
September	\$4.75	\$4.08	6,075,321
October	\$4.29	\$3.93	7,644,889
November	\$4.26	\$3.96	9,198,122
December	\$4.95	\$4.01	11,654,725
<u>2021</u>			
January	\$5.00	\$4.27	8,750,327
February	\$5.31	\$4.42	14,462,671
March	\$5.83	\$4.79	19,934,123
April	\$5.68	\$4.99	10,514,902
May	\$5.90	\$5.21	\$21,396,581
June ⁽¹⁾	\$5.97	\$5.64	\$3,000,155

Note:

⁽¹⁾ For the period from June 1, 2021 through June 4, 2021.

On April 27, 2021, the last trading day prior to the public announcement of the proposed Arrangement, the closing price of the Common Shares on the TSX was C\$4.99. On June 4, 2021, the closing price of Common Shares on the TSX was C\$5.92.

Auditors, Transfer Agent and Registrar

The auditors of UPC are PricewaterhouseCoopers LLP, Chartered Professional Accountants, Toronto, Canada.

UPC's registrar and transfer agent is Computershare Investor Services Inc., Toronto, Canada.

Share Ownership by Officers and Directors of UPC

As of the date hereof, the directors and executive officers of UPC and their associates, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, an aggregate of approximately 111,827 Common Shares, representing less than 1% of the outstanding Common Shares. All Common Shares held by directors and executive officers of UPC and their associates will be treated in the same fashion under the Arrangement as Common Shares held by other Shareholders.

PART IV — PRO FORMA INFORMATION OF THE TRUST AFTER GIVING EFFECT TO THE ARRANGEMENT

General

Upon closing of the Arrangement, Shareholders will receive in exchange for each Common Share, at the election of each Shareholder and subject to certain limits and eligibility (discussed below), either: (a) one-half of one Trust Unit; or (b) one-half of one Exchangeable Share, which shall be exchangeable on a one Exchangeable Share for one Trust Unit basis.

The following sets forth certain information relating to the Trust, together with *pro forma* information of the Trust after giving effect to the Arrangement and certain other adjustments. Additional information concerning the Trust and UPC is set forth elsewhere in this Circular. See "*Part II – Information Concerning the Trust*" and "*Part III – Information Concerning UPC*".

Selected *Pro Forma* Financial Information

Certain selected *pro forma* condensed financial information is set forth in the following table. Such information should be read in conjunction with the unaudited *pro forma* condensed financial information of the Trust after giving effect to the Arrangement for the year ended December 31, 2021, included in Appendix F to this Circular. Adjustments have been made to prepare the unaudited *pro forma* condensed financial information of the Trust, which adjustments are based on certain assumptions. Both the adjustments and the assumptions made in respect thereof are described in the notes to the Unaudited *Pro Forma* Condensed Financial Information set forth in Appendix F to this Circular.

The unaudited *pro forma* condensed financial information is presented for illustrative purposes only and is not necessarily indicative of the operating or financial results that would have occurred had the Arrangement actually occurred at the times contemplated by the notes to the Unaudited *Pro Forma* Condensed Financial Information set forth in Appendix F to this Circular, or of the results expected in future periods.

PART V — GENERAL PROXY MATTERS

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of UPC to be used at the Meeting. In accordance with the Arrangement Agreement, UPC will jointly solicit proxies with Sprott. It is expected that solicitations of proxies will be primarily by mail and electronic means, but proxies may also be solicited by newspaper publication, in person or by telephone, facsimile or oral communication by directors, officers, employees or agents of Sprott or UPC. UPC will pay for the delivery of its proxy-related materials indirectly to all Non-Registered Shareholders, as applicable.

UPC and SAM LP have retained Gryphon to assist in the solicitation of proxies from Shareholders. In connection with these services, Gryphon is expected to receive a fee up to \$40,000 plus reasonable out-of-pocket expenses. All costs of the solicitation by UPC or Sprott for the Meeting, including the cost of any proxy solicitation agents, will be borne by UPC or Sprott.

In addition to the disclosure below, Shareholders are encouraged to refer to "*Frequently Asked Questions – Questions relating to General Proxy Matters*" accompanying this Circular.

Record Date

The Record Date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is May 17, 2021. Only Shareholders whose names have been entered in the registers of Shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting; provided that, to the extent a Shareholder transfers the ownership of any Common Shares after the Record Date and the transferee of those Common Shares produces properly endorsed Common Share certificates or otherwise establishes ownership of such Common Shares and demands, not later than ten days before the Meeting, to be included on the list of Shareholders entitled to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

Virtual Meeting

Due to COVID-19 concerns, there is no physical location at which the Meeting will take place. Any Shareholder that would like to attend the Meeting can join **ELECTRONICALLY** by logging into the live webcast available online using <https://web.lumiagm.com/233521073>. Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Common Shares during the Meeting by voting when prompted during the Meeting.

Appointment and Revocation of Proxies

Accompanying this Circular is a form of proxy for Shareholders. The persons named in the enclosed form of proxy are directors or officers of UPC. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the form of proxy or voting instruction form provided by UPC to represent the Shareholder at the Meeting. To exercise this right, the Shareholder should strike out the names of UPC designees in the enclosed form of proxy or voting instruction form and insert the name of the desired representative in the blank space provided in such form of proxy or voting instruction form or submit another appropriate form of proxy permitted by law, and in either case, send or deliver the completed proxy to the office of Computershare Investor Services Inc., by mail: at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 Attention: Proxy Department, or by telephone at 1-800-564-6253 or by email at services@computershare.com.** The applicable form of proxy must be received by Computershare Investor Services Inc. no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment or postponement of the Meeting. Failure to deposit a form of proxy shall result in its invalidation. **Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.**

Registering the proxyholder is an additional step once the Shareholder has submitted their form of proxy or voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the Meeting. To register a proxyholder, Shareholders MUST visit

<https://www.computershare.com/uranium> by July 5, 2021 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with a username via email.

If a Shareholder who has submitted a proxy attends the Meeting via the webcast and has accepted the terms and conditions when entering the Meeting online, any votes cast by such Shareholder on a ballot will be counted and the submitted proxy will be disregarded. If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.

Without a username, proxyholders will not be able to vote at the Meeting.

If your Common Shares are held in "street name" by a U.S. brokerage account, trustee or another nominee, you are considered the "beneficial owner" or Non-Registered Shareholder. As the beneficial owner of those Common Shares, you have the right to direct your broker, trustee or nominee how to vote. However, because a beneficial owner is not the shareholder of record, you will not be entitled to vote your beneficially-owned Common Shares in person at the Meeting unless you obtain a "legal proxy" from the U.S. broker, trustee or nominee that holds your Common Shares, giving you the right to vote the Common Shares at the Meeting.

A Shareholder that has given a form of proxy or voting instruction form may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Shareholder or by its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either (i) at the above mentioned office of Computershare Investor Services Inc. no later than 1:00 p.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment(s) or postponement(s) of the Meeting or with the Chair of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof.

Voting of Proxies

The persons named in the accompanying form of proxy or voting instruction form will vote the Common Shares in respect of which they are appointed for or against the Arrangement Resolution in accordance with the direction of the Shareholder appointing them. **In the absence of such direction, the Common Shares will be voted "FOR" the approval of the Arrangement Resolution to be considered at the Meeting as described in this Circular.**

Exercise of Discretion of Proxy

The proxyholder has discretion under the accompanying form of proxy or voting instruction form with respect to any amendments or variations of the matter of business to be acted on at the Meeting or any other matters properly brought before the Meeting or any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Meeting is routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. The persons named in the enclosed proxy will vote on such matters in accordance with their best judgment. As of the date of this Circular, UPC knows of no amendments, variations or other matters to come before the Meeting other than the matter set forth in this Notice of Meeting. Shareholders that are planning on returning the accompanying form of proxy or voting instruction form are encouraged to review the Circular carefully before submitting the applicable form of proxy or voting instruction form.

If your Common Shares are held in "street name" by a U.S. brokerage account, trustee or another nominee, you are considered the "beneficial owner" or a Non-Registered Shareholder. As the beneficial owner of those Common Shares, you have the right to direct your broker, trustee or nominee how to vote. However, because a beneficial owner is not the shareholder of record, you will not be entitled to vote your beneficially owned Common Shares in person at the Meeting unless you obtain a "legal proxy" from the U.S. broker, trustee or nominee that holds your Common Shares, giving you the right to vote the Common Shares at the Meeting.

Manner of Voting

ALL SHAREHOLDERS ARE ENCOURAGED TO VOTE IN ADVANCE USING THE FORM OF PROXY/VOTING INSTRUCTION FORM. Registered Shareholders can also vote via the internet by using www.investorvote.com. Non-Registered Shareholders can also vote via the internet by following the instructions accompanying the voting instruction form.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

If you are using a 15-digit control number to login to the online Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. **If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the meeting as a guest.**

Registered Shareholders

If you are eligible to vote and your Common Shares are registered in your name (i.e. you are a Registered Shareholder), you can vote your Common Shares using any one of the following methods:

1. Via the internet at www.investorvote.com;
2. Signing and returning the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a Shareholder, to represent you as proxyholder and vote your Common Shares at the Meeting; **OR**
3. Attending the virtual Meeting on July 7, 2021 and voting during the live webcast as follows:
 - a. Log into <https://web.lumiagm.com/233521073> at least 15 minutes before the start of the Meeting. Registered Shareholders should allow ample time to check into the Meeting and to complete the related procedures.
 - b. Click “**I have a login**” and enter your 15-digit control number on your form of proxy as your username.
 - c. Enter the password (case sensitive): uranium2021
 - d. Follow the instructions to access the Meeting and vote when prompted.

Non-Registered Shareholders

If your Common Shares are not registered in your name, but are held in the name of a nominee (usually a bank, trust company, securities broker or other financial institution) then you are a Non-Registered Shareholder and your nominee is required to seek your instructions as to how to vote your Common Shares. Your nominee will have provided you with a package of information, including these meeting materials and either a proxy or a voting instruction form. Carefully follow the instructions accompanying the proxy or voting instruction form.

Non-Registered Shareholders may view a live webcast of the Meeting by going to <https://web.lumiagm.com/233521073> and clicking on “**I am a guest**”. Non-Registered Shareholders who do not have a 15-digit control number or username will only be able to attend as a guest which allows them listen to the Meeting however will not be able to vote or submit questions. Only Registered Shareholders or their proxyholders are entitled to vote electronically at the Meeting. If you wish to vote in person electronically at the Meeting, insert your name in the space provided on the applicable form of proxy, or voting instruction form, sent to you by your nominee. In doing so you are instructing your nominee to appoint you as a proxyholder. Complete the form by following the return instructions provided by your nominee. You should report to a representative of the Transfer Agent upon logging into the Meeting. **In order to vote, Non-Registered Shareholders who appoint themselves as a proxyholder MUST register with Computershare at <https://www.computershare.com/uranium> after submitting their voting instruction form in order to receive a username. Failure to register the proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.**

Additionally, UPC may use the Broadridge QuickVote™ service to assist Non-Registered Shareholders with voting their Common Shares. Non-Registered Shareholders may be contacted by Gryphon, UPC's proxy solicitation agent, to conveniently obtain a vote directly over the telephone. Broadridge then tabulates the results of all instructions received and provides the appropriate instructions with respect to the Common Shares to be represented at the Meeting.

Proxyholders

Duly appointed proxyholders, including Non-Registered Shareholders who have been duly appointed by a Registered Shareholder as proxyholder, can access and vote at the Meeting during the live webcast as follows:

1. Log into <https://web.lumiagm.com/233521073> at least 15 minutes before the start of the Meeting. Duly appointed proxyholders should allow ample time to check into the Meeting and to complete the related procedures.

2. Enter the control number (the control number will be provided by Computershare provided that you have been duly appointed in accordance with the procedures outlined in this Circular).
3. Enter the password (case sensitive): uranium2021
4. Follow the instructions to access the Meeting and vote when prompted.

The grant of a proxy on the enclosed form of proxy or voting instruction form does not preclude a Shareholder from voting in person electronically. Registered Shareholders that attend electronically and that have not already voted by proxy will be permitted to vote their Common Shares during the Meeting by voting when prompted during the Meeting.

United States Non-Registered Shareholders

To attend and vote at the virtual Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting by submitting a copy of your legal proxy to Computershare. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a legal proxy form. Requests for registration should be directed to:

Computershare
100 University Avenue
8th Floor
Toronto, Ontario M5J 2Y1

Requests for registration must be labeled as "Legal Proxy" and be received no later than 10:00 a.m. (Toronto Time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment or postponement of the Meeting. You will receive a confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your Common Shares at <https://web.lumiagm.com/233521073> during the Meeting. Please note that you are required to register your appointment at www.computershare.com/uranium.

Recommendation of the UPC Board

The UPC Board has unanimously determined, after receiving the Fairness Opinion and legal and financial advice, that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution. All directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution.

Voting Securities and Principal Holders Thereof

As of the date hereof, there were 150,420,951 Common Shares outstanding. UPC has no other class or series of shares outstanding. Of the date hereof, there is no person who, to the knowledge of UPC, beneficially owns, or exercises control or direction over, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding Common Shares.

Interest of Informed Persons in Material Transactions

Except as otherwise disclosed in this Circular (including the documents incorporated by reference herein and the Appendices hereto), UPC is not aware of any material interest, direct or indirect, of any informed person of UPC, or any associate or affiliate of any informed person, in any transaction since the commencement of UPC's most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect UPC.

For the purposes of this Circular an "informed person" means a director or executive officer of UPC, a director or executive officer of a person or company that is itself an "informed person" and any person or company who beneficially owns, directly or indirectly, voting securities of UPC or who exercises control or direction over voting securities of UPC or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of UPC.

Procedure and Votes Required

The Interim Order provides that each holder of Common Shares at the close of business on the Record Date will be entitled to receive notice of, to attend and to vote at the Meeting in respect of the Arrangement Resolution. To the extent a Shareholder

transfers the ownership of any of its Common Shares after the Record Date and the transferee of those Common Shares establishes that it owns such Common Shares and requests, at least 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

Pursuant to the Interim Order:

- Each Common Share entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting in respect of the Arrangement Resolution and all other matters that may be properly brought before the Meeting or any adjournment(s) or postponement(s) thereof. The Arrangement Resolution must be approved by at least 66 $\frac{2}{3}$ % of the votes cast by Shareholders as well as a majority of the votes cast by the MI 61-101 Minority Shareholders, voting as a single class, present in person or represented by proxy at the Meeting; and
- the quorum at the Meeting shall be the quorum as set out in the constating documents of UPC (being two persons present in person or represented by proxy, who, in the aggregate, hold at least 25% of the Common Shares).

Notwithstanding the foregoing, the Arrangement Resolution authorizes directors of UPC, without further notice to or approval of Shareholders, to amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement, and, subject to the terms of the Arrangement Agreement, to decide not to proceed with the Arrangement. See Appendix A-1 to this Circular for the full text of the Arrangement Resolution.

PART VI – APPROVAL

UPC Board of Directors' Approval

The contents and the sending of this Circular have been approved by the UPC Board.

Jeff Kennedy
Chairman of the UPC Board
Uranium Participation Corporation

June 7, 2021

APPENDIX A-1

ARRANGEMENT RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the “**Arrangement**”) under section 182 of the *Business Corporations Act* (Ontario) (“**OBCA**”) involving Sprott Asset Management LP (“**SAM LP**”), Sprott Physical Uranium Trust (the “**Trust**”), 2834819 Ontario Inc. (“**Exchangeco**”), and Uranium Participation Corp. (“**UPC**”), as more particularly described and set forth in the information circular of UPC dated June 7, 2021 (the “**Circular**”) accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with the arrangement agreement (the “**Arrangement Agreement**”) dated as of April 27, 2021 among SAM LP, Exchangeco, the Trust, and UPC, as amended June 3, 2021) is hereby authorized, approved and adopted.
2. The plan of arrangement of UPC, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms (the “**Plan of Arrangement**”), the full text of which is set out in Appendix D to the Circular, is hereby authorized, approved and adopted.
3. The: (i) Arrangement Agreement and all the transactions contemplated therein; (ii) actions of the directors of UPC in approving the Arrangement and Arrangement Agreement, and (iii) actions of the directors and officers of UPC in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.
4. UPC be and is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).
5. Notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the shareholders of UPC or that the Arrangement has been approved by the Court, the directors of UPC are hereby authorized and empowered to, without notice to or approval of the shareholders of UPC: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions
6. Any officer or director of UPC is hereby authorized and directed for and on behalf of UPC to execute and deliver for filing with the Director under the OBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.
7. Any officer or director of UPC is hereby authorized and directed for and on behalf of UPC to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX A-2
ARRANGEMENT AGREEMENT

[Attached]

SPROTT ASSET MANAGEMENT LP

and

SPROTT PHYSICAL URANIUM TRUST

and

2834819 ONTARIO INC.

and

URANIUM PARTICIPATION CORPORATION

ARRANGEMENT AGREEMENT

April 27, 2021

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REPRESENTATIONS AND WARRANTIES OF UPC
REPRESENTATIONS AND WARRANTIES OF SAM LP, THE TRUST AND
EXCHANGE CO

ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of April 27, 2021

A M O N G:

SPROTT ASSET MANAGEMENT LP (“SAM LP”), a limited partnership formed under the laws of the Province of Ontario

- and –

SPROTT PHYSICAL URANIUM TRUST (the “Trust”), a trust existing under the laws of the Province of Ontario

- and –

2834819 ONTARIO INC. (“Exchangeco”), a corporation existing under the laws of the Province of Ontario

- and –

URANIUM PARTICIPATION CORPORATION (“UPC”), a corporation existing under the laws of the Province of Ontario

WHEREAS, UPC is a company that invests its assets primarily in uranium related investments and requires the continued services of a manager to direct the administration of its business;

AND WHEREAS, Denison Mines Inc. (“**Denison**”) currently provides administration and management services to UPC;

AND WHEREAS, SAM LP is an alternative asset manager and a global leader in precious metal and real asset investments;

AND WHEREAS, the Parties wish to effect an arrangement pursuant to which, among other things, Shareholders will, subject to certain limits, receive one (1) Trust Unit or one (1) Exchangeable Share for each Common Share and, in connection with which, the Management Services Agreement will be terminated and replaced with the Management Agreement;

AND WHEREAS, the board of directors of UPC has unanimously determined that it would be in the best interests of UPC to enter into this Agreement and consummate the transactions contemplated herein;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

(1) As used in this Agreement, the following terms have the following meanings:

“Acceptable Confidentiality Agreement” means an executed confidentiality and standstill agreement having terms that are no less restrictive to the counterparty than those set out in the Confidentiality Agreement are to SAM LP; provided that the use of confidential information provided thereunder shall be restricted to consideration of a negotiated transaction.

“affiliate” means, when describing a relationship between two Persons, that either one of them is under the direct or indirect control of the other, or each of them is directly or indirectly controlled by the same Person.

“Agreement” means this arrangement agreement.

“Alternative Proposal” means, other than the transactions contemplated by this Agreement (including any issuance of securities permitted under Section 4.1(2)(b) of the Disclosure Letter) and other than any transaction involving only UPC and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry (written or oral) from any Person or group of Persons other than SAM LP (or any affiliate of SAM LP or any Person acting in concert with SAM LP or any affiliate of SAM LP) after the date of this Agreement relating to:

- (a) any sale or disposition (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), direct or indirect (i) of assets representing 20% or more of the assets, or (ii) of or involving 20% or more of any class of the voting or equity securities of UPC or any of its Subsidiaries (or rights or interests in such voting or equity securities);
- (b) any direct or indirect take-over bid, tender offer, exchange offer, sale or issuance of securities or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of UPC or any of its Subsidiaries;
- (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization (including conversion into an exchange traded fund or similar entity or other transaction requiring articles of amendment), recapitalization, liquidation, dissolution, winding up or exclusive license involving UPC or any of its Subsidiaries;
- (d) the change of the manager of UPC or the addition of another manager or submanager of UPC (but excluding an assignment of the Management Services Agreement to wholly-owned Subsidiary of Denison or the appointment of an interim manager that is necessary due to UPC requiring Denison to resign as a result of a breach of the Management Services Agreement, applicable Law, or Denison tendering its resignation where UPC and the interim manager enter into a written Contract that the interim manager will resign at no cost to UPC upon the Effective Date); and
- (e) any other similar transaction or series of transactions involving UPC or any of its respective Subsidiaries that would have the same effect as the foregoing.

“Arrangement” means an arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms thereof and of this Agreement or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“Arrangement Resolution” means the special resolution approving the Arrangement and the Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B.

“Articles of Arrangement” means the articles of arrangement in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to SAM LP and UPC, each acting reasonably.

“associate” has the meaning given to it in the *Securities Act* (Ontario).

“Authorization” means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person.

“Board” means the board of directors of UPC as constituted from time to time.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario.

“Canadian Securities Laws” means: (a) the *Securities Act* (Ontario) and any other applicable Canadian provincial securities Laws; and (b) the rules and regulations of the TSX.

“Certificate of Arrangement” means, the certificate of arrangement to be issued by the Director pursuant to subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

“Circular” means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

“Common Shares” means the common shares in the authorized share capital of UPC.

“Confidentiality Agreement” means the mutual confidentiality and non-disclosure agreement dated February 5, 2021 between SAM LP and UPC, as amended, supplemented or otherwise modified from time to time.

“Consideration” means, (a) in the case of a Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline (as defined in the Plan of Arrangement) and is able to provide the Regulation S Confirmations upon such election, one (1) Exchangeable Share for each Common Share, subject to the limits in the Plan of Arrangement; and (b) in the case of each other Shareholder, one (1) Trust Unit for each Common Share.

“Constituting Documents” means articles of incorporation, amalgamation, or continuation, as applicable, by-laws and all amendments to such articles or by-laws.

“Contract” means any legally binding agreement, commitment, engagement, contract, franchise, licence, lease, obligation or undertaking (written or oral) to which a Party is a party or by which it is bound or affected or to which any of its properties or assets is subject.

“Conversion Amount” means an amount equal to \$6.693 million.

“Conversion Payment” means a lump sum cash payment from SAM LP to UPC equal to the Conversion Amount.

“Court” means the Ontario Superior Court of Justice (Commercial List), or other court as applicable.

“Depository” means TSX Trust Company or such other Person as SAM LP and UPC agree in writing.

“Director” means the Director appointed pursuant to section 278 of the OBCA.

“Disclosure Letter” means the disclosure letter dated the date of this Agreement and delivered by UPC to SAM LP, the Trust and Exchangeco with this Agreement.

“Dissent Rights” means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

“Eligible Holder” means a Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

“Employees” means, with respect to any Person, such Person’s officers, employees and independent contractors.

“Exchangeable Share Support Agreement” means an agreement to be made between SAM LP, the Trust and Exchangeco substantially in the form of Schedule C, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Exchangeable Shares” means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set out in the Plan of Arrangement.

“Exemptive Relief” means receipt of an order or orders from the applicable Securities Authorities in a form acceptable to SAM LP, acting reasonably, providing the Trust, its subsidiaries and Exchangeco, as applicable, with an exemption (i) from certain restrictions applicable to investment funds under sections 2.1(1.1), 2.2(1), 2.4, 6.1(1), 6.2 and 6.3 of NI 81-102, and sections 111(2) and 111(4) of the *Securities Act* (Ontario) and (ii) under Section 13.3 of NI 51-102 to allow Exchangeco to satisfy its continuous disclosure obligations under Canadian Securities Laws in reliance on the continuous disclosure of the Trust.

“Expense Reimbursement Amount” means an amount up to a maximum of \$1,000,000 equal to all reasonable, documented out of pocket expenses of UPC related to the negotiation of this Agreement, the structuring of the Arrangement and efforts to satisfy the closing conditions to completing the Arrangement, including legal, tax and accounting fees, out-of-

scope management fees payable to Denison to a maximum of \$100,000 and other advisory services fees.

“Expense Reimbursement Payment” means a lump sum cash payment from SAM LP to UPC equal to the Expense Reimbursement Amount.

“Fairness Opinion” means an opinion of the Financial Advisor to the effect that, as of the date hereof, the consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to such Shareholders.

“Filings” means all documents publicly filed or furnished under the profile of UPC on SEDAR since February 29, 2020.

“Final Order” means the final order of the Court in a form acceptable to SAM LP and UPC, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of SAM LP and UPC, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to SAM LP and UPC, each acting reasonably) on appeal.

“Financial Advisor” means Cormark Securities Inc.

“Financial Advisor Certification” means, with respect to a particular Alternative Proposal, a written certification by the Financial Advisor that the Financial Advisor, due to the nature of the Arrangement as compared to such Alternative Proposal and after having acted in good faith using customary and reasonable industry practices with a view to advising the Board as to the favourability, from a financial point of view, to Shareholders of such Alternative Proposal as compared to the Arrangement, is unable to provide advice to the Board as to the favourability, from a financial point of view, to Shareholders of such Alternative Proposal as compared to the Arrangement.

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“HSR Approval” means the expiration or termination of the waiting period, including any extension thereof, in accordance with the HSR Act.

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board, as adopted in Canada.

“Interim Order” means the interim order of the Court made pursuant to subsection 182(5) of the OBCA in a form acceptable to SAM LP and UPC, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court (which amendment shall be acceptable to SAM LP and UPC, each acting reasonably).

“Key Regulatory/Stock Exchange Approvals” means the HSR Approval (unless otherwise agreed by SAM LP and UPC, each acting reasonably), Exemptive Relief and TSX Approval.

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, by-law, code, rule, regulation, instrument, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

“Lien” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance.

“Management Agreement” means the management agreement to be entered into between SAM LP and the Trust prior to the Effective Date, substantially in the form of Schedule E, subject to any amendments or variations to such Management Agreement as agreed upon by SAM LP and the Trust, each acting reasonably.

“Management Change Proposal” means any Alternative Proposal other than an Alternative Proposal that, if consummated, would result in: (a) Shareholders receiving, directly or indirectly, cash consideration or Marketable Securities for their Common Shares; or (b) the sale of all or substantially all of UPC’s assets for cash consideration or Marketable Securities followed by the repurchase of any Common Shares and/or the payment of a dividend in respect of any Common Shares using all or substantially all of such cash consideration or Marketable Securities.

“Management Services Agreement” means the management services agreement between UPC and Denison dated as of April 1, 2019.

“Management Services Agreement Termination Amount” means an amount equal to the amount payable under the Management Services Agreement on a termination in accordance with section 17(c) thereof, calculated as of the month end prior to termination.

“Management Services Agreement Termination Payment” means a lump sum cash payment from SAM LP to UPC equal to the Management Services Agreement Termination Amount.

“Marketable Securities” means, with respect to any Alternative Proposal, equity securities of an issuer, which, immediately following the consummation of the Alternative Proposal, would: (a) be freely tradeable in Canada; (b) be listed on a Canadian stock exchange or U.S. national securities exchange; and (c) represent, in the aggregate, less than 25% of such class of equity securities of such issuer.

“Material Adverse Effect” means, with respect to any Person, any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, state of facts or circumstances is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, financial condition or liabilities (contingent or otherwise) of such Person and its Subsidiaries (if applicable), taken as a whole, except any such change,

event, occurrence, effect, state of facts or circumstance resulting from or arising in connection with:

- (a) any fluctuations or changes in Uranium prices;
- (b) any change in global, national or regional political conditions (including the outbreak or escalation of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial or capital markets;
- (c) any adoption, proposal, implementation or change in Law or any interpretation of Law by any Governmental Entity;
- (d) any change in IFRS;
- (e) any natural disaster, epidemic or pandemic;
- (f) any incident or accident involving nuclear enrichment, processing or power generation;
- (g) any actions taken (or omitted to be taken) upon the written request, or with the prior written consent, of all of the other Parties;
- (h) the announcement or performance of this Agreement or consummation of the Arrangement;
- (i) any change in the market price or trading volume of any securities of the Person (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Material Adverse Effect has occurred), or any suspension of trading in securities generally on any securities exchange on which any securities of the Person trade; or
- (j) the failure of the Person in and of itself to meet any internal or public projections, forecasts or estimates of revenues or earnings (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred),

provided, however, that with respect to clauses (a) through to and including (e), such matter does not have a materially disproportionate effect on the Person and its Subsidiaries (if applicable), taken as a whole, relative to other comparable companies and entities operating in the industries in which the Person and its Subsidiaries (if applicable) operate; and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a “Material Adverse Effect” has occurred.

“Meeting” means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by SAM LP and UPC, each acting reasonably.

“MI 61-101” means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

“Misrepresentation” means an untrue statement of a material fact or an omission to state a material fact required or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

“Money Laundering Laws” means financial recordkeeping and reporting requirements under money laundering Laws and the rules and regulations thereunder and any related or similar Laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity relating to money laundering.

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“NI 81-102” means National Instrument 81-102 – *Investment Funds*.

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

“officer” has the meaning specified in the *Securities Act* (Ontario).

“Ordinary Course” means, with respect to an action taken by a Party, that such action is consistent with the past practices of such Party and is taken in the ordinary course of the normal operations of the business of such Party and which, in the case of UPC, includes such actions as described in or otherwise consistent with its Constatting Documents and the business of UPC (including, without limitation, the investment objectives and strategies, investment policies, and management) as described in UPC’s Annual Information Form for the year ended February 29, 2020 dated May 27, 2020.

“OSC” means the Ontario Securities Commission.

“Outside Date” means August 31, 2021, or such later date as may be agreed to in writing by the Parties, provided that if the Effective Date has not occurred by such date as a result of the failure to obtain all of the Key Regulatory/Stock Exchange Approvals, then SAM LP or UPC may elect by notice in writing to the other Parties prior to the original Outside Date (and any subsequent Outside Date) to extend such date in one (1) month increments for up to an additional three (3) months, provided further that if permitted extension of the Outside Date were to cause the Outside Date to not occur on a Business Day, the first Business Day thereafter shall be deemed to be the Outside Date.

“Parties” means SAM LP, the Trust, Exchangeco and UPC, and **“Party”** means any one of them as the context requires.

“Person” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“Plan of Arrangement” means the plan of arrangement, substantially in the form of Schedule A, subject to any amendments or variations to such plan made in accordance the terms thereof or with Section 8.1 or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“Regulation S Confirmations” means the representations provided by an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline that: (1) the

Eligible Holder is not a Person in the United States and was not offered the Exchangeable Shares in the United States, (2) the Eligible Holder is not in the United States at the time of such election, (3) the Eligible Holder acknowledges that the Exchangeable Shares may not be delivered or transferred to a Person in the United States; (4) the Eligible Holder confirms that the Eligible Holder will not be in the United States at the time of the exchange of the Exchangeable Shares for Trust Units, and (5) the Eligible Holder acknowledges that the Trust Units issuable to the Eligible Holder upon exchange of the Exchangeable Shares will not be delivered or registered to an address in the United States.

“Regulatory/Stock Exchange Approval” means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement or the listing of the Trust Units issuable pursuant to the Arrangement on the TSX, including the Key Regulatory/Stock Exchange Approvals.

“Representative” means, with respect to any Party, an officer, director, employee, representative (including any financial or other adviser) or agent of the Party.

“SEC” means the United States Securities and Exchange Commission.

“Securities Authorities” means the OSC and any other applicable securities commissions or securities regulatory authority of a province or territory of Canada.

“SEDAR” means the System for Electronic Document Analysis and Retrieval.

“Settlor” means Lara Misner.

“Shareholder” means a holder of one or more Common Shares.

“Subsidiary” means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of a Subsidiary.

“Superior Proposal” means any unsolicited bona fide written Alternative Proposal from a Person who is an arm’s length third party (1) to acquire not less than all of the outstanding Common Shares or all or substantially all of the assets and liabilities of UPC, or (2) the consummation of which would, directly or indirectly, result in a change of the manager of UPC, or addition of another manager or submanager of UPC, that in either case: (a) did not result from or involve a breach of ARTICLE 5; (b) is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (c) is not subject to any financing contingency and in respect of which adequate arrangements have been made in respect of any financing required to complete such Alternative Proposal; (d) is not subject to any due diligence or access condition; and (e) that the Board determines, in its good faith judgment, after consultation with its outside legal and financial advisors and after taking into account all the terms and conditions of the Alternative Proposal, including all legal, financial, regulatory and other aspects of such Alternative Proposal and the party making such Alternative Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of noncompletion, result in a transaction that is (i) more favourable, from a financial point of view, to the Shareholders than the Arrangement or (ii) only where the Board has received a Financial Advisor Certification in respect of such Alternative Proposal, is more favourable to Shareholders and in the best interest of UPC, in either case including any amendments to the terms and conditions of the Arrangement proposed by SAM LP pursuant to Section 5.4(2).

“Tax Act” means the *Income Tax Act* (Canada).

“Tax Returns” means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.

“Taxes” means: (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (a) above or this clause (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) above as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) above as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

“Termination Fee” means, as the context requires, Termination Fee A or Termination Fee B.

“Termination Fee A” means a lump sum cash payment equal to the amount of the Expense Reimbursement Payment actually paid by SAM LP to UPC plus \$3,000,000.

“Termination Fee B” means a lump sum cash payment equal to the amount of the Expense Reimbursement Payment actually paid by SAM LP to UPC plus \$750,000.

“Trust” means Sprott Physical Uranium Trust, a trust existing under the laws of the Province of Ontario.

“Trust Agreement” means the amended and restated trust agreement to be entered into among the Settlor, SAM LP and the Trustee, as trustee, prior to the Effective Date, substantially in the form of Schedule F, subject to any amendments or variations to such Trust Agreement as agreed by the Parties, each acting reasonably, and the Trustee.

“Trust Units” means the units of the Trust.

“Trustee” means a trust company organized under the federal laws of Canada, or such other Person as SAM LP and UPC agree in writing, each acting reasonably.

“TSX” means the Toronto Stock Exchange.

“TSX Approval” means the conditional approval to the listing of the Trust Units issuable pursuant to the Arrangement on the TSX.

“United States” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“U.S. Exchange Act” means the *United States Securities Exchange Act of 1934*, as amended.

“U.S. Securities Act” means the *United States Securities Act of 1933*, as amended.

“U.S. Securities Laws” means all applicable U.S. securities laws, including the U.S. Securities Act, and the rules and regulations of the SEC promulgated thereunder, the U.S. Exchange Act and the rules and regulations of the SEC promulgated thereunder, and applicable U.S. state securities laws.

“U.S. Tax Code” means the United States Internal Revenue Code of 1986, as amended.

“Uranium” means uranium oxide in concentrates (“**U3O8**”) and uranium hexafluoride (“**UF6**”).

“Voting and Exchange Trust Agreement” means an agreement to be made between SAM LP, the Trust, Exchangeco and the trustee to be chosen by SAM LP and UPC, acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement, substantially in the form of Schedule D, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

(2) The following terms are defined elsewhere in this Agreement, as indicated below:

“Beneficiaries”	Section 8.4(1)
“Board Recommendation”	Section 2.4(2)
“Change in Recommendation”	Section 7.1(1)(e)(ii)
“Closing”	Section 2.7(2)
“Denison”	Preamble
“Expense Reimbursement Event”	Section 7.3(1)(d)
“Matching Period”	Section 5.4(1)(e)
“Notice”	Section 8.2
“Pre-Closing Reorganization”	Section 4.10(1)
“SAM LP”	Preamble
“Section 351 Exchange”	Section 2.11
“Section 3(a)(10) Exemption”	Section 2.10(1)
“Subsequent Alternative Proposal”	Section 7.3(1)(a)(i)
“Superior Proposal Notice”	Section 5.4(1)(c)
“Terminating Party”	Section 4.8(3)
“Termination Fee Event”	Section 7.3(1)(a)
“Termination Fee Event A”	Section 7.3(1)(b)
“Termination Fee Event B”	Section 7.3(1)(c)
“Termination Notice”	Section 4.8(3)
“UPC”	Preamble

Section 1.2 Certain Rules of Interpretation

In this Agreement, unless otherwise specified:

- (a) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient

reference only and do not affect the construction or interpretation of this Agreement.

- (b) **Currency.** All references to sums of money or to “\$” are references to Canadian dollars. All references to “US\$” are references to United States dollars.
- (c) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (d) **Certain Phrases and References, etc.** The words “including”, “includes” and “include” mean “including (or includes or include) without limitation” and “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning, means “the aggregate (or total or sum), without duplication, of”. Unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement. The term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it. The term “made available” means copies of the subject materials were provided to SAM LP or its Representatives.
- (e) **Control.** A Person is considered to “control” another Person if: (a) the first Person beneficially owns, or directly or indirectly exercises control or direction over, securities of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, unless that first Person holds the voting securities only to secure an obligation; or (b) the second Person is a partnership, other than a limited partnership, and the first Person holds more than 50% of the interests of the partnership; or (c) the second Person is a limited partnership, and the general partner of the limited partnership is the first Person.
- (f) **Capitalized Terms.** All capitalized terms used in any Schedule or the Disclosure Letter have the meanings ascribed to them in this Agreement.
- (g) **Knowledge.** Where any representation or warranty is expressly qualified by reference to the knowledge of: (a) UPC, it is deemed to refer to the actual knowledge of the following directors and officers of UPC after reasonable inquiry (i) David D. Cates (President and Chief Executive Officer), (ii) Gabriel McDonald (Chief Financial Officer), (iii) Amanda Willett (Corporate Secretary) and (iv) Jeff Kennedy (director and Chair of the Board); or (b) SAM LP, it is deemed to refer to the actual knowledge of the following officers of SAM LP after reasonable inquiry (i) John Ciampaglia (Chief Executive Officer), (ii) Varinder Bhathal (Chief Financial Officer and Corporate Secretary) and Arthur Einav. Each of SAM LP and UPC confirms that it and such directors and officers, as applicable, have made due and diligent inquiries of such Persons as they consider necessary as to the matters that are the subject of the representations and warranties.
- (h) **Accounting Terms.** All accounting terms are to be interpreted in accordance with IFRS and all determinations of an accounting nature in respect of UPC required to be made shall be made in a manner consistent with IFRS.

- (i) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (j) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 5:00 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 5:00 p.m. on the next Business Day if the last day of the period is not a Business Day.
- (k) **Time References.** References to time are to local time, Toronto, Ontario.
- (l) **Consent.** If any provision requires approval or consent of a Party and such approval or consent is not delivered within the specified time limit, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

Section 1.3 Schedules and Disclosure Letter

- (1) The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.
- (2) The Disclosure Letter itself and all information contained in it is confidential information and may not be disclosed except in accordance with the Confidentiality Agreement.

ARTICLE 2 THE ARRANGEMENT

Section 2.1 Arrangement

SAM LP, the Trust, Exchangeco, and UPC agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions of this Agreement and the Plan of Arrangement.

Section 2.2 Interim Order

As soon as reasonably practicable after the date of this Agreement, UPC shall apply in a manner reasonably acceptable to SAM LP pursuant to section 182 of the OBCA and, in cooperation with SAM LP, prepare, file and diligently pursue an application for the Interim Order, which must provide, among other things:

- (a) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;
- (b) that the required level of approval for the Arrangement Resolution shall be:
 - (i) 66 2/3% of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting voting separately as a single class; and
 - (ii) a majority of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting, excluding for this

purpose votes attached to Common Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101;

- (c) that, in all other respects, other than as ordered by the Court, the terms, restrictions and conditions of UPC's Constating Documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;
- (d) for the grant of the Dissent Rights to those Shareholders who are registered Shareholders as contemplated in the Plan of Arrangement;
- (e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;
- (f) that it is the intention of the Trust and Exchangeco to rely upon the exemption from registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof in connection with the issuance of the applicable Consideration in exchange for the Common Shares in accordance with the Arrangement, subject to and conditioned upon the Court's approval, following a hearing, of the Arrangement, which approval through the issuance of the Final Order will constitute its determination that the Arrangement is substantively and procedurally fair to each Person entitled to receive Trust Units or Exchangeable Shares in exchange for their Common Shares on the completion of the Arrangement and that the terms and conditions of the Arrangement are reasonable;
- (g) that the Meeting may be adjourned or postponed from time to time by UPC in accordance with the terms of this Agreement without the need for additional approval of the Court;
- (h) confirmation of the record date for the purposes of determining the Shareholders entitled to receive material and vote at the Meeting;
- (i) that the record date for the Shareholders entitled to notice of and to vote at the Meeting will not change in respect of any adjournment(s) or postponement(s) of the Meeting, unless required by Law;
- (j) that the deadline for the submission of proxies by Shareholders for the Meeting shall be 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the Meeting, subject to waiver by UPC in accordance with the terms of this Agreement; and
- (k) for such other matters as SAM LP may reasonably require, subject to obtaining the prior written consent of the other Parties, such consent not to be unreasonably withheld, conditioned or delayed.

Section 2.3 The Meeting

UPC shall:

- (a) convene and conduct the Meeting in accordance with the Interim Order, UPC's Constating Documents and Law as soon as reasonably practicable, and not adjourn, postpone or cancel the Meeting without the prior written consent of SAM LP, except in the case of an adjournment, as required for quorum purposes, by

applicable securities Law or by a Governmental Entity, subject to having first consulted with SAM LP in good faith;

- (b) solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Shareholder that is inconsistent with the Arrangement Resolution and the completion of any of the transactions contemplated by this Agreement;
- (c) provide SAM LP with copies of or access to information regarding the Meeting generated by any dealer or proxy solicitation services firm retained by UPC, as requested from time to time by SAM LP;
- (d) consult with SAM LP in fixing the date of the Meeting, give notice to SAM LP of the Meeting and allow SAM LP's representatives and legal counsel to attend the Meeting;
- (e) promptly advise SAM LP, at such times as SAM LP may reasonably request (which may be on a daily basis on each of the last ten (10) Business Days prior to the date of the Meeting, as to the aggregate tally of the proxies received by UPC in respect of the Arrangement Resolution;
- (f) promptly advise SAM LP of any written communication delivered to UPC or any of its Representatives from any Shareholder opposing the Arrangement, any written notice of dissent, purported exercise or withdrawal of Dissent Rights;
- (g) provide SAM LP with an opportunity to review and comment on any written communication sent by or on behalf of UPC to any Shareholder exercising or purporting to exercise Dissent Rights and not make any payment or settlement offer, or agree to any payment or settlement prior to the Effective Time with respect to Dissent Rights without the prior written consent of SAM LP;
- (h) not, without the prior written consent of SAM LP, change the record date for the Shareholders entitled to vote at the Meeting in connection with any adjournment or postponement of the Meeting unless required by Law;
- (i) not without the prior written consent of SAM LP, waive the deadline for the submission of proxies by Shareholders for the Meeting; and
- (j) subject to applicable law, at the request of SAM LP from time to time, provide SAM LP with a list (in both written and electronic form) of: (i) the registered Shareholders, together with their addresses and respective holdings of Common Shares; and (ii) participants and book-based nominee registrants such as CDS & Co and non-objecting beneficial owners of Common Shares, together with their addresses and respective holdings of Common Shares. UPC shall from time to time require that its registrar and transfer agent furnish SAM LP with such additional information, including updated or additional lists of Shareholders, and lists of securities positions and other assistance as SAM LP may reasonably request in order to be able to communicate with respect to the Arrangement with the Shareholders and with such other Persons as are entitled to vote on the Arrangement Resolution.

Section 2.4 UPC Circular

- (1) UPC shall promptly prepare and complete, in consultation with the other Parties, the Circular together with any other documents required by Law in connection with the Meeting and the Arrangement, and UPC shall, promptly after obtaining the Interim Order, cause the Circular and such other documents to be filed and sent to each Shareholder and other Person as required by the Interim Order and Law.
- (2) UPC shall ensure that the Circular complies in material respects with Law, does not contain any Misrepresentation (except that UPC shall not be responsible for any information included in the Circular relating to SAM LP and its affiliates that was provided by SAM LP expressly for inclusion in the Circular pursuant to Section 2.4(4)) and provides the Shareholders with sufficient information to permit them to form a reasoned judgement concerning the matters to be placed before the Meeting. Without limiting the generality of the foregoing, the Circular must include: (a) a copy of the Fairness Opinion; (b) a statement that the Board has received the Fairness Opinion, and has unanimously, after receiving legal and financial advice, determined that the Arrangement is in the best interests of UPC and recommends that the Shareholders vote in favour of the Arrangement Resolution (the “**Board Recommendation**”); and (c) a statement that all directors and officers of UPC intend to vote their Common Shares in favour of the Arrangement Resolution. The Circular shall also contain such information as may be required to allow the Trust and Exchangeco to rely upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the issuance of the Consideration in exchange for the Common Shares pursuant to the Arrangement.
- (3) UPC shall give SAM LP and its legal counsel a reasonable opportunity to review and comment on drafts of the Circular and other related documents, and shall give reasonable consideration to any comments made by SAM LP and its counsel, and agrees that all information relating solely to SAM LP or the Trust included in the Circular must be in a form and content satisfactory to SAM LP, acting reasonably.
- (4) SAM LP shall provide all necessary information concerning SAM LP, the Trust, Exchangeco and their respective affiliates that is required by Law to be included by UPC in the Circular or other related documents to UPC in writing, and shall use its commercially reasonable efforts to ensure that such information does not contain any Misrepresentation.
- (5) UPC agrees that it shall be liable to and hereby indemnifies and saves harmless SAM LP, the Trust and Exchangeco and their respective Representatives from and against any and all liabilities, claims, demands, losses, costs, damages and expenses to which SAM LP, the Trust, Exchangeco or their respective Representatives may be subject or may suffer as a result of, or arising from, any Misrepresentation or alleged Misrepresentation contained in any information included in the Circular other than information provided by SAM LP pursuant to Section 2.4(4), including as a result of any order made, or any inquiry, investigation or proceeding instituted by any Securities Authority or other Governmental Entity based on such a Misrepresentation or alleged Misrepresentation.
- (6) SAM LP agrees that it shall be liable to and hereby indemnifies and saves harmless UPC and its Representatives from and against any and all liabilities, claims, demands, losses, costs, damages and expenses to which UPC or its Representatives may be subject or may suffer as a result of, or arising from, any Misrepresentation or alleged Misrepresentation contained in any information included in the Circular that was provided by SAM LP pursuant to Section 2.4(4), including as a result of any order made, or any inquiry, investigation or proceeding

instituted by any Securities Authority or other Governmental Entity based on such a Misrepresentation or alleged Misrepresentation.

- (7) Each Party shall promptly notify the other Parties if it becomes aware that the Circular contains a Misrepresentation, or otherwise requires an amendment or supplement. The Parties shall co-operate in the preparation of any such amendment or supplement as required or appropriate, and UPC shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Shareholders and, if required by the Court or by Law, file the same with the Securities Authorities or any other Governmental Entity as required.

Section 2.5 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order, UPC shall take all steps necessary or desirable to submit an application to the Court in respect of the Arrangement and diligently pursue an application for the Final Order pursuant to section 182 of the OBCA, as soon as reasonably practicable, but in any event not later than four (4) Business Days after the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order.

Section 2.6 Court Proceedings

In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, UPC shall:

- (a) diligently pursue, and cooperate with SAM LP in diligently pursuing, the Interim Order and the Final Order;
- (b) provide SAM LP and its legal counsel with a reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and give reasonable consideration to all such comments;
- (c) provide SAM LP and its legal counsel, on a timely basis, with copies of any notice of appearance, evidence or other documents served on them or their legal counsel in respect of the joint application for the Interim Order or the Final Order or any appeal from them, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or the Final Order;
- (d) ensure that all material filed with the Court in connection with the Arrangement is consistent with this Agreement and the Plan of Arrangement, as they may be amended in accordance with their terms;
- (e) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend any material so filed or served, except as contemplated by this Agreement or with SAM LP's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided SAM LP is not required to agree or consent to any increase in or variation in the form of the Consideration or other modification or amendment to such filed or served materials that expands or increases SAM LP's obligations, or diminishes or limits SAM LP's rights, set forth in any such filed or served materials or under this Agreement;
- (f) oppose any proposal from any Person that the Final Order contain any provision inconsistent with this Agreement, and if required by the terms of the Final Order or

by Law to return to Court with respect to the Final Order do so only after notice to, and in consultation and cooperation with, SAM LP;

- (g) not object to legal counsel to SAM LP making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate; provided such submissions are consistent with this Agreement and the Plan of Arrangement;
- (h) oppose any proposal from any party that the Final Order contain any provision inconsistent with this Agreement; and
- (i) if at any time after the issuance of the Final Order and prior to the Effective Date, UPC is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and cooperation with, SAM LP.

Section 2.7 Articles of Arrangement and Effective Date

- (1) UPC shall file the Articles of Arrangement with the Director no later than the third (3rd) Business Day after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in ARTICLE 6 (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date), unless another time or date is agreed to in writing by the Parties, and the Arrangement shall be effective at the Effective Time on the Effective Date and will have all of the effects provided by applicable Law.
- (2) The closing of the Arrangement (the “**Closing**”) will take by electronic exchange of documents, or at such other location as may be agreed upon by the Parties.

Section 2.8 Payment of Consideration, Expense Reimbursement Payment, Conversion Payment and MSA Payment

SAM LP will, and as applicable will cause the Trust and Exchangeco to, on the Effective Date (and prior to the Arrangement becoming effective or the making of any filings under the OBCA in order for the Arrangement to become effective) deposit in escrow (the terms and conditions of such escrow to be satisfactory to SAM LP and UPC, each acting reasonably):

- (a) with the Depositary, sufficient Trust Units and Exchangeable Shares to satisfy the aggregate Consideration payable to Shareholders pursuant to the Plan of Arrangement;
- (b) the Expense Reimbursement Payment, the Conversion Payment and the Management Services Agreement Termination Payment.

Section 2.9 Withholding Taxes

UPC, SAM LP, Exchangeco, the Trust and the Depositary, as applicable, shall be entitled to deduct and withhold, or direct UPC, SAM LP, Exchangeco, the Trust or the Depositary, to deduct and withhold on their behalf, from any Consideration payable or otherwise deliverable to any Shareholders under the Plan of Arrangement such amounts as UPC, SAM LP, Exchangeco, the Trust or the Depositary, as applicable, are required or reasonably believe to be required to deduct and withhold from such Consideration under any provision of any Law in respect of Taxes. Any such amounts will be deducted,

withheld and remitted from the Consideration payable pursuant to the Plan of Arrangement and shall be treated for all purposes under this Agreement as having been paid to Shareholders in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

Section 2.10 U.S. Securities Law Matters

- (1) The Parties intend that the issuance of the Trust Units and Exchangeable Shares under the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to the exemption provided by section 3(a)(10) thereof (the “**Section 3(a)(10) Exemption**”). Each Party shall act in good faith, consistent with the intent of the Parties and the intended treatment of the Arrangement set forth in this Section 2.10.
- (2) In order to ensure the availability of the Section 3(a)(10) Exemption, the Parties agree that the Arrangement shall be carried out on the following basis:
 - (a) the Arrangement shall be subject to the approval of the Court;
 - (b) prior to the hearing for the Final Order, the Court shall be advised as to the intention of the Parties to rely on the Section 3(a)(10) Exemption for the issuance of Trust Units and Exchangeable Shares in exchange for Common Shares pursuant to the Arrangement;
 - (c) the Court shall be required to satisfy itself as to the substantive and procedural fairness of the terms and conditions of the Arrangement to each Person entitled to receive Trust Units or Exchangeable Shares on the completion of the Arrangement;
 - (d) the Court will have determined, prior to approving the Arrangement, and the Final Order will expressly state, that the terms and conditions of the Arrangement are approved by the Court as being fair and reasonable in accordance with the requirements of section 183(2) of the OBCA;
 - (e) UPC shall ensure that each Person entitled to receive Trust Units or Exchangeable Shares on completion of the Arrangement shall be given adequate notice advising them of their right to attend and appear before the Court at the hearing of the Court for the Final Order and providing them with adequate information to enable such Person to exercise such right;
 - (f) each Person to whom Trust Units shall be issued pursuant to the Arrangement shall be advised such Trust Units have not been registered under the U.S. Securities Act and shall be issued by the Trust in reliance upon the Section 3(a)(10) Exemption;
 - (g) each Eligible Holder to whom Exchangeable Shares shall be issued pursuant to the Arrangement shall be advised that: (1) such Exchangeable Shares have not been registered under the U.S. Securities Act and shall be issued by Exchangeco in reliance upon the Section 3(a)(10) Exemption, (2) the Section 3(a)(10) Exemption does not exempt the issuance of any securities, including Trust Units, upon the exchange of such Exchangeable Shares; therefore, any Trust Units or other securities issuable upon exchange of the Exchangeable Shares cannot be issued reliance upon the Section 3(a)(10) Exemption and may only be issued pursuant to an effective registration statement or pursuant to an exemption from

the registration requirements of the U.S. Securities Act and applicable state securities laws, if any; and (3) the Parties intend to rely on the exemption from registration provided by Regulation S under the U.S. Securities Act in connection with the issuance of Trust Units upon exchange of the Exchangeable Shares, and an Eligible Holder will be required to make the Regulation S Confirmations at the time of the initial election to receive Exchangeable Shares and also at the time of such exchange in order to receive such Trust Units;

- (h) the Interim Order will specify that each Person to whom Trust Units or Exchangeable Shares shall be issued pursuant to the Arrangement shall have the right to appear before the Court at the hearing of the Court for the Final Order to give approval of the Arrangement so long as such security holder enters an appearance within a reasonable time in accordance with the procedures set out in the Interim Order and in accordance with the requirements of the Section 3(a)(10) Exemption;
- (i) the Court will hold a hearing for the Final Order before approving the procedural and substantive fairness of the terms and conditions of the Arrangement;
- (j) the Final Order approving the Arrangement that is obtained from the Court will expressly state that the Arrangement is approved by the Court as being fair and reasonable as to its terms and conditions to each Person entitled to receive Trust Units or Exchangeable Shares on completion of the Arrangement; and
- (k) the Final Order shall include a statement in the preamble to substantially the following effect:

“This Order is granted by the Court upon being advised that the Order shall serve as the basis for reliance on the exemption provided by Section 3(a)(10) of the *United States Securities Act of 1933*, as amended, from the registration requirements otherwise imposed by that act, regarding the issuance and exchange of trust units of Sprott Physical Uranium Trust and redeemable preferred shares of Exchangeco pursuant to the Plan of Arrangement.”

- (3) All Trust Units and Exchangeable Shares issued to each Person in the United States shall be registered or qualified under the securities laws of each state, territory or possession or district of the United States in which any Person entitled to receive such securities is located, unless an exemption from such state securities law registration or qualification requirements is available.

Section 2.11 U.S. Tax Matters

For United States federal income tax purposes, the Parties intend to treat the transfer of Common Shares in exchange for Trust Units by the Shareholders (other than those Eligible Holders that are to receive Exchangeable Shares) pursuant to the Plan of Arrangement as a transfer of property described in Section 351(a) of the U.S. Tax Code (the “**Section 351 Exchange**”). The Parties shall each use commercially reasonable efforts to ensure that the Section 351 Exchange satisfies the requirements of Section 351(a) of the U.S. Tax Code. Each of the Parties shall report the Section 351 Exchange contemplated by this Agreement as qualifying under Section 351(a) of the U.S. Tax Code for all U.S. federal income tax purposes, except as otherwise required by Law.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of UPC

- (1) Except as: (a) set forth in the Filings (excluding any cautionary language or description of risk factors or similar language contained therein), other than in respect of the representations and warranties contained in paragraphs (1) *[Organization and Qualification]*, (2) *[Corporation Authorization]*, (3) *[Execution and Binding Obligation]*, (4) *[Governmental Authorization]*, (5) *[No Conflict/Non-Contravention]*, (6) *[Capitalization]*, (12) *[Brokers and Finders' Fees]*, (13) *[Board Approval]* and (23) *[Management Services Agreement]* of Schedule G; or (b) set forth in the Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), UPC represents and warrants to SAM LP, the Trust and Exchangeco as set forth in Schedule G and acknowledges and agrees that SAM LP, the Trust and Exchangeco are relying upon such representations and warranties in connection with the entering into of this Agreement.
- (2) Contemporaneously with the execution and delivery of this Agreement, UPC will deliver to SAM LP, the Trust and Exchangeco the Disclosure Letter, which will set forth the disclosures, exceptions and exclusions contemplated or permitted by this Agreement, including certain exceptions and exclusions to the representations and warranties and covenants of UPC contained in this Agreement. The disclosure of any item in the Disclosure Letter shall constitute disclosure or, as applicable, exclusion of that item for the Disclosure Letter where the relevance of that item as an exception to (or a disclosure for the purposes of) any representations and warranties is reasonably apparent on its face.
- (3) SAM LP, the Trust and Exchangeco agree and acknowledge that, except as expressly set forth in this Agreement, neither UPC nor any other Person on behalf of UPC has made or makes any representation or warranty, express or implied, at law or in equity, either written or oral, with respect to UPC and any such other representations or warranties are hereby expressly disclaimed. Without limiting the generality of the foregoing, UPC expressly disclaims any representation or warranty that is not set forth in this Agreement.

Section 3.2 Representations and Warranties of SAM LP, the Trust and Exchangeco

- (1) SAM LP represents and warrants to UPC as set forth in Schedule H and acknowledges and agrees that UPC is relying upon such representations and warranties in connection with the entering into of this Agreement.
- (2) UPC agrees and acknowledges that, except as expressly set forth in this Agreement, neither SAM LP, the Trust, Exchangeco nor any other Person on behalf of SAM LP, the Trust or Exchangeco has made or makes any representation or warranty, express or implied, at law or in equity, either written or oral, with respect to SAM LP, the Trust or Exchangeco and any such other representations or warranties are hereby expressly disclaimed. Without limiting the generality of the foregoing, SAM LP, the Trust and or Exchangeco expressly disclaim any representation or warranty that is not set forth in this Agreement.

ARTICLE 4 COVENANTS

Section 4.1 Conduct of Business of UPC

- (1) Until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms UPC shall and shall cause its Subsidiaries to, except as expressly required under this Agreement, conduct business in the Ordinary Course.
- (2) Without limiting the generality of Section 4.1(1), and without derogating from the obligations of UPC in Section 4.2, during the period specified in Section 4.1(1) UPC shall and shall cause its Subsidiaries to use its commercially reasonable efforts to preserve intact the current business organization of UPC and its Subsidiaries, and maintain good relations with, and the goodwill of, investors, creditors, and all other Persons having business relationships with UPC and its Subsidiaries, and, except with the prior written consent of SAM LP, not to be unreasonably withheld, or as set forth in the corresponding section of the Disclosure Letter or as expressly contemplated under this Agreement, UPC shall not and where appropriate shall cause each of its Subsidiaries to not, during the period specified in Section 4.1(1):
 - (a) amend UPC's or the Subsidiaries' Constatng Documents or reorganize, amalgamate or merge UPC or any of its Subsidiaries with any other Person;
 - (b) issue, sell, grant, award, pledge, dispose of, encumber or agree to issue, sell, grant, award, pledge, dispose of or encumber any Common Shares or any warrants, calls, conversion privileges or rights of any kind to acquire any Common Shares or other securities or any shares of UPC or its Subsidiaries or any stock appreciation rights, phantom stock awards or other awards or other rights that are linked to the price or value of the Common Shares or other securities or any shares of UPC or its Subsidiaries;
 - (c) split, combine or reclassify any shares of capital stock or declare;
 - (d) sell, lease, transfer or otherwise dispose of all or substantially all of the assets of UPC or any of its Subsidiaries;
 - (e) redeem, purchase or otherwise acquire or offer to acquire any Common Shares or other securities of UPC or its Subsidiaries or any securities convertible or exchangeable into or exercisable for any Common Shares or other securities of UPC or its Subsidiaries;
 - (f) other than in the Ordinary Course, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) in respect of any Common Shares or other securities of UPC or any of its Subsidiaries;
 - (g) other than in the Ordinary Course, amend or modify, or terminate or waive any right under, any Contract to which UPC or any of its Subsidiaries is a party or enter into any Contract;
 - (h) prepay any indebtedness before its scheduled maturity or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof other than inter-company indebtedness, or in connection with buying and selling Uranium;

- (i) make any bonus or profit sharing distribution or similar payment of any kind;
- (j) make any change in its methods of accounting, except as required by concurrent changes in IFRS;
- (k) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of UPC or any of its Subsidiaries;
- (l) other than in the Ordinary Course, enter into any material interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;
- (m) take any action or fail to take any action which action or failure to act would reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension of, or the revocation or limitation of rights under, any Authorizations necessary to conduct its business as now conducted, and use its commercially reasonable efforts to maintain such Authorizations;
- (n) (i) make or rescind any material Tax election or designation, amend, in any manner adverse to UPC, any Tax Return, settle or compromise any material liability for Taxes or change or revoke any of its methods of Tax accounting, or (ii) take any action with respect to the computation of Taxes or the preparation of Tax Returns that is in any material respect inconsistent with past practice; and
- (o) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

Section 4.2 UPC Covenants Regarding the Arrangement

- (1) Subject to Section 4.4 in respect of the Regulatory/Stock Exchange Approvals, UPC shall use its commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under Law to consummate the Arrangement as soon as practicable, including:
 - (a) using its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in ARTICLE 6;
 - (b) using its commercially reasonable efforts to obtain and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are necessary or advisable in connection with the Arrangement;
 - (c) using its commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement;
 - (d) carrying out the terms of the Interim Order and the Final Order applicable to it and complying promptly with all requirements imposed by Law on it with respect to this Agreement or the Arrangement;

- (e) using its commercially reasonable efforts to effect all necessary registrations, filing and submissions of information required by Governmental Entities or pursuant to Canadian Securities Laws or applicable U.S. Securities Laws required from UPC; and
 - (f) not taking any action, or refraining from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement.
- (2) UPC shall promptly, and in any event within two (2) Business Days (or, in the case of Section 4.2(2)(a), one (1) Business Day) notify SAM LP of:
 - (a) to its knowledge any Material Adverse Effect in respect of UPC;
 - (b) any notice or other communication received from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement;
 - (c) unless prohibited by Law, any notice or other communication received from any Governmental Entity in connection with this Agreement (and UPC shall contemporaneously provide a copy of any such written notice or communication to SAM LP); or
 - (d) to its knowledge, any filing, actions, suits, claims, investigations or proceedings commenced, threatened against, relating to or involving or otherwise affecting UPC, or that relate to this Agreement or the Arrangement.
- (3) UPC shall terminate the Management Services Agreement pursuant to the terms thereof, such that termination shall take effect no later than the third Business Day following the satisfaction (or the waiver thereof by the Party or Parties entitled to so waive) of the conditions set out in ARTICLE 6 (excluding the condition in Section 6.2(5) and conditions that, by their terms, cannot be satisfied until the Effective Date), or immediately prior to the Effective Time, if earlier.

Section 4.3 SAM LP, the Trust and Exchangeco Covenants Regarding the Arrangement

- (1) Subject to Section 4.4 in respect of the Regulatory/Stock Exchange Approvals, SAM LP, the Trust and Exchangeco shall each use its commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under Law to consummate the Arrangement as soon as practicable, including:
 - (a) using its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in ARTICLE 6 to the extent the same is within its influence or control;
 - (b) using its commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it, UPC or any of their respective directors or officers challenging the Arrangement or this Agreement;

- (c) using its commercially reasonable efforts to effect all necessary registrations, filing and submissions of information required by Governmental Entities or pursuant to Canadian Securities Laws or U.S. Securities Laws required from it or its Subsidiaries relating to the Arrangement;
 - (d) carrying out the terms of the Interim Order and the Final Order applicable to it and complying promptly with all requirements imposed by Law on it or its Subsidiaries with respect to this Agreement or the Arrangement;
 - (e) using its commercially reasonable efforts to ensure that the Consideration to be issued pursuant to the Arrangement will: (i) have been duly authorized and, upon issue, will be validly issued as fully paid and non-assessable Trust Units and Exchangeable Shares; and (ii) will not be issued in violation of the Trust Agreement, or the Constating Documents of Exchangeco or any agreement, contract, covenant, undertaking or commitment to which the Trust or Exchangeco is bound; and
 - (f) not taking any action, or refraining from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, delay or otherwise impede the consummation of the Arrangement.
- (2) SAM LP, the Trust and Exchangeco shall promptly, and in any event within two (2) Business Days notify UPC of:
- (a) to its knowledge any Material Adverse Effect in respect of SAM LP;
 - (b) any notice or other communication received from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement;
 - (c) unless prohibited by Law, any notice or other communication received from any Governmental Entity in connection with this Agreement (and SAM LP shall contemporaneously provide a copy of any such written notice or communication to UPC); or
 - (d) to its knowledge, any filing, actions, suits, claims, investigations or proceedings commenced or threatened that relate to this Agreement or the Arrangement.

Section 4.4 Covenants of SAM LP Relating to the Exchangeable Shares and the Trust

- (1) SAM LP shall cause Exchangeco to:
- (a) create the Exchangeable Shares prior to the Effective Time in a manner reasonably acceptable to UPC; and
 - (b) at the Effective Time, cause Exchangeco to execute and deliver each of the Exchangeable Share Support Agreement and the Voting and Exchange Trust Agreement, as applicable.
- (2) The Parties acknowledge that the creation and issuance of the Exchangeable Shares pursuant to the Plan of Arrangement is subject to the Common Shares being exchanged under the Plan

of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$5.02 per Exchangeable Share). If the foregoing condition is not satisfied, then no Exchangeable Share will be issued pursuant to the Plan of Arrangement and any holders of Common Shares that made an election for Exchangeable Shares in accordance with the Plan of Arrangement will receive instead Trust Units in lieu of such Exchangeable Shares, as specified in their Letter of Transmittal (as defined in the Plan of Arrangement).

- (3) Prior to the Effective Time, SAM LP shall cause the Trust to enter into the Trust Agreement and the Management Agreement.

Section 4.5 Regulatory/Stock Exchange Approvals

- (1) As soon as reasonably practicable after the date hereof, each Party, or where appropriate, all Parties jointly, shall make (or cause to be made) all notifications, filings, applications and submissions with Governmental Entities required or in the opinion of SAM LP, acting reasonably, advisable in connection with the Arrangement, and shall use their commercially reasonable efforts to obtain and maintain all Regulatory/Stock Exchange Approvals. Notwithstanding the foregoing and unless otherwise agreed to by SAM LP and UPC (each acting reasonably) within 15 Business Days following the date hereof, each Party shall make or cause to be made an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby.
- (2) Subject to Law, the Parties shall cooperate with one another in connection with obtaining the Regulatory/Stock Exchange Approvals including by providing or submitting on a timely basis, and as promptly as practicable, all documentation and information that is required, or in the opinion of SAM LP, advisable, in connection with obtaining the Regulatory/Stock Exchange Approvals and using their commercially reasonable efforts to ensure that such information does not contain a Misrepresentation.
- (3) Subject to Law, the Parties shall cooperate with and keep one another reasonably informed as to the status of and the processes and proceedings relating to obtaining the Regulatory/Stock Exchange Approvals, and shall promptly notify each other of any material communication (and provide copies) from any Governmental Entity in respect of the Arrangement, this Agreement, and the Key Regulatory/Stock Exchange Approvals.
- (4) Each Party shall promptly notify the other Party if it becomes aware that any: (a) application, filing, document or other submission for a Regulatory/Stock Exchange Approval contains a Misrepresentation; or (b) any Regulatory/Stock Exchange Approval contains, reflects or was obtained following the submission of any application, filing, document or other submission containing a Misrepresentation, such that an amendment or supplement may be necessary or advisable. In such case, the Parties shall co-operate in the preparation, filing and dissemination, as applicable, of any such amendment or supplement.

Section 4.6 Access to Information; Confidentiality

- (1) Subject to Law, UPC shall give SAM LP and its Representatives: (a) upon reasonable notice, reasonable access during normal business hours to UPC's (i) property and assets (comprised of all books and records, whether retained internally or otherwise); (ii) Contracts that are material to UPC; and (iii) personnel, so long as the access does not unduly interfere with the Ordinary Course conduct of the business of UPC; and (b) such financial and operating data or other information with respect to the assets or business of UPC as SAM LP from time to time reasonably requests.

- (2) The Parties acknowledge that the Confidentiality Agreement continues to apply and that any information provided under Section 4.6(1) shall be subject to the terms of the Confidentiality Agreement. If this Agreement is terminated in accordance with its terms, the obligations under the Confidentiality Agreement shall survive the termination of this Agreement.

Section 4.7 Public Communications

The Parties shall co-operate in the preparation of presentations, if any, to Shareholders regarding the Arrangement. A Party must not issue any press release or make any other public statement or disclosure with respect to this Agreement or the Arrangement without the consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed), and UPC must not make any filing with any Governmental Entity with respect to this Agreement or the Arrangement without the consent of SAM LP (which consent shall not be unreasonably withheld, conditioned or delayed); provided that any Party that is required to make disclosure by Law shall use its best efforts to give the other Party prior oral or written notice and a reasonable opportunity to review or comment on the disclosure or filing (other than with respect to confidential information contained in such disclosure or filing). The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure or filing.

Section 4.8 Notice and Cure Provisions

- (1) Each Party shall promptly notify the other Parties of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:
- (a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date of this Agreement to the Effective Time; or
 - (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.
- (2) Notification provided under this Section 4.8 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.
- (3) SAM LP may not elect to exercise its right to terminate this Agreement pursuant to Section 7.1(1)(e)(i) and UPC may not elect to exercise its right to terminate this Agreement pursuant to Section 7.1(1)(d), unless the Party seeking to terminate the Agreement (the **"Terminating Party"**) has delivered a written notice (**"Termination Notice"**) to the other Parties specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided that the Party or Parties which the Terminating Party alleges in the Termination Notice is or are in breach is or are proceeding diligently to cure such matter(s) and such matter(s) is or are capable of being cured prior to the Outside Date (with any intentional breach being deemed to be incurable), the Terminating Party may not exercise such termination right until the earlier of: (a) the Outside Date; and (b) if such matter(s) has or have not been cured by the date that is 10 Business Days following receipt of such Termination Notice by the other Parties, such date.

Section 4.9 UPC Employee, Director and Officer Insurance and Indemnification

- (1) Prior to the Effective Time, UPC shall purchase customary “tail” policies of directors’ and officers’ liability insurance from a reputable and financially sound insurance carrier providing protection no less favourable in the aggregate to the protection provided by the policies maintained by UPC which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to, or within six (6) years after, the Effective Date, provided that the cost of such policies shall not exceed 300% of UPC’s current annual aggregate premium for policies currently maintained by UPC and neither the Trust nor SAM LP, in its capacity as manager of the Trust, shall not take any steps to terminate such insurance policies or to reduce the scope or coverage of such policies for six years from the Effective Date.
- (2) From and after the Effective Time, the Trust shall assume and honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of UPC under Law, under the articles or other Constatting Documents of UPC and under any agreement or contract of any such indemnified person with UPC, and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years from the Effective Date.
- (3) If the Trust or any of its successors or assigns shall: (a) amalgamate, consolidate with or merge or wind-up into any other Person and shall not be the continuing or surviving entity; or (b) transfer all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that all rights to indemnification or exculpation set forth in this Section 4.9 are honoured by the continuing or surviving entity or the acquirer, as the case may be, and its assigns and successors.

Section 4.10 Pre-Closing Reorganization and Third Party Consents

- (1) UPC shall, and shall cause each of its Subsidiaries to provide reasonable assistance to SAM LP, and to reasonably cooperate with SAM LP, with respect to the consideration by SAM LP of any reorganization of UPC or its Subsidiaries’ business, operations or assets or such other transactions, including seeking amendments to or assignments of Contracts to which UPC or any of its Subsidiaries is a party (each, a “**Pre-Closing Reorganization**”), and, provided the Parties agree, acting reasonably and in good faith, to any Pre-Closing Reorganization, shall effect any such Pre-Closing Reorganization, provided that any proposed Pre-Closing Reorganization provides benefits to Shareholders that could not be obtained if the Trust took such steps following the Effective Time. SAM LP and UPC shall work co-operatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are necessary to give effect to any such Pre-Closing Reorganization as has been agreed on, including UPC using and causing its Subsidiaries to use their, commercially reasonable efforts to obtain all necessary waivers, consents or approvals under the Contracts to which UPC or any of its Subsidiaries is a party that are necessary in connection with the completion of the Pre-Closing Reorganization.
- (2) UPC and its Subsidiaries will not be obligated to participate in any Pre-Closing Reorganization unless such Pre-Closing Reorganization:
 - (a) does not interfere with the ongoing operations of UPC and its Subsidiaries;
 - (b) does not transfer assets from accounts at the Facilities;

- (c) does not adversely affect any Contract between UPC or any of its Subsidiaries and any third party;
 - (d) would not result in any Taxes being imposed on, or any adverse Tax or other consequences to, UPC or its Subsidiaries and for greater certainty and without limitation, adverse Tax or other consequence includes any Tax or other consequence that would not have arisen but for the Pre-Closing Reorganization;
 - (e) does not materially impede, delay or prevent consummation of the Arrangement;
 - (f) does not prejudice the Shareholders, as a whole, in any material respect;
 - (g) does not require UPC or any of its Subsidiaries to contravene any applicable Laws, their respective constating documents or any Contract; and
 - (h) does not require UPC to obtain any additional approval of the Shareholders.
- (3) Unless otherwise agreed by UPC (acting reasonably), the Parties shall seek to have any such Pre-Closing Reorganization made effective as of the day ending immediately prior to the Effective Date. If the Arrangement is not completed other than due to termination in accordance with Section 7.1(1)(e) SAM LP will forthwith reimburse UPC for all reasonable documented out of pocket fees and expenses (including any professional fees and expenses) incurred by UPC and its Subsidiaries in considering and effecting a Pre-Closing Reorganization.

Section 4.11 Stock Exchange Delisting

UPC and SAM LP shall use their commercially reasonable efforts to cause the Common Shares to be de-listed from the TSX promptly following the Effective Time, with effect as soon as practicable following the completion of the Arrangement.

Section 4.12 Reconstitution of Board

At the Effective Time, each director and officer of UPC shall resign and be replaced with a nominee of SAM LP.

Section 4.13 Section 85 Elections

Where an Eligible Holder desires to so elect, Exchangeco shall make a joint election with such Shareholder in respect of its disposition of its Common Shares pursuant to Section 85 of the Tax Act (and any similar provision of any applicable provincial Tax legislation) in accordance with the procedures and within the time limits set out in the Plan of Arrangement. The agreed amount under such joint elections shall be determined by each such Shareholder in his or her sole discretion within the limits set out in the Tax Act.

ARTICLE 5 ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Non-Solicitation

- (1) Except as expressly provided in this ARTICLE 5, neither UPC nor any of its Subsidiaries shall, directly or indirectly, through any Representative of UPC, or any of UPC's Subsidiaries, or otherwise, and shall not permit any such Person to:

- (a) solicit, initiate, encourage or otherwise facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of UPC or any of its Subsidiaries or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Alternative Proposal;
 - (b) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than SAM LP or its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Alternative Proposal;
 - (c) make a Change of Recommendation;
 - (d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Alternative Proposal it being understood that publicly taking no position or a neutral position with respect to an Alternative Proposal for a period of no more than five (5) Business Days following the public announcement of such Alternative Proposal will not be considered to be in violation of this Section 5.1(1)(d) provided the Board has rejected such Alternative Proposal and affirmed the Board Recommendation by press release before the end of such five (5) Business Day period or in the event that the Meeting, is scheduled to occur within such five (5) Business Day period prior to the Meeting as soon as practicable; or
 - (e) enter into or publicly propose to enter into any Contract in respect of an Alternative Proposal (other than an Acceptable Confidentiality Agreement).
- (2) UPC and its Subsidiaries shall, and shall cause their respective Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of this Agreement with any Person (other than SAM LP and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Alternative Proposal, and in connection with such termination shall:
 - (a) discontinue access to and disclosure of all information, including any data room and any confidential information, properties, facilities, books and records of UPC or any of its Subsidiaries; and
 - (b) request, and exercise all rights it has to require: (i) the return or destruction of all copies of any confidential information regarding UPC and its Subsidiaries provided to any Person other than SAM LP; and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding UPC and its Subsidiaries using its reasonable best efforts to ensure that such requests are fully complied with to the extent UPC is entitled.
- (3) UPC represents and warrants that it has not waived any confidentiality, standstill, nondisclosure, use, business purpose or similar agreement or restriction to which it is a party, and covenants and agrees that: (a) it shall take all necessary action to enforce each confidentiality, standstill, non- disclosure, use, business purpose or similar agreement or restriction to which it is a party; and (b) neither it nor any of its Representatives have released or will, without the prior written consent of SAM LP (which may be withheld or delayed in SAM LP's sole discretion), release any Person from, or waive, amend, suspend or otherwise modify

such Person's obligations respecting UPC or its Subsidiaries under any confidentiality, standstill or similar agreement or restriction to which UPC or its Subsidiaries are a party (it being acknowledged by SAM LP that the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 5.1(3)).

Section 5.2 Notification of Alternative Proposals

- (1) If UPC or any of its Representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Alternative Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to UPC or its Subsidiaries, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of UPC or its Subsidiaries, UPC shall immediately notify SAM LP, at first orally, and then promptly and in any event within 48 hours in writing (it being understood that where only Representative(s) that are not directors, officers or employees of UPC receive or otherwise become aware of any such inquiry, proposal or offer, UPC's notification requirements in this Section 5.2(1), UPC's notification requirements shall be following notification of UPC by any such Representative), of:
 - (a) such Alternative Proposal, inquiry, proposal, offer or request, including a description, if known, of its material terms and conditions and the identity of all Persons making the Alternative Proposal, inquiry, proposal, offer or request and copies of all documents, correspondence or other material received in respect of, from or on behalf of any such Person; and
 - (b) at SAM LP's request, the status of developments and negotiations with respect to such Alternative Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Alternative Proposal, inquiry, proposal, offer or request.

Section 5.3 Responding to an Alternative Proposal

- (1) Notwithstanding this Agreement or any other agreement between the Parties or between UPC and any other Person, including without limitation the Confidentiality Agreement, if at any time, prior to obtaining the approval by the Shareholders of the Arrangement Resolution, UPC receives a written Alternative Proposal, UPC may engage in or participate in discussions or negotiations with such Person regarding such Alternative Proposal, and may provide copies of, access to or disclosure of confidential information, properties, facilities, books or records of UPC, if and only if:
 - (a) the Board first determines in good faith, after consultation with its financial advisors and its outside counsel, that such Alternative Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal (disregarding, for the purposes of such determination, any due diligence access condition to which such Alternative Proposal is subject);
 - (b) such Person was not restricted from making such Alternative Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with UPC;

- (c) such inquiry, proposal or offer did not result from a breach by UPC of its obligations under this Article 5 and any such copies, access or disclosure provided to such Person shall have already been (or simultaneously be) provided to SAM LP; and
- (d) prior to providing any such copies, access, or disclosure, UPC enters into an Acceptable Confidentiality Agreement with such Person and provides a copy of such Acceptable Confidentiality Agreement to SAM LP.

Section 5.4 Right to Match

- (1) If UPC receives an Alternative Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Shareholders, the Board may, subject to compliance with Section 7.3, make a Change in Recommendation with respect to such Alternative Proposal and/or accept, approve or enter into a definitive Contract with respect to such Alternative Proposal, if and only if:
 - (a) the Person making the Alternative Proposal was not restricted from making such Alternative Proposal pursuant to an existing standstill or similar restriction;
 - (b) such Alternative Proposal did not result from a breach by UPC of its obligations under this Article 5;
 - (c) UPC has delivered to SAM LP a written notice of the determination of the Board that such Alternative Proposal constitutes a Superior Proposal and of the intention of the Board to make a Change of Recommendation with respect to such Alternative Proposal and/or enter into a definitive Contract in respect of such Alternative Proposal, as applicable, together with a written notice from the Board regarding the value that the Board, in consultation with its financial advisors, has determined, if reasonably feasible, should be ascribed to any non-cash terms offered under such Alternative Proposal (the “**Superior Proposal Notice**”);
 - (d) UPC has provided SAM LP a copy of any proposed definitive Contract with respect to such Alternative Proposal;
 - (e) at least five (5) Business Days (the “**Matching Period**”) have elapsed from the date that is the later of the date on which SAM LP received the Superior Proposal Notice and a copy of the proposed definitive Contract with respect to such Alternative Proposal from UPC;
 - (f) during any Matching Period, SAM LP has had the opportunity (but not the obligation), in accordance with Section 5.4(2), to offer to amend this Agreement and the Arrangement in order for such Alternative Proposal to cease to be a Superior Proposal;
 - (g) after the Matching Period, the Board has (i) determined in good faith, after consultation with its outside legal counsel and financial advisers, that such Alternative Proposal continues to constitute a Superior Proposal, (including if applicable, as compared to the terms of the Arrangement as proposed to be amended by SAM LP under Section 5.4(2))), and (ii) determined in good faith, after consultation with its outside legal counsel and financial advisers, that the failure by the Board to make a Change in Recommendation with respect to such Alternative Proposal or to cause UPC to enter into a definitive Contract with respect to such Alternative Proposal, as applicable, would be inconsistent with its fiduciary duties;

- (h) in the case of UPC exercising its right under this Section 5.4(2) to enter into a definitive Contract with respect to an Alternative Proposal, UPC has paid to SAM LP the applicable Termination Fee.
- (2) During the Matching Period, or such longer period as UPC may approve in writing for such purpose: (a) the Board shall review any offer made by SAM LP under Section 5.4(1)(f) to amend the terms of this Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Alternative Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) UPC shall negotiate in good faith with SAM LP to make such amendments to the terms of this Agreement and the Arrangement as would enable SAM LP to proceed with the transactions contemplated by this Agreement as so amended. If the Board determines that such Alternative Proposal would cease to be a Superior Proposal, UPC shall promptly so advise SAM LP and UPC and SAM LP shall amend this Agreement to reflect such amended offer made by SAM LP, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.
- (3) Each successive amendment to any Alternative Proposal shall constitute a new Alternative Proposal for the purposes of this Section 5.4, and SAM LP shall be afforded a new five (5) Business Day Matching Period from the later of the date on which SAM LP received the Superior Proposal Notice and a copy of any proposed Permitted Acquisition Agreement with respect to the Alternative Proposal from UPC.
- (4) The Board shall promptly reaffirm the Board Recommendation by press release after any Alternative Proposal which is not determined to be a Superior Proposal is publicly announced or the Board determines that a proposed amendment to the terms of this Agreement as contemplated under Section 5.4(2) would result in an Alternative Proposal no longer being a Superior Proposal. UPC shall provide SAM LP and its outside legal counsel with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by SAM LP and its counsel.
- (5) If UPC provides a Superior Proposal Notice to SAM LP within five (5) Business Days before the Meeting, UPC shall proceed with or shall postpone the Meeting, as directed by SAM LP in its sole discretion, to a date that is not more than seven (7) Business Days after the scheduled date of the Meeting, provided, however, that the Meeting shall not be postponed to a date later than the seventh (7th) Business Day prior to the Outside Date.
- (6) Nothing in this Agreement shall prevent the Board from: (a) responding through a directors' circular or equivalent document as required by applicable Securities Laws to an Alternative Proposal; or (b) making any disclosure to the Shareholders if the Board, acting in good faith and after consultation with its outside legal advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board, provided, however, in each case that, notwithstanding that the Board shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation, other than as permitted by Section 5.4(1) and prior to making any such disclosure, UPC shall give to SAM LP not less than 48 hours (excluding any days that are not Business Days) notice of its intention to make such disclosure.

Section 5.5 Breach by Representatives

Without limiting the generality of the foregoing, UPC shall advise its Representatives of the prohibitions set out in this ARTICLE 5 and any violation of the restrictions set forth in this ARTICLE 5 by UPC or its Representatives is deemed to be a breach of this ARTICLE 5 by UPC, as applicable.

ARTICLE 6 CONDITIONS

Section 6.1 Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of each of the Parties:

- (1) **Arrangement Resolution.** The Arrangement Resolution has been approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order.
- (2) **Interim and Final Order.** The Interim Order and the Final Order have each been obtained on terms consistent with this Agreement, and have not been set aside or modified in a manner unacceptable to any of the Parties, each acting reasonably, on appeal or otherwise.
- (3) **Key Regulatory/Stock Exchange Approvals.** Each of the Key Regulatory/Stock Exchange Approvals has been made, given or obtained on terms acceptable to the Parties, each acting reasonably, and each such Key Regulatory/Stock Exchange Approval is in force and has not been modified.
- (4) **Articles of Arrangement.** The Articles of Arrangement to be filed with the Director in accordance with this Agreement shall be in form and substance satisfactory to each of the Parties, acting reasonably.
- (5) **Illegality.** No Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Parties from consummating the Arrangement.
- (6) **No Legal Action.** There shall be no action or proceeding pending by a Governmental Entity that is seeking to:
 - (a) enjoin or prohibit the ownership or operation by the Trust and SAM LP of the business or assets of UPC; or
 - (b) prevent or materially delay the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect in respect of UPC or the Trust.
- (7) **Section 3(a)(10) Exemption.** The Trust Units and Exchangeable Shares to be issued and exchanged for Common Shares pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to the Section 3(a)(10) Exemption.

Section 6.2 Additional Conditions Precedent to the Obligations of SAM LP, the Trust and Exchangeco

SAM LP, the Trust and Exchangeco are not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of SAM LP, the Trust and Exchangeco and may only be waived, in whole or in part, by SAM LP, in its sole discretion, on behalf of itself the Trust and Exchangeco:

- (1) **Representations and Warranties of UPC.** The representations and warranties of UPC:

- (a) that are set forth in paragraphs (1) *[Organization and Qualification]*, (2) *[Corporation Authorization]*, (3) *[Execution and Binding Obligation]*, (4) *[Governmental Authorization]*, (5) *[No Conflict/Non-Contravention]* and (12) *[Brokers and Finders' Fees]* of Schedule G were true and correct in all respects as of the date of this Agreement and are true and correct in all respects as of the Effective Time as if made at such time;
- (b) that are set forth in paragraph (6) *[Capitalization]* of Schedule G were true and correct in all respects (other than de minimis inaccuracies) as of the date of this Agreement and are true and correct in all respects (other than de minimis inaccuracies) as of the Effective Time as if made at such time;
- (c) other than those to which Section 6.2(1)(a) or Section 6.2(1)(b) applies, were true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the date of this Agreement and are true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the Effective Time as if made at such time, except, in the case of this clause (c), where the failure to be so true and correct in all respects, individually or in the aggregate, would not result in a Material Adverse Effect in respect of UPC;

except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date only, and UPC has delivered a certificate confirming same to SAM LP, the Trust and Exchangeco, executed by two (2) senior officers of UPC (in each case without personal liability) addressed to SAM LP, the Trust and Exchangeco and dated the Effective Date;

- (2) **Performance of Covenants of UPC.** UPC has fulfilled or complied in all material respects with each of the covenants of UPC contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Date, and has delivered a certificate confirming same to SAM LP, the Trust and Exchangeco, executed by two (2) senior officers of UPC (in each case without personal liability) addressed to SAM LP, the Trust and Exchangeco and dated the Effective Date.
- (3) **Dissent Rights.** The aggregate number of Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn as of the Effective Date shall not exceed 10% of the issued and outstanding Common Shares.
- (4) **Material Adverse Effect of UPC.** Since the date of this Agreement there shall not have occurred any Material Adverse Effect in respect of UPC.
- (5) **Termination of Management Services Agreement.** The Management Services Agreement shall have terminated in accordance with its terms effective immediately prior to the Effective Time.

Section 6.3 Additional Conditions Precedent to the Obligations of UPC

UPC is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of UPC and may only be waived, in whole or in part, by UPC in its sole discretion:

- (1) **Representations and Warranties.** The representations and warranties of SAM LP:

- (a) that are set forth in paragraphs (1) *[Organization and Qualification]*, (2) *[Organizational Authorization]*, (3) *[Execution and Binding Obligation]*, (4) *[Governmental Authorization]*, and (5) *[No Conflict/Non-Contravention]* of Schedule H were true and correct in all respects as of the date of this Agreement and are true and correct in all respects as of the Effective Time as if made at such time;
- (b) the Trust and Exchangeco were true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the date of this Agreement and are true and correct in all respects (without giving effect to any materiality or Material Adverse Effect qualifications set forth therein) as of the Effective Time as if made at such time, except, where the failure to be so true and correct in all respects, individually or in the aggregate, would not result in a Material Adverse Effect in respect of SAM LP the Trust or Exchangeco;

except, in each case, for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, and SAM LP, the Trust and Exchangeco have delivered a certificate confirming same to UPC, executed by two (2) senior officers of SAM LP, the Trust and Exchangeco (in each case without personal liability) addressed to UPC and dated the Effective Date;

- (2) **Performance of Covenants.** Each of SAM LP, the Trust and Exchangeco have fulfilled or complied in all material respects with each of the covenants of it contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and SAM LP, the Trust and Exchangeco shall have delivered a certificate confirming same to UPC, executed, in the case of each of SAM LP and the Trust, by two (2) senior officers of SAM LP, in each case without personal liability addressed to UPC and dated the Effective Date.
- (3) **Deposit of Payments.** Subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent contained herein in their favour (other than conditions which, by their terms, are only capable of being satisfied as of the Effective Time), SAM LP has deposited in accordance with Section 2.8(b) the Expense Reimbursement Payment, the Conversion Payment and the Management Services Agreement Termination Payment.
- (4) **Material Adverse Effect of SAM LP.** Since the date of this Agreement there shall not have occurred any Material Adverse Effect in respect of SAM LP.

Section 6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 will be conclusively deemed to have been satisfied, waived or released when the Certificate of Arrangement is issued by the Director.

ARTICLE 7 TERMINATION, TERMINATION FEES AND EXPENSES

Section 7.1 Termination

- (1) This Agreement may be terminated prior to the Effective Time by:
 - (a) the mutual written agreement of the Parties;

- (b) either UPC or SAM LP if the Arrangement Resolution is not approved at the Meeting in accordance with the Interim Order;
- (c) UPC or SAM LP if:
 - (i) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Parties from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided the Party seeking to terminate this Agreement pursuant to this Section 7.1(1)(c)(i) has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or
 - (ii) the Effective Time does not occur on or prior to the Outside Date, provided that:
 - (i) UPC may not terminate this Agreement pursuant to this Section 7.1(1)(c)(ii) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by UPC of any of their respective representations or warranties or the failure of any of UPC to perform any of their covenants or agreements under this Agreement; and
 - (ii) SAM LP may not terminate this Agreement pursuant to this Section 7.1(1)(c)(ii) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by SAM LP or the Trust of any of its respective representations or warranties or the failure of SAM LP or the Trust to perform any of its respective covenants or agreements under this Agreement;
- (d) UPC if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of SAM LP or the Trust under this Agreement occurs that would cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.8(3); provided that UPC is not then in breach of this Agreement so as to cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied;
 - (ii) prior to obtaining the approval by the Shareholders of the Arrangement Resolution, the Board, in accordance with Section 5.4(1), authorized UPC to enter into a definitive Contract with respect to a Superior Proposal (other than an Acceptable Confidentiality Agreement), provided UPC is in compliance with ARTICLE 5 in all material respects and provided that no termination under this Section 7.1(1)(d)(ii) shall be effective unless and until UPC shall have paid to SAM LP the amount required to be paid pursuant to Section 7.3; or
 - (i) there is a Material Adverse Effect in respect of SAM LP.
- (e) SAM LP if:

- (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of UPC under this Agreement occurs that would cause any condition in Section 6.2(1) or Section 6.2(2) not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.8(3); provided that neither SAM LP nor the Trust is then in breach of this Agreement so as to cause any condition in Section 6.3(1) or Section 6.3(2) not to be satisfied;
- (ii) the Board, or any committee thereof, fails to recommend or withdraws, amends, or modifies or qualifies the Board Recommendation in a manner adverse to SAM LP, publicly proposes or states its intention to do so, or fails to publicly reaffirm (without qualification) the Board Recommendation within five (5) Business Days after having been requested in writing by SAM LP to do so, or takes no position or a neutral position with respect to an Alternative Proposal for more than five (5) Business Days after the public announcement of such Alternative Proposal or accepts, approved, recommends or endorses an Alternative Proposal (collectively, a **"Change in Recommendation"**);
- (iii) UPC breaches Article 5 in any material respect; or
- (iv) there is a Material Adverse Effect in respect of UPC.

Section 7.2 Effect of Termination/Survival

If this Agreement is terminated pursuant to Section 7.1, this Agreement shall become void and of no further force or effect without liability of any Party (or any shareholder or Representative of such Party) to any other Party, except that Section 2.4(5) [*UPC Indemnity re Misrepresentations in Circular*], Section 2.4(6) [*SAM LP Indemnity re Misrepresentations in Circular*], Section 4.9 [*UPC Employee, Director and Officer Insurance and Indemnification*], Section 7.2, Section 7.3 [*Termination Fees*], Section 7.4 [*Expenses*], Section 8.2 through Section 8.14 [*General Provisions*] and all related definitions set forth in Section 1.1, inclusive, shall survive for a period of six years after the termination of this Agreement and provided that no Party shall be relieved from any liability for any willful or intentional breach by it of any provision of this Agreement prior to the termination of this Agreement.

Section 7.3 Termination Fee and Expense Reimbursement

- (1) For the purposes of this Agreement,
 - (a) **"Termination Fee Event"** means the termination of this Agreement:
 - (i) by UPC or SAM LP pursuant to Section 7.1(1)(b) [*Arrangement Resolution Not Approved*] or Section 7.1(1)(c)(ii) [*Outside Date*] or by SAM LP pursuant to Section 7.1(1)(e)(i) [*UPC Breach of Reps/Covenants*] if both (A) prior to the earliest of the Meeting, the Outside Date and termination, an Alternative Proposal is made or publicly announced (or, in the case of termination by SAM LP pursuant to Section 7.1(1)(e)(i) only, otherwise communicated to UPC or any of its Representatives) by any Person other than SAM LP or any of its affiliates or any Person (other than SAM LP or any of its affiliates) shall have publicly announced an intention to do so, and (B) within 12 months following the date of such termination, (1) UPC, directly or indirectly, in one or more transactions, enters into a definitive Contract (it being understood that a confidentiality agreement or exclusivity agreement will not be considered a definitive Contract) in respect of such Alternative Proposal,

(2) an Alternative Proposal (whether or not such Alternative Proposal is the same Alternative Proposal referred to in clause (A) above) is consummated, or (3) UPC, directly or indirectly, in one or more transactions, enters into a definitive Contract (it being understood that a confidentiality agreement or exclusivity agreement will not be considered a definitive Contract) in respect of an Alternative Proposal (whether or not such Alternative Proposal is the same Alternative Proposal referred to in clause (A) above) which is subsequently completed at any time (any such Alternative Proposal referred to in this clause (B) being, a “**Subsequent Alternative Proposal**”);

- (ii) by SAM LP pursuant to Section 7.1(1)(e)(ii) [*Change of Recommendation*]
- (iii) by SAM LP pursuant to Section 7.1(1)(e)(iii) [*Breach of Non-Solicit*]; or
- (iv) by UPC pursuant to Section 7.1(1)(d)(ii) [*Superior Proposal*];

(b) “**Termination Fee Event A**” means a Termination Fee Event:

- (i) referred to in Section 7.3(1)(a)(i) where the Subsequent Alternative Proposal is a Management Change Proposal;
- (ii) referred to in Section 7.3(1)(a)(ii), other than where such Termination Fee Event is a Termination Fee Event B;
- (iii) referred to in Section 7.3(1)(a)(iii); and
- (iv) referred to in Section 7.3(1)(a)(iv), where the applicable Superior Proposal is a Management Change Proposal.

(c) “**Termination Fee Event B**” means a Termination Fee Event:

- (i) referred to in Section 7.3(1)(a)(i) other than where such Termination Fee Event is a Termination Fee Event A;
- (ii) referred to in Section 7.3(1)(a)(ii) where the Change of Recommendation results from taking no position or a neutral position with respect to an Alternative Proposal that is not a Management Change Proposal for more than five (5) Business Days after the public announcement of such Alternative Proposal or from accepting, approving, recommending or endorsing an Alternative Proposal that is not a Management Change Proposal; and
- (iii) referred to in Section 7.3(1)(a)(iv), where the applicable Superior Proposal is not a Management Change Proposal.

(d) “**Expense Reimbursement Event**” means termination of the Agreement pursuant to Section 7.1(1)(a) [*Mutual Written Agreement*], Section 7.1(1)(b) [*Arrangement Resolution Not Approved*], Section 7.1(1)(c) [*Illegality; Outside Date*], Section 7.1(1)(d)(i) [*Breach of SAM LP Reps*], or Section 7.1(1)(e)(iv) [*UPC MAE*]

- (2) Termination Fee A shall be paid by UPC to SAM LP in consideration for SAM LP’s disposition of rights under this Agreement by wire transfer of immediately available funds as promptly as practicable, and in any event within two (2) Business Days of, the occurrence of a Termination

Fee A Event, provided that if a Termination Fee A Event occurs due to a termination of this Agreement as described in:

- (a) clause (B)(2) or (B)(3) of Section 7.3(1)(a)(i), Termination Fee A shall be paid by UPC to SAM LP concurrently with the consummation of any Alternative Proposal;
 - (b) clause (B)(1) of Section 7.3(1)(a)(i), Termination Fee A shall be paid by UPC to SAM LP concurrently with the entry into a definitive Contract in respect of such Alternative Proposal; and
 - (c) Section 7.3(1)(a)(iv) Termination Fee A shall be paid by UPC to SAM LP prior to or concurrently with termination of this Agreement.
- (3) Termination Fee B shall be paid by UPC to SAM LP in consideration for SAM LP's disposition of rights under this Agreement by wire transfer of immediately available funds as promptly as practicable, and in any event within two (2) Business Days of, the occurrence of a Termination Fee B Event, provided that if a Termination Fee B Event occurs due to a termination of this Agreement as described in:
- (a) clause (B)(2) or (B)(3) of Section 7.3(1)(a)(i), Termination Fee B shall be paid by UPC to SAM LP concurrently with the consummation of any Alternative Proposal;
 - (b) clause (B)(1) of Section 7.3(1)(a)(i), Termination Fee B shall be paid by UPC to SAM LP concurrently with the entry into a definitive Contract in respect of such Alternative Proposal; and
 - (c) Section 7.3(1)(a)(iv), Termination Fee B shall be paid by UPC to SAM LP prior to or concurrently with termination of this Agreement.
- (4) The Expense Reimbursement Payment shall be paid by SAM LP to UPC by wire transfer of immediately available funds as promptly as practicable, and in any event within two (2) Business Days of, the occurrence of an Expense Reimbursement Event.
- (5) Each of UPC and SAM LP acknowledge that the agreements contained in this Section 7.3 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the other would not enter into this Agreement, and that the amounts set out in this Section 7.3 represent liquidated damages that are a genuine pre-estimate of the damages, including opportunity costs, which the other will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and is not a penalty. Each of UPC and SAM LP irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive.
- (6) Each Party agrees that upon payment of a Termination Fee to SAM LP pursuant to this Section 7.3, SAM LP shall be precluded from any other remedy against the other Parties at Law or in equity or otherwise (including, without limitation, an order for specific performance), and shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against any other Party or any of their respective directors, officers, employees, partners, managers, members, shareholders or affiliates or their respective representatives in connection with this Agreement or the transactions contemplated hereby, provided however, that this limitation shall not apply in respect of a willful or intentional breach of this Agreement by a Party prior to the termination hereof.

- (7) Each Party agrees that upon payment of an Expense Reimbursement Amount to UPC pursuant to this Section 7.3, UPC shall be precluded from any other remedy against the other Parties at Law or in equity or otherwise (including, without limitation, an order for specific performance), and shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against any other Party or any of their respective directors, officers, employees, partners, managers, members, shareholders or affiliates or their respective representatives in connection with this Agreement or the transactions contemplated hereby, provided however, that this limitation shall not apply in respect of a willful or intentional breach of this Agreement by a Party prior to the termination hereof.
- (8) In no event shall UPC be required to pay under this Section 7.3 more than one Termination Fee and the only Termination Fee that it shall be obligated to pay shall be the first such Termination Fee that becomes payable hereunder.

Section 7.4 Expenses

Except as provided in Section 7.3, all out-of-pocket third party transaction expenses incurred in connection with this Agreement and the Plan of Arrangement, including all costs, expenses and fees of UPC incurred prior to or after the Effective Date in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is consummated.

ARTICLE 8 GENERAL PROVISIONS

Section 8.1 Amendments

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;
- (c) modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or
- (d) modify any mutual conditions contained in this Agreement.

Section 8.2 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a “**Notice**”) must be in writing, sent by personal delivery, courier, or email and is deemed to be given and received:

- (a) on the date of delivery by hand or courier if it is a Business Day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt), and otherwise on the next Business Day; or

- (b) if sent by email, on the date of transmission it is a Business Day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt), and otherwise on the next Business Day,

in each case to the Parties at the following addresses (or such other address for a party as specified by like Notice):

- (i) to SAM LP, the Trust or Exchangeco at:

Sprott Inc. Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1
Attention: Arthur Einav, General Counsel
Telephone: [REDACTED - PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

with a copy to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9
Attention: John Ciardullo and J.R. Laffin
Telephone: 416-869-5500
Email: jciardullo@stikeman.com and jrlaffin@stikeman.com

- (ii) to UPC at:

Uranium Participation Corporation
40 University Avenue
Suite 1100
Toronto, Ontario M5J 1T1 Attention: David Cates
Telephone: [REDACTED - PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

with a copy to:

Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2
Attention: Chad Accursi
Telephone: 416-869-5300
Email: caccursi@casselsbrock.com

Rejection or other refusal to accept, inability to deliver because of changed address of which no Notice was given, shall be deemed to be receipt of the Notice as of the date of such rejection, refusal or inability to deliver. 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.

Section 8.3 Time of the Essence

Time is of the essence in this Agreement.

Section 8.4 Third Party Beneficiaries

- (1) Except as provided in Section 2.4(5) [*UPC Indemnity re Misrepresentations in Circular*] Section 2.4(6), [*SAM LP Indemnity re Misrepresentations in Circular*] and Section 4.9 [*UPC Employee, Director and Officer Insurance and Indemnification*], which, without limiting their respective terms, are intended as stipulations for the benefit of the third Persons mentioned in such provisions (such third Persons referred to in this Section 8.4 as, the “**Beneficiaries**”), the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.
- (2) Each Party acknowledges to the applicable Beneficiaries their direct rights against such Party under Section 2.4(5) and Section 2.4(6), as applicable, which are intended for the benefit of, and shall be enforceable by, each Beneficiary, his or her heirs and his or her legal representatives. The Parties reserve their right to vary or rescind the rights at any time prior to the Effective Time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

Section 8.5 Waiver

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 8.6 Entire Agreement

This Agreement, together with the Confidentiality Agreement, constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Confidentiality Agreement, the provisions of this Agreement shall govern.

Section 8.7 Further Assurances

The Parties will, with reasonable diligence, do all things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party will provide such further documents or instruments required by the other Parties as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Effective Time.

Section 8.8 Successors and Assigns

- (1) This Agreement becomes effective only when executed by the Parties. After that time, it will be binding upon and enure to the benefit of the Parties and their respective heirs, administrators, executors, legal representatives, successors and permitted assigns.

- (2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Parties.

Section 8.9 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 8.10 Governing Law

- (1) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.11 Rules of Construction

The Parties waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8.12 No Personal Liability

No director or officer of SAM LP, the Trust or Exchangeco shall have any personal liability whatsoever to UPC under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of SAM LP, the Trust or Exchangeco. No director or officer of UPC shall have in their capacity as a director or officer of UPC any personal liability whatsoever to SAM LP, the Trust or Exchangeco under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of UPC.

Section 8.13 Language

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 8.14 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by facsimile or similar executed electronic copy) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement.

SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**

By: (signed) "John Ciampaglia"
Name: John Ciampaglia
Title: Chief Executive Officer

SPROTT PHYSICAL URANIUM TRUST, by its
manager, **SPROTT ASSET MANAGEMENT
LP**, by its general partner, **SPROTT ASSET
MANAGEMENT GP INC.**

By: (signed) "John Ciampaglia"
Name: John Ciampaglia
Title: Director

2834819 ONTARIO INC.

By: (signed) "John Ciampaglia"
Name: John Ciampaglia
Title: Director

URANIUM PARTICIPATION CORPORATION

By: (signed) "Jeff Kennedy"
Name: Jeff Kennedy
Title: Chairman

**SCHEDULE A
PLAN OF ARRANGEMENT**

**PLAN OF ARRANGEMENT UNDER SECTION 182
OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)**

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings set out below (and grammatical variations of such terms shall have corresponding meanings):

“Arrangement” means an arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms thereof and of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“Arrangement Agreement” means the arrangement agreement dated April 27, 2021 among SAM LP, the Trust, Exchangeco and UPC.

“Arrangement Resolution” means the special resolution approving the Arrangement and this Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B.

“Automatic Exchange Right” has the meaning set forth in the Voting and Exchange Trust Agreement.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario.

“Canadian Resident” means either (i) a person who, at the relevant time, is a resident of Canada for purposes of the Tax Act, or (ii) a partnership that is a “Canadian partnership” for purposes of the Tax Act.

“Change of Law” means any amendment to the Tax Act and other applicable provincial income tax Laws that permits Canadian Resident holders of the Exchangeable Shares, who hold the Exchangeable Shares as capital property and deal at arm’s length with and Exchangeco (all for the purposes of the Tax Act and other applicable provincial income tax Laws), to exchange their Exchangeable Shares for Trust Units on a basis that will not require such holders to recognize any gain or loss or any actual or deemed dividend in respect of such exchange for the purposes of the Tax Act or applicable provincial income tax Laws.

“Certificate of Arrangement” means, the certificate of arrangement to be issued by the Director pursuant to subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

“Circular” means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement.

“Common Shares” means the common shares in the authorized share capital of UPC.

“Consideration” means, (i) in the case of a Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline and is able to provide the Regulation S Confirmations upon such election, one (1) Exchangeable Share for each Common Share, subject to the limits herein; and (ii) in the case of each other Shareholder, one (1) Trust Unit for each Common Share.

“Depository” means Computershare Investor Services Inc. or such other Person as SAM LP and UPC agree in writing.

“Dissent Rights” means the rights of dissent in respect of the Arrangement described in Section 3.1 of this Plan of Arrangement.

“Dissenting Common Share” has the meaning specified in Section 2.3(a).

“Dissenting Shareholder” means any registered Shareholder who has duly and validly exercised its Dissent Rights pursuant this Plan of Arrangement and the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. on the Effective Date, or such other time as SAM LP and UPC agree to in writing before the Effective Date.

“Electing Common Shares” means the Common Shares in respect of which an Eligible Holder has validly elects to receive Exchangeable Shares prior to the Election Deadline and is able to provide the Regulation S Confirmations upon such election.

“Election Deadline” means 5:00 p.m. on Business Day following the date of the Meeting.

“Eligible Holder” means a Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

“Exchangeable Share Consideration” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Share Price” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Share Provisions” means the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, which rights, privileges, restrictions and conditions shall be in substantially the form set out in Annex A to this Plan of Arrangement.

“Exchangeable Share Support Agreement” means an agreement to be made between SAM LP, the Trust and Exchangeco substantially in the form of Schedule C to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Exchangeable Share Voting Event” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Shares” means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set forth the Exchangeable Share Provisions.

“Exchangeco” means 2834819 Ontario Inc., a direct or indirect wholly-owned subsidiary of the Trust.

“Exempt Exchangeable Share Voting Event” has the meaning set forth in the Exchangeable Share Provisions.

“Final Order” means the final order of the Court in a form acceptable to SAM LP and UPC, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of SAM LP and UPC, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to SAM LP and UPC, each acting reasonably) on appeal.

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange.

“Interim Order” means the interim order of the Court made pursuant to subsection 182(5) of the OBCA in a form acceptable to SAM LP and UPC, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court (which amendment shall be acceptable to SAM LP and UPC, each acting reasonably).

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, by-law, code, rule, regulation, instrument, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

“Letter of Transmittal and Election Form” means the letter of transmittal and election form(s) to be delivered by UPC to Shareholders providing for the Shareholder’s election with respect to the Consideration and for delivery of the certificates representing the Common Shares to the Depository.

“Lien” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance.

“Liquidation Amount” has the meaning set forth in the Exchangeable Share Provisions.

“Liquidation Call Purchase Price” has the meaning set forth in Section 5.1(a).

“Liquidation Call Right” has the meaning set forth in Section 5.1(a).

“Liquidation Date” has the meaning set forth in the Exchangeable Share Provisions.

“Meeting” means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other

purpose as may be set out in the Circular and agreed to in writing by SAM LP and UPC, each acting reasonably.

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

“**Parties**” means SAM LP, the Trust, Exchangeco, and UPC and “**Party**” means any one of them.

“**Person**” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“**Plan of Arrangement**” means this plan of arrangement proposed under section 182 of the OBCA, and any amendments or variations made in accordance with Section 6.1 of this plan of arrangement or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“**Redemption Call Purchase Price**” has the meaning set forth in Section 5.2(a).

“**Redemption Call Right**” has the meaning set forth in Section 5.2(a).

“**Redemption Date**” has the meaning set forth in the Exchangeable Share Provisions.

“**Regulation S Confirmations**” means the representations provided by an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline that: (1) the Eligible Holder is not a Person in the United States and was not offered the Exchangeable Shares in the United States, (2) the Eligible Holder is not in the United States at the time of such election, and (3) the Eligible Holder acknowledges that the Exchangeable Shares may not be delivered to a Person in the United States.

“**Retraction Call Right**” has the meaning set forth in the Exchangeable Share Provisions.

“**SAM LP**” means a limited partnership formed under the laws of the Province of Ontario.

“**Settlor**” means Lara Misner.

“**Settlor Unit**” mean the Trust Unit held prior to the Effective Time by the Settlor, as settlor of the Trust.

“**Shareholder**” means a registered or beneficial holder of Common Shares.

“**Subsidiary**” means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of a Subsidiary.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Transfer Agent**” has the meaning set forth in the Exchangeable Share Provisions.

“**Trust**” means Sprott Physical Uranium Trust, a trust established under the laws of the Province of Ontario pursuant to the Trust Agreement.

“**Trust Agreement**” means the amended and restated trust agreement dated ●, 2021 among the Settlor, SAM LP and the Trustee.

“Trust Control Transaction” has the meaning set forth in the Exchangeable Share Provisions.

“Trustee” means ●, a trust company organized under the federal laws of Canada, or such other Person as SAM LP and UPC agree in writing.

“Trust Units” means the units of the Trust.

“UPC” means Uranium Participation Corp., a corporation existing under the OBCA.

“U.S. Securities Act” means the *United States Securities Act of 1933*, as amended.

“Voting and Exchange Trust Agreement” means an agreement to be made between SAM LP, the Trust, Exchangeco and the trustee to be chosen by SAM LP, acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement, substantially in the form of Schedule D to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

- (1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.
- (2) **Currency.** All references to sums of money or to “\$” are references to Canadian dollars.
- (3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (4) **Certain Phrases, etc.** The words: (a) “including”, “includes” and “include” mean “including (or includes or include) without limitation”; (b) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”; and (c) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.
- (5) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (6) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 5:00 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 5:00 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (7) **Time References.** References to time are to local time, Toronto, Ontario, Canada.
- (8) **Governing Law.** This Plan of Arrangement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of

Canada applicable therein. All questions as to the interpretation or application of this Plan of Arrangement and all proceedings in connection with this Plan of Arrangement will be subject to the exclusive jurisdiction of the Court.

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 Effect of Arrangement

- (1) This Plan of Arrangement and the Arrangement, will become effective, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement and be binding on UPC, the Shareholders (including Dissenting Shareholders), SAM LP, the Trust, Exchangeco, the registrar and transfer agent in respect of the Common Shares, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.
- (2) The Articles of Arrangement and the Certificate of Arrangement shall be filed and issued, respectively with respect to the Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions in Section 2.3 has become effective in the sequence and at the times set out therein.

2.3 Arrangement

At the Effective Time, the following shall occur and shall be deemed to occur as set out below without any further authorization, act or formality, in the following sequence:

- (a) subject to Section 3.1, each of the Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn held by Dissenting Shareholders (each a “**Dissenting Common Share**”) shall, and shall be deemed to, be assigned and transferred by the holders thereof to the Trust, without any further act or formality, in exchange for a debt claim against the Trust in the amount equal to the fair value for such Dissenting Common Shares as set out in Section 3.1, and:
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Dissenting Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissenting Common Share to the Trust; and
 - (iii) the Trust shall be and shall be deemed to be the holder of all of the outstanding Dissenting Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly;

- (b) each Common Share (other than any Dissenting Common Shares or Electing Common Shares) shall be transferred and assigned, without any further act or formality on its part, to the Trust (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable Consideration, and the Settlor Unit shall be cancelled with any payment in respect thereof, and:
- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Common Share to the Trust;
 - (iii) the Trust shall be and shall be deemed to be the holder of all such Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly; and
 - (iv) the Settlor shall cease to be, and shall be deemed to cease to be, the registered holder of the Settlor Unit and the Settlor's name shall be, and shall be deemed to be, removed from the register of holders of Trust Units as it relates to the Settlor Unit; and
- (c) concurrently with Section 2.3(b), each Electing Common Share shall be transferred and assigned, without any further act or formality on its part, to Exchangeco (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable Consideration; *provided, however*, that no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than Dissenting Common Shares) may be Electing Common Shares (the **"Maximum Electing Common Shares Election"**) and any Common Shares elected to be Electing Common Shares above the Maximum Electing Common Shares Election shall be subject to proration as described in this Section 2.3(c); *provided, further*, that if holders elect for an amount of Electing Common Shares that would exceed the Maximum Electing Common Shares Election, then a portion of such holders' Common Shares shall be subject to Section 2.3(b) such that the amount of shares that will be Electing Common Shares equals the Maximum Electing Common Shares Election, based on the ratio that the number of Common Shares elected to be Electing Common Shares by such holder bears to the total number of Common Shares (other than Dissenting Common Shares) with the number of Exchangeable Shares to be received by each holder of Electing Common Shares to be rounded down to the nearest whole Exchangeable Share and the number of Trust Units to be received by each holder of Electing Common Shares to be rounded up to the nearest whole Trust Unit; *provided, further*, that, solely for illustrative purposes, if there are one hundred Common Shares outstanding (other than Dissenting Common Shares) and twenty-five (25) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are initially elected to be treated as Electing Common Shares, then any holder so electing shall receive nineteen (19) Exchangeable Shares and six (6) Trust Units, with the result that, in the aggregate, nineteen (19) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are exchanged for

Exchangeable Shares and eighty one-hundredths (81) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are exchanged for Trust Units, and:

- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Electing Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Electing Common Share to Exchangeco; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all such Electing Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly; and
- (d) concurrently with Section 2.3(c), (i) SAM LP, the Trust and Exchangeco shall execute the Exchangeable Share Support Agreement, and (ii) SAM LP, the Trust, Exchangeco and the Trustee shall execute the Voting and Exchange Trust Agreement,

it being expressly provided that the events provided for in this Section 2.3 will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

2.4 Consideration Elections

With respect to the transfer and assignment of Common Shares pursuant to Section 2.3(c):

- (a) each Shareholder who is an Eligible Holder and is able to provide the Regulation S Confirmations may, subject to Section 2.3(c), elect to receive the Consideration to which he, she or it is entitled in the form of Exchangeable Shares in lieu of Trust Units;
- (b) the election and confirmations provided for in Section 2.4(a) shall be made by a Shareholder by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such Shareholder's election and providing the Regulation S Confirmations, together with certificates (if any) representing such Shareholder's Common Shares;
- (c) any Letter of Transmittal and Election Form, once deposited with the Depositary, shall be irrevocable and may not be withdrawn by a Shareholder; and
- (d) any Shareholder who does not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline, or otherwise fails to comply with the requirements of this Section 2.4 or of the Letter of Transmittal and Election Form, shall, subject to Section 3.1, be deemed to have elected to receive Trust Units.

2.5 Tax Election

Each beneficial owner of Common Shares who is an Eligible Holder, and who has validly elected (or for whom the registered holder has validly elected on such beneficial owner's behalf) to receive Exchangeable Shares shall be entitled to make an income tax election pursuant to subsection 85(1) of the Tax Act, or subsection 85(2) of the Tax Act if such beneficial owner is a partnership (and in each case, where applicable, the analogous provisions of provincial income tax law), with respect to the transfer of its Common Shares to Exchangeco and the receipt of Consideration in respect thereof by providing two signed copies of the necessary prescribed election form(s) (or equivalent information through an alternative document or platform, at SAM LP's discretion) to the Depositary within 90 days following the Effective Date, duly completed with the details of the number of Common Shares transferred and the applicable agreed amounts for the purposes of such elections. Thereafter, subject to the election forms being correct and complete and complying with the provisions of the Tax Act (and applicable provincial income tax law), the forms will be signed by Exchangeco and returned to such former beneficial owner of Common Shares within 90 days after the receipt thereof by the Depositary for filing with the Canada Revenue Agency (or the applicable provincial taxing authority) by such former beneficial owner. Exchangeco will not be responsible for the proper completion of any election form and, except for Exchangeco's obligation to return (within 90 days after the receipt thereof by the Depositary) duly completed election forms which are received by the Depositary within 90 days of the Effective Date, Exchangeco will not be responsible for any taxes, interest or penalties resulting from the failure by a former beneficial owner of Common Shares to properly complete or file the election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

ARTICLE 3 RIGHTS OF DISSENT

3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights in connection with the Arrangement Resolution ("**Dissent Rights**") pursuant to and in the manner set forth in section 185 of the OBCA, as modified by the Interim Order and this Section 3.1; provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be received by UPC not later than 5:00 p.m. on the second (2nd) Business Day immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Dissenting Common Shares held by them to the Trust as provided in Section 2.3(a) and if they:

- (a) ultimately are entitled to be paid fair value for such Dissenting Common Shares will be entitled to be paid the fair value of such Dissenting Common Shares and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Dissenting Common Shares; or
- (b) ultimately are not entitled, for any reason, to be paid fair value for such Dissenting Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Common Shares in accordance with Section 2.3(b).

3.2 Recognition of Dissenting Holders

- (1) In no circumstances shall SAM LP, Exchangeco, the Trust, UPC or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.
- (2) For greater certainty, in no case shall SAM LP, Exchangeco, the Trust, UPC or any other Person be required to recognize Dissenting Shareholders as holders of Dissenting Common Shares after the completion of the transfer under Section 2.3(a), and the names of such Dissenting Shareholders shall be removed from the registers of holders of Common Shares, in respect of which Dissent Rights have been validly exercised at the same time as the applicable event described in Section 2.3(a) occurs. In addition to any other restrictions under section 185 of the OBCA, Shareholders who vote or have instructed a proxyholder to vote any Common Shares in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights (but only in respect of such Common Shares).
- (3) Dissenting Shareholders who validly withdraw their Dissent Rights or who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Common Shares shall be deemed to have participated in the Arrangement pursuant to Section 2.3(b) on the same basis as a non-dissenting holder of Common Shares.

ARTICLE 4 CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

- (1) Prior to filing of the Articles of Arrangement, SAM LP, the Trust or Exchangeco shall deliver or cause to be delivered in escrow with the Depositary sufficient Trust Units and Exchangeable Shares to satisfy the aggregate Consideration payable to Shareholders pursuant to the Plan of Arrangement.
- (2) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares (other than Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn), that were transferred pursuant to Section 2.3, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary may reasonably require, the holder of Common Shares represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the Consideration which such holder has the right to receive under the Arrangement for such Common Shares, less any amounts withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.
- (3) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Common Shares (other than Common Shares held by SAM LP, Exchangeco or any of their respective affiliates) shall be deemed after the Effective Time to represent only the right to receive upon such surrender, the Consideration as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Common Shares not duly surrendered on or before the day that is one day prior to the fifth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in UPC, SAM LP, Exchangeco, the Trust or any of their respective affiliates. On such date,

any and all Consideration which such former holder was entitled shall be deemed to have been surrendered to the Trust.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were assigned and transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration to which the holder is entitled pursuant to this Plan of Arrangement. When authorizing such issuance in exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration is to be delivered shall as a condition precedent to the delivery of such Consideration, give a bond satisfactory to SAM LP, the Trust, Exchangeco and the Depositary (acting reasonably) in such sum as SAM LP, the Trust, Exchangeco may direct, or otherwise indemnify SAM LP, the Trust, Exchangeco, and UPC against any claim that may be made against SAM LP, the Trust, Exchangeco, or UPC with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

SAM LP, the Trust, Exchangeco, UPC and the Depositary, as applicable, shall be entitled to deduct and withhold, or direct SAM LP, the Trust, Exchangeco, UPC or the Depositary, to deduct and withhold on their behalf, from any Consideration payable or otherwise deliverable to any Shareholders under the Plan of Arrangement such amounts as SAM LP, the Trust, Exchangeco, UPC or the Depositary, as applicable, are required or reasonably believe to be required to deduct and withhold from such Consideration under any provision of any Law in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the Consideration payable pursuant to the Plan of Arrangement and shall be treated for all purposes under this Agreement as having been paid to Shareholders in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

4.4 Paramourncy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares issued prior to the Effective Time; (b) the rights and obligations of the Shareholders, UPC, SAM LP, the Trust, Exchangeco, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Common Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

4.5 No Liens

Any exchange, assignment, transfer or similar conveyance of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.6 U.S. Securities Laws Exemption

Notwithstanding any provision herein to the contrary, the Parties agree that this Plan of Arrangement will be carried out with the intention that Trust Units and Exchangeable Shares issued on completion of this Plan of Arrangement to the Shareholders will be issued by the Trust and Exchangeco in

reliance on the exemption from the registration requirements of the U.S. Securities Act, as provided by Section 3(a)(10) thereof, and that the Trust Units issued upon exchange of the Exchangeable Shares will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S Confirmations thereunder.

ARTICLE 5

CERTAIN RIGHTS OF THE TRUST TO ACQUIRE EXCHANGEABLE SHARES

5.1 Liquidation Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Liquidation Call Right**"), in the event of and notwithstanding the proposed liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, pursuant to Section 5 of the Exchangeable Share Provisions, and subject to the sale and purchase contemplated by the Automatic Exchange Right, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Liquidation Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Liquidation Date (the "**Liquidation Call Purchase Price**") in accordance with Section 5.1(c). In the event of the exercise of the Liquidation Call Right by the Trust, each such holder of Exchangeable Shares (other than the Trust and its affiliates) shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Liquidation Date upon payment by the Trust to such holder of the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration) for each such share, and Exchangeco shall have no obligation to pay any Liquidation Amount to the holders of such shares so purchased.
- (b) To exercise the Liquidation Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a voluntary liquidation, dissolution or winding-up of Exchangeco or any other voluntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least 30 days before the Liquidation Date, or (ii) in the case of an involuntary liquidation, dissolution or winding-up of Exchangeco or any other involuntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least five Business Days before the Liquidation Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Liquidation Call Right forthwith after the expiry of the period during which the Trust may exercise the Liquidation Call Right. If the Trust exercises the Liquidation Call Right, then on the Liquidation Date, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration).

- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Liquidation Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Liquidation Date, the Exchangeable Share Consideration representing the aggregate Liquidation Call Purchase Price for all holders of the Exchangeable Shares (other than the Trust and its affiliates), less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Liquidation Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Liquidation Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Liquidation Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If the Trust does not exercise the Liquidation Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Liquidation Date, the Liquidation Amount otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the liquidation, dissolution or winding-up of Exchangeco or any distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs pursuant to Section 5 of the Exchangeable Share Provisions.

5.2 Redemption Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Redemption Call Right**") to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Redemption Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Redemption Date (the "**Redemption Call Purchase Price**") in accordance with Section 5.2(c). In the event of the exercise of the Redemption Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Redemption Date upon payment by the Trust to such holder of the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration), and Exchangeco shall have no obligation to redeem, or to pay the

Redemption Price (as defined in the Exchangeable Share Provisions) in respect of, such shares so purchased.

- (b) To exercise the Redemption Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a redemption occurring as a result of a Trust Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, on or before the Redemption Date, and (ii) in any other case, at least 30 days before the Redemption Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Redemption Call Right forthwith after the expiry of the period during which the Trust may exercise the Redemption Call Right. If the Trust exercises the Redemption Call Right, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, on the Redemption Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Redemption Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Redemption Date, the Exchangeable Share Consideration representing the aggregate Redemption Call Purchase Price less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Redemption Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Redemption Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Redemption Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If the Trust does not exercise the Redemption Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Redemption Date, the redemption price otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the redemption of the Exchangeable Shares pursuant to Section 7 of the Exchangeable Share Provisions.

5.3 Change of Law Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Change of Law Call Right**"), in the event of a Change of Law, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Change of Law Call Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Change of Law Call Date (the "**Change of Law Call Purchase Price**") in accordance with Section 5.3(c). In the event of the exercise of the Change of Law Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Change of Law Call Date upon payment by the Trust to such holder of the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (b) To exercise the Change of Law Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right at least 30 days before the date (the "**Change of Law Call Date**") on which the Trust shall acquire the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Change of Law Call Right forthwith after receiving notice of such exercise from the Trust. If the Trust exercises the Change of Law Call Right, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, on the Change of Law Call Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Change of Law Call Date, the Exchangeable Share Consideration representing the aggregate Change of Law Call Purchase Price less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Change of Law Call Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Change of Law Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Change of Law Call Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive.

ARTICLE 6 AMENDMENTS

6.1 Amendments to Plan of Arrangement

- (1) SAM LP on its behalf or on behalf of the Trust and Exchangeco, or UPC may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must: (i) be set out in writing; (ii) be approved by SAM LP, the Trust and UPC; (iii) filed with the Court and, if made following the Meeting, approved by the Court; and (iv) communicated to Shareholders and others as may be required by the Interim Order in the manner required by the Court (if so required).
- (2) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by SAM LP on its behalf or on behalf of the Trust and Exchangeco or by UPC at any time prior to the Meeting (provided that SAM LP and UPC shall have consented thereto in writing) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting in accordance with the Interim Order, shall become part of this Plan of Arrangement for all purposes.
- (3) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of SAM LP and UPC (in each case, acting reasonably); and (ii) if required by the Court, it is consented to by the Shareholders voting in the manner directed by the Court.
- (4) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.
- (5) Notwithstanding any other provision of this Section 6.1, any amendment, modification or supplement to this Plan of Arrangement may be made by UPC, with the consent of SAM LP (which consent may be withheld, conditioned or delayed in SAM LP's sole discretion), provided that it concerns a matter which, in the reasonable opinion of UPC, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interest of any former Shareholder.

ARTICLE 7 FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of SAM LP, the Trust, Exchangeco and UPC shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

**ANNEX A
TO THE PLAN OF ARRANGEMENT**

PROVISIONS ATTACHING TO THE EXCHANGEABLE SHARES

The Exchangeable Shares shall have the following rights, privileges, restrictions and conditions (it being understood that all references to the “Company” in this Annex A shall be a reference to 2834819 Ontario Inc.):

1. Interpretation

- (a) Definitions. For the purposes of these Exchangeable Share Provisions:

“**affiliate**” has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions*;

“**Arrangement Agreement**” means the arrangement agreement dated April 27, 2021 among the Manager, the Trust, the Company and Uranium Participation Corporation, as amended, supplemented or otherwise modified from time to time in accordance with its terms;

“**Automatic Exchange Right**” has the meaning specified in the Voting and Exchange Trust Agreement;

“**Board of Directors**” means the board of directors of the Company, provided that where the Shareholder Declaration restricts the discretion or powers of the directors in respect of a certain matter, it shall mean, the Trust, as sole shareholder of the Company;

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario;

“**Change of Law Call Right**” has the meaning ascribed thereto in the Plan of Arrangement;

“**Common Shares**” means the common shares in the capital of the Company;

“**Court**” means the Ontario Superior Court of Justice (Commercial List), or other court as applicable;

“**Current Market Price**” means, in respect of a Trust Unit on any date, the average closing price of a Trust Unit on the TSX during the period of 20 consecutive trading days ending on the third trading day immediately before such date or, if the Trust Units are not then listed on the TSX, on such other stock exchange or automated quotation system on which the Trust Units are listed or quoted, as the case may be, as may be selected by the Board of Directors for such purpose; provided, however, that if in the opinion of the Board of Directors the public distribution or trading activity of Trust Units during such period does not reflect the fair market value of a Trust Unit, then the Current Market Price of a Trust Unit shall be determined by the Board of Directors, based upon the advice of such qualified independent financial advisors as the Board of Directors may deem to be appropriate; and provided further that any such selection, opinion or determination by the Board of Directors shall be conclusive and binding, absent manifest error;

“Effective Date” has the meaning ascribed thereto in the Plan of Arrangement;

“Exchangeable Shares” means the exchangeable shares in the capital of the Company, having the rights, privileges, restrictions and conditions set forth herein;

“Exchangeable Share Consideration” means, with respect to each Exchangeable Share, for any acquisition of, redemption of, or distribution of assets of the Company in respect of, such Exchangeable Share, or purchase of such Exchangeable Share pursuant to these Exchangeable Share Provisions, the Plan of Arrangement, the Support Agreement or the Voting and Exchange Trust Agreement:

- (i) the Current Market Price of one Trust Unit deliverable in connection with such action; plus
- (ii) a cheque or cheques payable at par at any branch of the bankers of the payor in the amount of all declared, payable and unpaid, and all undeclared but payable, cash dividends deliverable in connection with such action; plus
- (iii) such stock or other property constituting any declared, payable and unpaid non-cash dividends deliverable in connection with such action,

provided that: (A) the part of the consideration which represents (i) above shall be fully paid and satisfied by the delivery of one Trust Unit, such unit to be duly issued, fully paid and nonassessable; (B) the part of the consideration which represents (iii) above shall be fully paid and satisfied by delivery of such non-cash items; (C) in each case, any such consideration shall be delivered free and clear of any lien, claim, encumbrance, security interest or adverse claim or interest; and (D) in each case, any such consideration shall be paid without interest and less any tax required to be deducted and withheld therefrom;

“Exchangeable Share Price” means, at any time, for each Exchangeable Share, an amount equal to the aggregate of:

- (i) the Current Market Price of one Trust Unit at such time;
- (ii) the full amount of all cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share;
- (iii) the full amount of all non-cash dividends declared, payable and unpaid, at such time, on such Exchangeable Share; and
- (iv) the full amount of all dividends declared and payable or paid in respect of each Trust Unit which have not, at such time, been declared or paid on such Exchangeable Share in accordance herewith;

“Exchangeable Share Provisions” means the rights, privileges, restrictions and conditions set out herein;

“Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of the Company, other than an Exempt Exchangeable Share Voting Event, and, for greater certainty, excluding any matter in respect of which holders of Exchangeable Shares are

entitled to vote (or instruct the Trustee to vote) in their capacity as Beneficiaries under (and as that term is defined in) the Voting and Exchange Trust Agreement;

“Exempt Exchangeable Share Voting Event” means any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of the Company to approve or disapprove, as applicable, any change to, or in the rights of the holders of, the Exchangeable Shares, where the approval or disapproval, as applicable, of such change is required to maintain the economic equivalence of the Exchangeable Shares and the Trust Units;

“Liquidation Amount” has the meaning ascribed thereto in Section 5(a);

“Liquidation Call Right” has the meaning ascribed thereto in the Plan of Arrangement;

“Liquidation Date” has the meaning ascribed thereto in Section 5(a);

“Manager” means Sprott Asset Management LP, the manager of the Trust, and any successor thereto;

“OBCA” means the *Business Corporations Act* (Ontario) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

“person” includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government or any other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement substantially in the form and content of Schedule A to the Arrangement Agreement, including any appendices thereto, and any amendments, modifications or supplements thereto made from time to time in accordance with its terms;

“Redemption Call Purchase Price” has the meaning ascribed thereto in the Plan of Arrangement;

“Redemption Call Right” has the meaning ascribed thereto in the Plan of Arrangement;

“Redemption Date” means the date, if any, established by the Board of Directors for the redemption by the Company of all but not less than all of the outstanding Exchangeable Shares, which date shall be no earlier than the third anniversary of the Effective Date, unless:

- (i) the aggregate number of Exchangeable Shares issued and outstanding (other than Exchangeable Shares held by the Trust and its affiliates) is less than 10% of the number of Exchangeable Shares issued on the Effective Date (as such number of shares may be adjusted as deemed appropriate by the Board of Directors to give effect to any subdivision, combination or consolidation of or stock or share dividend on the Exchangeable Shares, any issue or distribution of rights to acquire Exchangeable Shares or securities exchangeable for or convertible into Exchangeable Shares, any issue or distribution of other securities or rights or evidences of indebtedness or

assets, or any other capital reorganization or other transaction affecting the Exchangeable Shares), in which case the Board of Directors may accelerate such redemption date to such date prior to the second anniversary of the Effective Date as it may determine, upon at least 30 days' prior written notice to the holders of the Exchangeable Shares and the Trustee;

- (ii) a Trust Control Transaction is proposed, in which case, provided the Board of Directors determines in good faith that it is not practicable or desirable to substantially replicate the terms and conditions of the Exchangeable Shares in connection with such Trust Control Transaction or that the redemption of all but not less than all of the outstanding Exchangeable Shares (other than Exchangeable Shares held by the Trust and its affiliates) is necessary to enable the completion of such Trust Control Transaction in accordance with its terms, the Board of Directors may accelerate such redemption date to such date as it may determine, upon such number of days prior written notice to the holders of the Exchangeable Shares and the Trustee as the Board of Directors may determine to be reasonably practicable in such circumstances;
- (iii) an Exchangeable Share Voting Event is proposed and (A) the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exchangeable Share Voting Event, and (B) the Board of Directors has determined, in good faith and in its sole discretion, that it is not reasonably practicable to accomplish the business purpose (which business purpose must be bona fide and not for the primary purpose of causing the occurrence of the Redemption Date) intended by the Exchangeable Share Voting Event in a commercially reasonable manner that does not result in an Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the later of the events described in (A) and (B) above occurs; or
- (iv) an Exempt Exchangeable Share Voting Event is proposed and the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exempt Exchangeable Share Voting Event, in which case the Redemption Date shall be the Business Day following the day on which the holders of the Exchangeable Shares fail to take such action,

provided, however, that the accidental failure or omission to give any notice of redemption under clauses (i), (ii), (iii) or (iv) above to any of the holders of Exchangeable Shares shall not affect the validity of any such redemption;

"Redemption Price" has the meaning ascribed thereto in Section 7(a);

"Regulation S Confirmations" means the representations provided by an Eligible Holder (as defined in the Arrangement Agreement) who validly elects to receive Exchangeable Shares prior to the Election Deadline (as defined in the Plan of Arrangement) that: (1) the Eligible Holder is not a person in the United States and was not offered the Exchangeable Shares in the United States, (2) the Eligible Holder is not in the United States at the time of such election, and (3) the Eligible Holder acknowledges that the Exchangeable Shares may not be delivered to a person in the United States;

“Retracted Shares” has the meaning ascribed thereto in Section 6(a)(i)(A);

“Retraction Call Notice” has the meaning ascribed thereto in Section 6(b)(ii);

“Retraction Call Right” has the meaning ascribed thereto in Section 6(a)(i)(C);

“Retraction Call Right Purchase Price” has the meaning ascribed thereto in Section 6(b)(i);

“Retraction Date” has the meaning ascribed thereto in Section 6(a)(i)(B);

“Retraction Price” has the meaning ascribed thereto in Section 6(a)(i);

“Retraction Request” has the meaning ascribed thereto in Section 6(a)(i);

“Shareholder Declaration” means the shareholder declaration dated as of the Effective Date restricting the power of the directors of the Company with respect to certain matters, including determinations under these Exchangeable Share Provisions, as amended from time to time;

“Support Agreement” means the exchangeable share support agreement to be entered into at or prior to the issuance by the Company of any Exchangeable Shares between the Trust and the Company substantially in the form of Schedule C to the Arrangement Agreement, as may be amended, supplemented or otherwise modified from time to time in accordance with its terms;

“Transfer Agent” means TSX Trust Company or such other person as may from time to time be appointed by the Company as the registrar and transfer agent for the Exchangeable Shares;

“Trust Control Transaction” shall be deemed to have occurred if:

(i) any person acquires, directly or indirectly, any voting security of the Trust and, immediately after such acquisition, directly or indirectly owns, or exercises control and direction over, voting securities representing more than 50% of the total voting power of all of then outstanding voting securities of the Trust;

(ii) the Trust sells or disposes of all or substantially all of its assets;

(iii) the Unitholders approve a liquidation of the Trust; or

(iv) the Unitholders approve a merger, consolidation, recapitalization or reorganization of the Trust, other than any such transaction which would result in the holders of outstanding voting securities of the Trust immediately prior to such transaction directly or indirectly owning, or exercising control and direction over, voting securities representing more than 50% of the total voting power of all of the voting securities of the surviving entity outstanding immediately after such transaction;

“Trust Distribution Declaration Date” means the date on which any distribution on the Trust Units is declared;

“Trust Units” means units of the Trust, other than the Special Voting Unit (as defined in the amended and restated trust agreement of the Trust);

“Trust” means Sprott Physical Uranium Trust, a trust existing under the laws of the Province of Ontario;

“Trustee” means ●, or such other person as may from time to time be appointed by the Company, acting as trustee under the Voting and Exchange Trust Agreement, being a corporation organized and existing under the laws of Canada and authorized to carry on the business of a trust company in all the provinces of Canada, and any successor trustee appointed under the Voting and Exchange Trust Agreement;

“TSX” means the Toronto Stock Exchange;

“Unitholders” means the holders of the Trust Units; and

“Voting and Exchange Trust Agreement” means the voting and exchange trust agreement to be made among the Trust, the Company and the Trustee in connection with the Plan of Arrangement and substantially in the form of Schedule D to the Arrangement Agreement, as may be amended, supplemented or otherwise modified from time to time in accordance with its terms.

- (b) Headings, etc. The division of these Exchangeable Share Provisions into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of these Exchangeable Share Provisions.
- (c) Currency. All references to sums of money or to “\$” are references to Canadian dollars.
- (d) Gender and Number. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (e) Certain Phrases, etc. The words: (a) “including”, “includes” and “include” mean “including (or includes or include) without limitation,”; (b) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of,”; and (c) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to these Exchangeable Share Provisions .
- (f) Statutes. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (g) Computation of Time. A period of time is to be computed as beginning on the day following the event that began the period and ending at 5:00 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 5:00 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (h) Time References. References to time are to local time, Toronto, Ontario, Canada.

- (i) Governing Law. These Exchangeable Share Provisions will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. All questions as to the interpretation or application of these Exchangeable Share Provisions and all proceedings in connection with these Exchangeable Share Provisions will be subject to the exclusive jurisdiction of the Court.

2. Ranking of Exchangeable Shares

The Exchangeable Shares shall be entitled to a preference over the Common Shares and any other shares ranking junior to the Exchangeable Shares: (a) with respect to the payment of dividends or other distributions, as and to the extent provided in Section 3; and (b) with respect to the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, as and to the extent provided in Section 5.

3. Dividends and Distributions

- (a) Dividends and Distributions. A holder of an Exchangeable Share shall be entitled to receive and the Board of Directors shall, subject to applicable law, on each Trust Distribution Declaration Date, declare a dividend or other distribution on each Exchangeable Share:
 - (i) in the case of a cash distribution declared on the Trust Units, in an amount in cash for each Exchangeable Share equal to the distribution declared on each Trust Unit on the Trust Distribution Declaration Date;
 - (ii) in the case of a distribution declared on the Trust Units to be paid in Trust Units, by the issue or transfer by the Company of such number of Exchangeable Shares for each Exchangeable Share as is equal to the number of Trust Units to be paid on each Trust Unit; provided, however, that the Company may, in lieu of such share dividend or other distribution, elect to effect a corresponding, contemporaneous and economically equivalent (as determined by the Board of Directors in accordance with Sections 3(e) and 3(f)) subdivision of the outstanding Exchangeable Shares; or
 - (iii) in the case of a distribution declared on the Trust Units in property other than cash or Trust Units, in such type and amount of property for each Exchangeable Share as is the same as or economically equivalent (as determined by the Board of Directors in accordance with Section 3(e)) to the type and amount of property declared as a distribution on each Trust Unit,

and such dividends or other distributions shall be paid out of money, assets or property of the Company properly applicable to the payment of dividends or other distributions, out of authorized but unissued shares of the Company or through the subdivision of outstanding Exchangeable Shares, as applicable. The holders of Exchangeable Shares shall not be entitled to any dividends or other distributions other than or in excess of the dividends or other distributions referred to in this Section 3(a).

- (b) Payments of Dividends and Distributions. Cheques of the Company payable at par at any branch of the bankers of the Company shall be issued in respect of any cash dividends or other distributions contemplated by Section 3(a)(i) and the sending of

such cheque to each holder of an Exchangeable Share shall satisfy the cash dividend or other distribution represented thereby unless the cheque is not paid on presentation. Certificates registered in the name of the registered holder of Exchangeable Shares or written evidence of the book entry issuance or transfer to the registered holder of Exchangeable Shares shall be delivered in respect of any share dividends or other distributions contemplated by Section 3(a)(ii) or any subdivision of the Exchangeable Shares under Sections 3(a)(ii) and 3(f)3(e)(v), and the sending of such certificates or written evidence to each holder of an Exchangeable Share shall satisfy the stock or share dividend or other distribution represented thereby. Such other type and amount of property in respect of any dividends or other distributions contemplated by Section 3(a)(iii) shall be issued, distributed or transferred by the Company in such manner as it shall determine, and the issuance, distribution or transfer thereof by the Company to each holder of an Exchangeable Share shall satisfy the dividend or other distribution represented thereby. Subject to the requirements of applicable law with respect to unclaimed property, no holder of an Exchangeable Share shall be entitled to recover by action or other legal process against the Company any dividend or other distribution that is represented by a cheque that has not been duly presented to the Company's bankers for payment or that otherwise remains unclaimed for a period of six years from the date on which such dividend was payable.

- (c) Record and Payment Dates. The record date for the determination of the holders of Exchangeable Shares entitled to receive payment of, and the payment date for, any dividend or other distribution declared on the Exchangeable Shares under Section 3(a) shall be the same dates as the record date and payment date, respectively, for the corresponding distribution declared on the Trust Units. The record date for the determination of the holders of Exchangeable Shares entitled to receive Exchangeable Shares in connection with any subdivision of the Exchangeable Shares under Sections 3(a)(ii) and 3(f) and the effective date of such subdivision, shall be the same dates as the record and payment date, respectively, for the corresponding unit distribution declared on the Trust Units.
- (d) Partial Payment. If on any payment date for any dividends or other distributions declared on the Exchangeable Shares under Section 3(a) the dividends or other distributions are not paid in full on all of the Exchangeable Shares then outstanding, any such dividends or other distributions that remain unpaid shall be paid on a subsequent date or dates determined by the Board of Directors on which the Company shall have sufficient moneys, assets or property properly applicable to the payment of such dividends or other distributions.
- (e) Economic Equivalence. The Board of Directors shall determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the Board of Directors may determine), "economic equivalence" for the purposes of the Exchangeable Share Provisions and each such determination shall be conclusive and binding on the Company and its shareholders. In making each such determination, the following factors shall, without excluding other factors determined by the Board of Directors to be relevant, be considered by the Board of Directors:
 - (i) in the case of any distribution payable in Trust Units, the number of such Trust Units issued as a result of such unit distribution in proportion to the number of the Trust Units previously outstanding;

- (ii) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase the Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units), the relationship between the exercise price of each such right, option or warrant, the number of such rights, options or warrants to be issued or distributed in respect of each Trust Unit and the Current Market Price of a Trust Unit, the price volatility of the Trust Units and the terms of any such instrument;
 - (iii) in the case of the issuance or distribution of any other form of property (including without limitation any units or securities of the Trust of any class other than the Trust Units, any rights, options or warrants other than those referred to in Section 3(e)(ii), any evidences of indebtedness of the Trust or any assets of the Trust), the relationship between the fair market value (as determined by the Board of Directors in the manner above contemplated) of such property to be issued or distributed with respect to each outstanding Trust Unit and the Current Market Price of a Trust Unit;
 - (iv) in the case of any subdivision, redivision or change of then outstanding Trust Units into a greater number of the Trust Units or the reduction, combination, consolidation or change of then outstanding Trust Units into a lesser number of Trust Units or any merger, arrangement, reorganization or other transaction affecting the Trust Units, the effect thereof upon then outstanding Trust Units; and
 - (v) in all such cases, the general taxation consequences of the relevant event to holders of Exchangeable Shares to the extent that such consequences may differ from the taxation consequences to holders of Trust Units as a result of differences between the taxation of trusts and their unitholders and the taxation of corporations and their shareholders (except for any differing consequences arising as a result of differing marginal taxation rates and without regard to the individual circumstances of holders of Exchangeable Shares).
- (f) Subdivision on Unit or Share Dividend. In the case of a distribution declared on the Trust Units to be paid in Trust Units, in lieu of declaring the share dividend contemplated by Section 3(a)(ii) on the Exchangeable Shares, the Board of Directors may, in good faith and in its discretion and subject to applicable law and to obtaining all required regulatory approvals, subdivide, redivide or change each issued and unissued Exchangeable Share on the basis that each Exchangeable Share before such subdivision becomes a number of Exchangeable Shares equal to the sum of (i) one Trust Unit, and (ii) the number of Trust Units to be paid as a unit distribution on each Trust Unit. In such instance, and notwithstanding any other provision hereof, such subdivision, shall become effective on the effective date specified in Section 3(c) without any further act or formality on the part of the Board of Directors or of the holders of Exchangeable Shares. For greater certainty, subject to applicable law, no approval of the holders of Exchangeable Shares to an amendment to the articles of the Company shall be required to give effect to such subdivision.

4. Certain Restrictions

So long as any of the Exchangeable Shares are outstanding, the Company shall not at any time without, but may at any time with, the approval of the holders of the Exchangeable Shares given as specified in Section 11(a):

- (a) pay any dividends or other distributions on the Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or other distributions, other than stock or share dividends payable in Common Shares or any such other shares ranking junior to the Exchangeable Shares, as the case may be;
- (b) redeem or purchase or make any capital distribution in respect of Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to the payment of dividends or the distribution of the assets in the event of the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs;
- (c) redeem or purchase or make any capital distribution in respect of any other shares of the Company ranking equally with the Exchangeable Shares with respect to the payment of dividends or the distribution of assets in the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs; or
- (d) issue any Exchangeable Share or any other shares ranking equally with, or superior to, the Exchangeable Shares, other than, in each case, by way of stock or share dividends to the holders of such Exchangeable Shares or pursuant to a shareholders rights plan adopted by the Company,

provided, however, that the restrictions in this Section 4 shall not apply if all dividends or other distributions on the outstanding Exchangeable Shares corresponding to distributions declared and paid on the Trust Units shall have been declared and paid in full on the Exchangeable Shares prior to or as at the date of any such event referred to in this Section 4.

5. Liquidation

- (a) Liquidation Amount. Subject to applicable laws and the due exercise by the Trust of the Liquidation Call Right (which shall itself be subject to the sale and purchase contemplated by the Automatic Exchange Right), in the event of the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares shall be entitled to receive from the assets of the Company in respect of each Exchangeable Share held by such holder on the effective date of such liquidation, dissolution, winding-up or other distribution (the "**Liquidation Date**"), before any distribution of any part of the assets of the Company among the holders of the Common Shares or any other shares ranking junior to the Exchangeable Shares with respect to dividends or other distributions an amount per share (the "**Liquidation Amount**") equal to the Exchangeable Share Price applicable on the last Business Day prior to the Liquidation Date, which price shall be satisfied in full by the Company delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Liquidation Amount.
- (b) Payment of Liquidation Amount. In the case of a distribution pursuant to Section 5(a), and provided that the sale and purchase contemplated by the Automatic Exchange Right has not occurred and that the Liquidation Call Right has not been exercised by the Trust, on or promptly after the Liquidation Date, the Company shall deliver or cause to be delivered to the holders of the Exchangeable Shares the Liquidation

Amount for each such Exchangeable Share upon presentation and surrender of the certificates representing such Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require, at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares. Payment of the Liquidation Amount for such Exchangeable Shares shall be made by delivery to each holder, at the address of such holder recorded in the securities register of the Company for the Exchangeable Shares or by holding for pick-up by such holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the Exchangeable Share Consideration such holder is entitled to receive pursuant to Section 5(a). On and after the Liquidation Date, the holders of the Exchangeable Shares shall cease to be holders of such Exchangeable Shares and shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive, without interest, their proportionate part of the aggregate Liquidation Amount, unless payment of the aggregate Liquidation Amount for such Exchangeable Shares shall not be made upon presentation and surrender of share certificates and other required documents in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected until the Liquidation Amount has been paid in the manner hereinbefore provided. The Company shall have the right at any time after the Liquidation Date to transfer or cause to be issued or transferred to, and deposited in a custodial account with, any chartered bank or trust company the Liquidation Amount in respect of the Exchangeable Shares represented by certificates that have not at the Liquidation Date been surrendered by the holders thereof, such Liquidation Amount to be held by such bank or trust company as trustee for and on behalf of, and for the use and benefit of, such holders. Upon such deposit being made, the rights of a holder of Exchangeable Shares as of the date of such deposit shall be limited to receiving its proportionate part of the aggregate Liquidation Amount for such Exchangeable Shares so deposited, without interest, and all distributions with respect to the Trust Units to which such holder is entitled with a record date on or after the date of such deposit and before the date of transfer of such the Trust Units to such holder (in each case less any amounts withheld on account of tax required to be deducted and withheld therefrom) against presentation and surrender of the certificates for the Exchangeable Shares held by them in accordance with the foregoing provisions. Upon such payment or deposit of the Liquidation Amount, the holders of the Exchangeable Shares shall thereafter be considered and deemed for all purposes to be holders of the Trust Units delivered to them or the custodian on their behalf.

- (c) No Right to Participate in Further Distributions. After the Company has satisfied its obligations to pay the holders of the Exchangeable Shares the aggregate Liquidation Amount per Exchangeable Share pursuant to this Section 5, such holders shall not be entitled to share in any further distribution of the assets of the Company.

6. Retraction of Exchangeable Shares

- (a) Retraction at Option of Holder

- (i) Subject to applicable laws and the due exercise by the Trust of the Retraction Call Right, a holder of Exchangeable Shares shall be entitled at any time to require the Company to redeem any or all of the Exchangeable Shares registered in the name of such holder for an amount per share equal to the Exchangeable Share Price applicable on the last Business Day prior to the Retraction Date (the “**Retraction Price**”), which price shall be satisfied in full by the Company delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Price. A holder of Exchangeable Shares must give notice of a request to redeem by presenting and surrendering to the Company, at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the certificate or certificates representing the Exchangeable Shares, if such Exchangeable Shares are certificated, that such holder desires to have the Company redeem, together with (A) such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require and (B) a duly executed request (the “**Retraction Request**”) in the form of Appendix I hereto or in such other form as may be acceptable to the Company:
- (A) specifying that such holder desires to have all or any number specified therein of the Exchangeable Shares represented by such certificate or certificates (the “**Retracted Shares**”), if such Exchangeable Shares are certificated, redeemed by the Company;
 - (B) stating the Business Day on which the holder desires to have the Company redeem the Retracted Shares (the “**Retraction Date**”), provided that the Retraction Date shall not be less than 10 Business Days nor more than 15 Business Days after the date on which the Retraction Request is received by the Company and further provided that, in the event that no such Business Day is specified by the holder in the Retraction Request, the Retraction Date shall be deemed to be the 15th Business Day after the date on which the Retraction Request is received by the Company, subject to Section 6(a)(v); and
 - (C) acknowledging the overriding right (the “**Retraction Call Right**”) of the Trust to purchase all but not less than all the Retracted Shares directly from the holder and that the Retraction Request shall be deemed to be a revocable offer by the holder to sell the Retracted Shares to the Trust in accordance with the Retraction Call Right on the Retraction Date for the Retraction Call Right Purchase Price and on the other terms and conditions set out in Section 6(b).
- (ii) In the case of a redemption of Exchangeable Shares pursuant to this Section 6(a), upon receipt by the Company or the Transfer Agent in the manner specified in Section 6(a)(i) of a certificate or certificates representing the number of Exchangeable Shares which the holder desires to have the Company redeem, if such Exchangeable Shares are certificated, together with a duly executed Retraction Request and such additional documents and instruments specified in Section 6(a)(i) or that the Company may reasonably require, and provided that (A) the Retraction Request has not been revoked

by the holder of such Retracted Shares in the manner specified in Section 6(a)(iv), and (B) the Trust has not exercised the Retraction Call Right, the Company shall redeem the Retracted Shares effective at the close of business on the Retraction Date. On the Retraction Date, the Company shall deliver or cause to be delivered to such holder, at the address of the holder recorded in the securities register of the Company for the Exchangeable Shares or at the address specified in the Retraction Request or by holding for pick-up by the holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of the Exchangeable Shares, the Exchangeable Share Consideration representing the Retraction Price and such delivery of such Exchangeable Share Consideration by or on behalf of the Company by the Transfer Agent shall be deemed to be payment of and shall satisfy and discharge all liability for the Retraction Price to the extent that the same is represented by such Exchangeable Share Consideration, unless any cheque comprising part of such Exchangeable Share Consideration is not paid on due presentation. If only a part of the Exchangeable Shares represented by any certificate, if such Exchangeable Shares are certificated, is redeemed, a new certificate for the balance of such Exchangeable Shares shall be issued to the holder at the expense of the Company if the Exchangeable Shares are certificated. On and after the close of business on the Retraction Date, the holder of the Retracted Shares shall cease to be a holder of such Retracted Shares and shall not be entitled to exercise any of the rights of a holder in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement), other than the right to receive the aggregate Retraction Price in respect thereof, unless payment of the aggregate Retraction Price payable to such holder shall not be made upon presentation and surrender of share certificates, if the Exchangeable Shares are certificated, and other required documents in accordance with the foregoing provisions, in which case the rights of such holder shall remain unaffected until such aggregate Retraction Price has been paid in the manner hereinbefore provided. On and after the close of business on the Retraction Date, provided that presentation and surrender of the certificates, if the Exchangeable Shares are certificated, and payment of such aggregate Retraction Price has been made in accordance with the foregoing provisions, the holder of the Retracted Shares so redeemed by the Company shall thereafter be considered and deemed for all purposes to be a holder of the Trust Units delivered to such holder.

- (iii) Notwithstanding any other provision of this Section 6, the Company shall not be obligated to redeem Retracted Shares specified by a holder in a Retraction Request if and to the extent that such redemption of Retracted Shares would be contrary to solvency requirements or other provisions of applicable laws. If the Company believes, after due enquiry, that on any Retraction Date it would not be permitted by any of such provisions to redeem the Retracted Shares tendered for redemption on such date, and provided that the Trust has not exercised the Retraction Call Right with respect to such Retracted Shares, the Company shall only be obligated to redeem Retracted Shares specified by a holder in a Retraction Request to the extent of the maximum number that may be so redeemed (rounded down to a whole number of shares) as would not be contrary to such provisions and shall notify the holder and the Trustee at least two Business Days prior to the Retraction Date as to the number of Retracted Shares which will not be

redeemed by the Company. In any case in which the redemption by the Company of Retracted Shares would be contrary to solvency requirements or other provisions of applicable laws, the Company shall redeem Retracted Shares in accordance with Section 6(a)(ii) on a pro rata basis in proportion to the total number of Exchangeable Shares tendered for retraction and shall issue to each holder of Retracted Shares a new certificate, if the Exchangeable Shares are certificated, at the expense of the Company, representing the Retracted Shares not redeemed by the Company pursuant to Section 6(a)(ii). If the Company would otherwise be obligated to redeem Retracted Shares pursuant to Section 6(a)(ii) but is not obligated to do so as a result of solvency requirements or other provisions of applicable laws, the holder of any such Retracted Shares not redeemed by the Company pursuant to Section 6(a)(ii) as a result of solvency requirements or other provisions of applicable laws shall be deemed, by delivery of the Retraction Request, to have instructed the Transfer Agent to require the Trust to purchase such Retracted Shares from such holder on the Retraction Date or as soon as practicable thereafter on payment by the Trust to such holder of the aggregate Retraction Price in respect of such Retracted Shares, all as more specifically provided for in the Voting and Exchange Trust Agreement.

- (iv) A holder of Retracted Shares may, by notice in writing given by the holder to the Company before the close of business on the Business Day immediately preceding the Retraction Date, withdraw its Retraction Request, in which event such Retraction Request shall be null and void and, for greater certainty, the revocable offer constituted by the Retraction Request to sell the Retracted Shares to the Trust shall be deemed to have been revoked.
- (v) Notwithstanding any other provision of this Section 6(a), if:
 - (A) exercise of the rights of the holders of the Exchangeable Shares, or any of them, to require the Company to redeem any Exchangeable Shares pursuant to this Section 6(a) on any Retraction Date would require listing particulars or any similar document to be issued in order to obtain the approval of the TSX or other stock exchange to the listing and trading (subject to official notice of issuance) of the Trust Units that would be required to be delivered to such holders of Exchangeable Shares in connection with the exercise of such rights; and
 - (B) as a result of (A) above, it would not be practicable (notwithstanding the reasonable endeavours of the Trust) to obtain such approvals in time to enable all or any of such Trust Units to be admitted to listing and trading by the TSX or other stock exchange (subject to official notice of issuance) when so delivered,

the Retraction Date shall, notwithstanding any other date specified or otherwise deemed to be specified in any relevant Retraction Request, be deemed for all purposes to be the earlier of (i) the second Business Day immediately following the date the approvals referred to in Section 6(a)(v)(A) are obtained and (ii) the date which is 30 Business Days after the date on which the relevant Retraction Request is received by the Company, and references in these Exchangeable Share Provisions to such Retraction Date shall be construed accordingly.

- (vi) Notwithstanding any other provision of this Section 6, a holder of Retracted Shares may not receive Trust Units in satisfaction of the Exchangeable Share Consideration unless the holder provides the Regulation S Confirmations set forth in the Retraction Request.
- (b) Retraction Call Rights
- (i) In the event that a holder of Exchangeable Shares delivers a Retraction Request pursuant to Section 6(a), and subject to the limitations set forth in Section 6(a)(ii), the Retraction Call Right will be available to the Trust, notwithstanding the proposed redemption of the Exchangeable Shares by the Company pursuant to Section 6(a), to purchase from such holder on the Retraction Date all but not less than all of the Retracted Shares held by such holder on payment by the Trust of an amount per share equal to the Exchangeable Share Price applicable on the last Business Day prior to the Retraction Date (the “**Retraction Call Right Purchase Price**”), which price shall be satisfied in full by the Trust delivering or causing to be delivered to such holder the Exchangeable Share Consideration representing the Retraction Call Right Purchase Price. Upon the exercise of the Retraction Call Right in respect of Retracted Shares, the holder of such Retracted Shares shall be obligated to sell all of such Retracted Shares to the Trust on the Retraction Date on payment by the Trust of the aggregate Retraction Call Right Purchase Price in respect of such Retracted Shares as set forth in this Section 6(b)(i).
 - (ii) Upon receipt by the Company of a Retraction Request, the Company shall immediately notify the Trust thereof and shall provide the Trust with a copy of the Retraction Request. In order to exercise its Retraction Call Right, the Trust must notify the Company in writing of its determination to do so (a “**Retraction Call Notice**”) within five Business Days after the Company notifies the Trust of the Retraction Request. If the Trust does not so notify the Company within such five Business Day period, the Company shall notify the holder as soon as possible thereafter that the Trust will not exercise the Retraction Call Right. If the Trust delivers a Retraction Call Notice within such five Business Day period and duly exercises its Retraction Call Right in accordance with this Section 6(b)(ii), the obligation of the Company to redeem the Retracted Shares shall terminate and, provided that the Retraction Request is not revoked by the holder of such Retracted Shares in the manner specified in Section 6(a)(iv), the Trust shall purchase from such holder and such holder shall sell to the Trust on the Retraction Date the Retracted Shares for an amount per share equal to the Retraction Call Right Purchase Price. Provided that the aggregate Retraction Call Right Purchase Price has been so deposited with the Transfer Agent as provided in Section 6(b)(iii), the closing of the purchase and sale of the Retracted Shares pursuant to the Retraction Call Right shall be deemed to have occurred as at the close of business on the Retraction Date and, for greater certainty, no redemption by the Company of such Retracted Shares shall take place on the Retraction Date.
 - (iii) For the purpose of completing a purchase of Retracted Shares pursuant to the exercise of the Retraction Call Right, the Trust shall deliver or cause to be delivered to the holder of such Retracted Shares, at the address of the holder recorded in the securities register of the Company for the

Exchangeable Shares or at the address specified in the holder's Retraction Request or by holding for pick-up by the holder at the registered office of the Company or at any office of the Transfer Agent as may be specified by the Company by notice to the holders of Exchangeable Shares, the Exchangeable Share Consideration representing the Retraction Call Right Purchase Price to which such holder is entitled and such delivery of Exchangeable Share Consideration on behalf of the Trust shall be deemed to be payment of and shall satisfy and discharge all liability for the Retraction Call Right Purchase Price to the extent that the same is represented by such Exchangeable Share Consideration, unless any cheque comprising part of such Exchangeable Share Consideration is not paid on due presentation.

- (iv) On and after the close of business on the Retraction Date, the holder of the Retracted Shares shall cease to be a holder of such Retracted Shares and shall not be entitled to exercise any of the rights of a holder in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement), other than the right to receive the aggregate Retraction Call Right Purchase Price in respect thereof, unless payment of the aggregate Retraction Call Right Purchase Price payable to such holder shall not be made upon presentation and surrender of share certificates, if the Retracted Shares are certificated, and other required documents in accordance with the foregoing provisions, in which case the rights of such holder shall remain unaffected until such aggregate Retraction Call Right Purchase Price has been paid in the manner hereinbefore provided. On and after the close of business on the Retraction Date, provided that presentation and surrender of certificates, if such Retracted Shares are certificated, and payment of such aggregate Retraction Call Right Purchase Price has been made in accordance with the foregoing provisions, the holder of the Retracted Shares so purchased by the Trust shall thereafter be considered and deemed for all purposes to be a holder of the Trust Units delivered to such holder.

7. Redemption of Exchangeable Shares by the Company

- (a) Redemption Amount. Subject to applicable laws and the due exercise by the Trust of the Redemption Call Right, the Company shall on the Redemption Date redeem all but not less than all of then outstanding Exchangeable Shares (other than Exchangeable Shares held by the Trust and its affiliates) for an amount per share (the "**Redemption Price**") equal to the Exchangeable Share Price on the last Business Day prior to the Redemption Date, which price shall be satisfied in full by the Company delivering or causing to be delivered to each holder of Exchangeable Shares the Exchangeable Share Consideration for each Exchangeable Share held by such holder.
- (b) Notice of Redemption. In the case of a redemption of Exchangeable Shares pursuant to Section 7(a), the Company shall, at least 30 days before the Redemption Date (other than a Redemption Date established in connection with a the Trust Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event), send or cause to be sent to each holder of Exchangeable Shares a notice in writing of the redemption by the Company or the purchase by the Trust under the Redemption Call Right, as the case may be, of the Exchangeable Shares held by such holder. In the case of a Redemption Date established in connection with a the Trust Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, the written notice of the

redemption by the Company or the purchase by the Trust of the Exchangeable Shares under the Redemption Call Right will be sent on or before the Redemption Date, on as many days' prior written notice as may be determined by the Board of Directors to be reasonably practicable in the circumstances. In any such case, such notice shall set out the formula for determining the Redemption Price or the Redemption Call Purchase Price, as the case may be, the Redemption Date and, if applicable, particulars of the Redemption Call Right. In the case of any notice given in connection with a possible Redemption Date, such notice will be given contingently and will be withdrawn if the contingency does not occur.

- (c) Payment of Redemption Price. On or promptly after the Redemption Date, and provided that the Redemption Call Right has not been exercised by the Trust, the Company shall deliver or cause to be delivered to the holders of the Exchangeable Shares to be redeemed the Redemption Price for each such Exchangeable Share, upon presentation and surrender of the certificates representing such Exchangeable Shares, if such Exchangeable Shares are certificated, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of the Company, as applicable, together with such additional documents, instruments and payments as the Transfer Agent and the Company may reasonably require, at the registered office of the Company or at any office of the Transfer Agent as may be specified by notice to the holders of the Exchangeable Shares. Payment of the Redemption Price for such Exchangeable Shares shall be made by delivery to each holder, at the address of the holder recorded in the securities register of the Company for the Exchangeable Shares or by holding for pick-up by the holder at the registered office of the Transfer Agent as may be specified by the Company by notice to the holders of Exchangeable Shares, the Exchangeable Share Consideration representing the Redemption Price. On and after the Redemption Date, the holders of the Exchangeable Shares called for redemption shall cease to be holders of such Exchangeable Shares and shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive, without interest, their proportionate part of the aggregate Redemption Price, unless payment of the aggregate Redemption Price for such Exchangeable Shares shall not be made upon presentation and surrender of certificates, if such Exchangeable Shares are certificated, in accordance with the foregoing provisions, in which case the rights of the holders shall remain unaffected until the Redemption Price has been paid in the manner hereinbefore provided. The Company shall have the right at any time after the sending of notice of its intention to redeem the Exchangeable Shares as aforesaid to deposit or cause to be deposited the aggregate Redemption Price (in the form of Exchangeable Share Consideration) of the Exchangeable Shares so called for redemption, or of such of the said Exchangeable Shares represented by certificates, if such Exchangeable Shares are certificated, that have not at the date of such deposit been surrendered by the holders thereof in connection with such redemption, in a custodial account with any chartered bank or trust company in Canada named in such notice and any interest earned on such deposit shall belong to the Company. Provided that such aggregate Redemption Price has been so deposited prior to the Redemption Date, on and after the Redemption Date, the Exchangeable Shares in respect of which such deposit shall have been made shall be redeemed and the rights of the holders thereof after the Redemption Date shall be limited to receiving, without interest, their proportionate part of the aggregate Redemption Price for such Exchangeable Shares so deposited, against presentation and surrender of the certificates for the Exchangeable Shares held by them, respectively, if such Exchangeable Shares are certificated, in

accordance with the foregoing provisions. Upon such payment or deposit of the Redemption Price, the holders of the Exchangeable Shares shall thereafter be considered and deemed for all purposes to be holders of the Trust Units delivered to them or the custodian on their behalf.

8. Purchase for Cancellation

- (a) Private Agreement. Subject to applicable laws and the articles of the Company, and notwithstanding Section 8(b), the Company may at any time and from time to time purchase for cancellation all or any part of the Exchangeable Shares by private agreement with the holder thereof.
- (b) Tender Offer. Subject to applicable laws and the articles of the Company, the Company may at any time and from time to time purchase for cancellation all or any part of the outstanding Exchangeable Shares at any price per share by tender to all the holders of Exchangeable Shares then outstanding or through the facilities of any stock exchange on which the Exchangeable Shares are listed or quoted together with an amount equal to all declared and unpaid dividends thereon for which the record date has occurred prior to the date of purchase. If in response to an invitation for tenders under the provisions of this Section 8(b) more Exchangeable Shares are tendered at a price or prices acceptable to the Company than the Company is prepared to purchase, the Exchangeable Shares to be purchased by the Company shall be purchased as nearly as may be pro rata according to the number of shares tendered by each holder who submits a tender to the Company, provided that when shares are tendered at different prices the pro rating shall be effected (disregarding fractions) only with respect to the shares tendered at the price at which more shares were tendered than the Company is prepared to purchase after the Company has purchased all the shares tendered at lower prices. If only part of the Exchangeable Shares represented by any certificate, if such Exchangeable Shares are certificated, are purchased pursuant to this Section 8(b), a new certificate for the balance of such shares shall be issued at the expense of the Company, if the Exchangeable Shares are certificated.

9. Voting Rights

Except as required by applicable laws and by Section 11, the holders of the Exchangeable Shares shall not be entitled as such to receive notice of or to attend any meeting of the shareholders of the Company or to vote at any such meeting. Without limiting the generality of the foregoing, the holders of the Exchangeable Shares shall not be entitled to class votes except as required by applicable law.

10. Specified Amount

The amount specified in respect of each Exchangeable Share for the purposes of subsection 191(4) of the *Income Tax Act* (Canada) shall be an amount equal to \$●.¹

11. Amendment and Approval

- (a) Amendment. The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares may be added to, changed or removed only with the approval of the holders of the Exchangeable Shares given as hereinafter specified.

¹ To be equal to the closing price for common shares of Uranium Participation Corporation on the business day prior to closing.

- (b) Approval. Any approval given by the holders of the Exchangeable Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Exchangeable Shares or any other matter requiring the approval or consent of the holders of the Exchangeable Shares in accordance with applicable laws shall be deemed to have been sufficiently given if it shall have been given in accordance with applicable laws, subject to a minimum requirement that such approval be evidenced by resolution passed by not less than two-thirds of the votes cast on such resolution at a meeting of holders of Exchangeable Shares duly called and held at which the holders of at least 10% of the outstanding Exchangeable Shares at that time are present or represented by proxy; provided, however, that if at any such meeting the holders of at least 10% of the outstanding Exchangeable Shares at that time are not present or represented by proxy within one-half hour after the time appointed for such meeting, then the meeting shall be adjourned to such date not less than five days thereafter and to such time and place as may be designated by the Chairman of such meeting. At such adjourned meeting, the holders of Exchangeable Shares present or represented by proxy thereat may transact the business for which the meeting was originally called and a resolution passed thereat by the affirmative vote of not less than two-thirds of the votes cast on such resolution at such meeting shall constitute the approval or consent of the holders of the Exchangeable Shares.

12. Reciprocal Changes, etc. in Respect of the Trust Units

- (a) Acknowledgement in Respect of Issuances or Distributions. Each holder of an Exchangeable Share acknowledges that the Support Agreement provides, in part, that the Trust will not, except as provided in the Support Agreement, without the prior approval of the Company and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b):
- (i) issue or distribute Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to the holders of all or substantially all of the then outstanding Trust Units by way of unit dividend or other distribution, other than an issue of Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) (i) to holders of Trust Units who exercise an option to receive distributions in Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) in lieu of receiving cash distributions, (ii) pursuant to any distribution reinvestment plan or scrip dividend or similar arrangement or (iii) to distribute the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the *Income Tax Act* (Canada);
 - (ii) issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Trust Units entitling them to subscribe for or to purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units); or
 - (iii) issue or distribute to the holders of all or substantially all of the then outstanding Trust Units:
 - (A) units or securities of the Trust of any class other than Trust Units (or securities convertible into or exchangeable for or carrying rights to acquire Trust Units);

- (B) rights, options or warrants other than those referred to in Section 12(a)(ii) above;
- (C) evidence of indebtedness of the Trust; or
- (D) assets of the Trust,

unless, in each case, the Company issues or distributes the economic equivalent of such rights, options, warrants, securities, units, evidences of indebtedness or other assets simultaneously to holders of the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with, the Arrangement Agreement and the Plan of Arrangement.

- (b) Acknowledgement in Respect of Trust Changes. Each holder of an Exchangeable Share acknowledges that the Support Agreement further provides, in part, that for so long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust will not without the prior approval of the Company and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b):

- (i) subdivide, redivide or change the then outstanding Trust Units into a greater number of Trust Units;
- (ii) reduce, combine, consolidate or change the then outstanding Trust Units into a lesser number of Trust Units, except for a consolidation of Trust Units in accordance with section 4.3 of the amended and restated trust agreement of the Trust; or
- (iii) reclassify or otherwise change the Trust Units or effect a merger, reorganization or other transaction affecting the Trust Units;

unless, in each case, the same or an economically equivalent change is made simultaneously to, or in the rights of the holders of, the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with the Arrangement Agreement and the Plan of Arrangement. The Support Agreement further provides, in part, that the aforesaid provisions of the Support Agreement shall not be changed without the approval of the holders of the Exchangeable Shares given in accordance with Section 11(b).

- (c) Successorship Transaction. Notwithstanding the foregoing provisions of this Section 12, in the event of a Trust Control Transaction:
 - (i) in which the Trust merges with, or in which all or substantially all of the then outstanding Trust Units are acquired by one or more other entities to which the Trust is, immediately before such merger, arrangement or acquisition, related within the meaning of the *Income Tax Act* (Canada) (otherwise than virtue of a right referred to in paragraph 251(5)(b) thereof);

- (ii) which does not result in an acceleration of the Redemption Date in accordance with paragraph (ii) of the definition of such term in Section 1(a); and
- (iii) in which all or substantially all of the then outstanding Trust Units are converted into or exchanged for securities or rights to receive such securities (the “**Other Securities**”) of another entity (the “**Other Entities**”) that, immediately after such Trust Control Transaction, owns or controls, directly or indirectly, the Trust;

then all references herein to “the Trust” shall thereafter be and be deemed to be references to “Other Entity” and all references herein to “the Trust Units” shall thereafter be and be deemed to be references to “Other Securities” (with appropriate adjustments, if any, as are required to result in a holder of Exchangeable Shares on the exchange, redemption or retraction of shares pursuant to these Exchangeable Share Provisions or the exchange of shares pursuant to the Voting and Exchange Trust Agreement immediately subsequent to the Trust Control Transaction being entitled to receive that number of Other Securities equal to the number of Other Securities such holder of Exchangeable Shares would have received if the exchange, redemption or retraction of such shares pursuant to these Exchangeable Share Provisions or the exchange of such shares pursuant to the Voting and Exchange Trust Agreement had occurred immediately prior to the Trust Control Transaction and the Trust Control Transaction was completed) but subject to subsequent adjustments to reflect any subsequent changes in the share capital of the issuer of the Other Securities, including without limitation, any subdivision, consolidation or reduction of share capital, without any need to amend the terms and conditions of the Exchangeable Shares and without any further action required.

13. Actions by the Company under Support Agreement

- (a) Actions by the Company. The Company will take all such actions and do all such things as shall be necessary or advisable to perform and comply with and to ensure performance and compliance by the Trust and the Company with all provisions of the Support Agreement applicable to the Trust and the Company, respectively, in accordance with the terms thereof including taking all such actions and doing all such things as shall be necessary or advisable to enforce to the fullest extent possible for the direct benefit of the Company all rights and benefits in favour of the Company under or pursuant to such agreement.
- (b) Changes to the Support Agreement. The Company shall not propose, agree to or otherwise give effect to any amendment to, or waiver or forgiveness of its rights or obligations under, the Support Agreement without the approval of the holders of the Exchangeable Shares given in accordance with Section 11(b) other than such amendments, waivers and/or forgiveness as may be necessary or advisable for the purposes of:
 - (i) adding to the covenants of any or all of the other parties to the Support Agreement if the board of directors of each of (A) the general partner of the manager of the Trust and (B) the Company shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares;

- (ii) evidencing the succession of successors to the Trust either by operation of law or agreement to the liabilities and covenants of the Trust under the Support Agreement (the “**Trust Successors**”) and the covenants of and obligations assumed by each such the Trust Successor in accordance with the provisions of Article 3 of the Support Agreement;
- (iii) making such amendments or modifications not inconsistent with the Support Agreement as may be necessary or desirable with respect to matters or questions arising thereunder which, in the good faith opinion of the board of directors of each of (A) the general partner of the manager of the Trust and (B) the Company, it may be expedient to make, provided that each such board of directors shall be of the good faith opinion, after consultation with counsel, that such amendments and modifications will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares; or
- (iv) making such changes in or corrections to the Support Agreement which, on the advice of counsel to the Trust and the Company, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error contained therein, provided that the board of directors of each of (A) the general partner of the manager of the Trust and (B) the Company shall be of the good faith opinion that such changes or corrections will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares.

14. **Legend; Call Rights; Withholding Rights**

- (a) Legend. The certificates evidencing the Exchangeable Shares, if any, shall contain or have affixed thereto a legend in form and on terms approved by the Board of Directors with respect to the Support Agreement, the provisions of the Plan of Arrangement relating to the Liquidation Call Right, the Redemption Call Right and the Change of Law Call Right, the Voting and Exchange Trust Agreement (including the provisions with respect to the voting rights and automatic exchange thereunder) and the Retraction Call Right.
- (b) Call Rights. Each holder of an Exchangeable Share, whether of record or beneficial, by virtue of becoming and being such a holder shall be deemed to acknowledge each of the Liquidation Call Right, the Redemption Call Right, the Change of Law Call Right and the Retraction Call Right, in each case, in favour of the Trust, and the overriding nature thereof in connection with the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, or the retraction or redemption of Exchangeable Shares, as the case may be, and to be bound thereby in favour of the Trust as provided herein and in the Plan of Arrangement.
- (c) Withholding Rights. The Trust, the Company and the Transfer Agent shall be entitled to deduct and withhold from any dividend, distribution or other consideration otherwise payable to any holder of Exchangeable Shares such amounts as the Trust, the Company or the Transfer Agent, as the case may be, is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada) or United States tax laws or any provision of provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Exchangeable Shares in respect of which such deduction and

withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing agency. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, the Trust, the Company and the Transfer Agent are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to the Trust, the Company or the Transfer Agent, as the case may be, to enable it to comply with such deduction or withholding requirement and the Trust, the Company or the Transfer Agent, as the case may be, shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.

15. Notices

- (a) Notices. Subject to applicable laws, any notice, request or other communication to be given to the Company by a holder of Exchangeable Shares shall be in writing and shall be valid and effective if given by first class mail (postage prepaid) or by telecopy or by delivery to the registered office of the Company and addressed to the attention of the Secretary of the Company. Any such notice, request or other communication, if given by mail, telecopy or delivery, shall only be deemed to have been given and received upon actual receipt thereof by the Company.
- (b) Certificates. Any presentation and surrender by a holder of Exchangeable Shares to the Company or the Transfer Agent of certificates representing Exchangeable Shares in connection with the liquidation, dissolution or winding-up of the Company or the retraction or redemption of Exchangeable Shares shall be made by first class mail (postage prepaid) or by delivery to the registered office of the Company or to such office of the Transfer Agent as may be specified by the Company, in each case, addressed to the attention of the Secretary of the Company. Any such presentation and surrender of certificates shall only be deemed to have been made and to be effective upon actual receipt thereof by the Company or the Transfer Agent, as the case may be. Any such presentation and surrender of certificates made by first class mail (postage prepaid) shall be at the sole risk of the holder mailing the same.
- (c) Notice to Shareholders.
 - (i) Subject to applicable laws, any notice, request or other communication to be given to a holder of Exchangeable Shares by or on behalf of the Company shall be in writing and shall be valid and effective if given by first class mail (postage prepaid) or by delivery to the address of the holder recorded in the register of shareholders of the Company or, in the event of the address of any such holder not being so recorded, then at the last known address of such holder. Any such notice, request or other communication, if given by mail, shall be deemed to have been given and received on the third Business Day following the date of mailing and, if given by delivery, shall be deemed to have been given and received on the date of delivery. Accidental failure or omission to give any notice, request or other communication to one or more holders of Exchangeable Shares shall not invalidate or otherwise alter or affect any action or proceeding to be taken by the Company pursuant thereto.
 - (ii) In the event of any interruption of mail service immediately prior to a scheduled mailing or in the period following a mailing during which delivery normally would be expected to occur, the Company shall make reasonable

efforts to disseminate any notice by other means, such as publication. Except as otherwise required or permitted by law, if post offices in Canada are not open for the deposit of mail, any notice which the Company or the Transfer Agent may give or cause to be given hereunder will be deemed to have been properly given and to have been received by holders of Exchangeable Shares if (i) it is given to the TSX for dissemination, or (ii) it is published once in the national edition of *The Globe and Mail* and in a daily newspaper of general circulation in the French language in the City of Montreal, provided that if the national edition of *The Globe and Mail* is not being generally circulated, publication thereof will be made in the National Post or any other daily newspaper of general circulation published in the City of Toronto.

- (iii) Notwithstanding any other provisions of these Exchangeable Share Provisions, notices, other communications and deliveries need not be mailed if the Company determines that delivery thereof by mail may be delayed. Persons entitled to any deliveries (including certificates and cheques) which are not mailed for the foregoing reason may take delivery thereof at the office of the Transfer Agent to which the deliveries were made, upon application to the Transfer Agent, until such time as the Company has determined that delivery by mail will no longer be delayed. The Company will provide notice of any such determination not to mail made hereunder as soon as reasonably practicable after the making of such determination and in accordance with this Section 15(c). Such deliveries in such circumstances will constitute delivery to the persons entitled thereto.

16. Disclosure of Interests in Exchangeable Shares

The Company shall be entitled to require any holder of an Exchangeable Share or any person whom the Company knows or has reasonable cause to believe holds any interest whatsoever in an Exchangeable Share to (a) confirm that fact, or (b) give such details as to whom has an interest in such Exchangeable Share, in each case as would be required (if the Exchangeable Shares were a class of "equity securities" of the Company) under section 5.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* or as would be required under the amended and restated trust agreement of the Trust or any laws or regulations, or pursuant to the rules or regulations of any regulatory agency, if and only to the extent that the Exchangeable Shares were the Trust Units.

17. Fractional Units

A holder of an Exchangeable Share shall not be entitled to any fraction of a Trust Unit upon the exchange, redemption or purchase of such holder's Exchangeable Share pursuant to Sections 5, 6 and 7 and no certificates representing any such fractional interest shall be issued and such holder otherwise entitled to a fractional interest shall be entitled to receive for such fractional interest from the Company or the Trust, as the case may be, a cash payment equal to such fractional interest multiplied by the Current Market Price as part of the Exchangeable Share Consideration.

**APPENDIX I
TO ANNEX A**

RETRACTION REQUEST

[TO BE PRINTED ON EXCHANGEABLE SHARE CERTIFICATES, IF ANY]

To: Sprott Physical Uranium Trust (the “**Trust**”)
2834819 Ontario Inc. (the “**Company**”)

This notice is given pursuant to Section 6 of the share provisions (the “**Exchangeable Share Provisions**”) attaching to the Exchangeable Shares of the Company represented by this certificate and all capitalized words and expressions used in this notice that are defined in the Exchangeable Share Provisions have the meanings ascribed to such words and expressions in such Exchangeable Share Provisions.

The undersigned hereby notifies the Company that, subject to the Retraction Call Right referred to below, the undersigned desires to have the Company redeem in accordance with Section 6 of the Exchangeable Share Provisions: (select one)

- ☐ all share(s) represented by this certificate
- ☐ _____ share(s) only represented by this certificate

The undersigned hereby notifies the Company that the Retraction Date shall be _____.

NOTE: The Retraction Date must be a Business Day and must not be less than 10 Business Days nor more than 15 Business Days after the date upon which this notice is received by the Company. If no such Business Day is specified above, the Retraction Date shall be deemed to be the 15th Business Day after the date on which this notice is received by the Company.

The undersigned acknowledges the overriding Retraction Call Right of the Trust to purchase all but not less than all the Retracted Shares from the undersigned and that this notice is and shall be deemed to be a revocable offer by the undersigned to sell the Retracted Shares to the Trust in accordance with the Retraction Call Right on the Retraction Date for the Retraction Call Right Purchase Price and on the other terms and conditions set out in Section 6(b) of the Exchangeable Share Provisions. If the Trust does not exercise the Retraction Call Right, the Company will notify the undersigned of such fact as soon as possible. This Retraction Request, and this offer to sell the Retracted Shares to the Trust, may be revoked and withdrawn by the undersigned only by notice in writing given to the Company at any time before the close of business on the Business Day immediately preceding the Retraction Date.

The undersigned acknowledges that if, as a result of solvency provisions of applicable law, the Company is unable to redeem all Retracted Shares, and provided that the Trust does not exercise the Retraction Call Right with respect to the Retracted Shares, the Retracted Shares will be automatically exchanged pursuant to the Voting and Exchange Trust Agreement so as to require the Trust to purchase the unredeemed Retracted Shares.

The undersigned hereby represents and warrants to the Trust and the Company that the undersigned: (select one)

- ☐ is
- ☐ is not

a resident of Canada for purposes of the *Income Tax Act* (Canada). THE UNDERSIGNED ACKNOWLEDGES THAT IN THE ABSENCE OF AN INDICATION THAT THE UNDERSIGNED IS A RESIDENT OF CANADA, WITHHOLDING ON ACCOUNT OF CANADIAN TAX MAY BE MADE FROM AMOUNTS PAYABLE TO THE UNDERSIGNED ON THE REDEMPTION OR PURCHASE OF THE RETRACTED SHARES.

The undersigned hereby represents to the Company that the undersigned is not a person in the United States and has not executed this Retraction Request in the United States. If the undersigned is unable to provide the representation in the preceding sentence, check the following box:

☐

The undersigned hereby represents and warrants to the Trust and the Company that the undersigned has good title to, and owns, the share(s) represented by this certificate to be acquired by the Trust or the Company, as the case may be, free and clear of all liens, claims and encumbrances.

(Date)

(Signature of Shareholder)

(Guarantee of Signature)

☐

Please check box if the securities and any cheque(s) resulting from the retraction or purchase of the Retracted Shares are to be held for pick-up by the shareholder from the Transfer Agent, failing which such certificates and cheque(s) will be mailed to the last address of the shareholder as it appears on the register.

***Note:** This panel must be completed and this certificate, together with such additional documents and payments (including, without limitation, any applicable Stamp Taxes) as the Transfer Agent and the Company may require, must be deposited with the Transfer Agent. The securities and any cheque(s) resulting from the retraction or purchase of the Retracted Shares will be issued and registered in, and made payable to, respectively, the name of the shareholder as it appears on the register of the Company and the certificates for the securities and any cheque(s) resulting from such retraction or purchase will be delivered to such shareholder as indicated above, unless the form appearing immediately below is duly completed.*

Date: _____

Name of Person in Whose Name Securities or Cheque(s)
Are to be Registered, Issued or Delivered (please print): _____

Street Address or P.O. Box:

Signature of Shareholder: _____

City, Province and Postal Code: _____

Signature Guaranteed by: _____

Note: If this Retraction Request is for less than all of the shares represented by this certificate, a certificate representing the remaining share(s) of the Company represented by this certificate will be issued and registered in the name of the shareholder as it appears on the register of the Company, unless the Share Transfer Power on the share certificate is duly completed in respect of such share(s).

**SCHEDULE B
ARRANGEMENT RESOLUTION**

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the “**Arrangement**”) under section 182 of the *Business Corporations Act* (Ontario) (“**OBCA**”) involving Sprott Asset Management LP (“**SAM LP**”), Sprott Physical Uranium Trust (the “**Trust**”), 2834819 Ontario Inc. (“**Exchangeco**”), and Uranium Participation Corp. (“**UPC**”), as more particularly described and set forth in the information circular of UPC dated ●, 2021 (the “**Circular**”) accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with the arrangement agreement (the “**Arrangement Agreement**”) dated as of April 27, 2021 among SAM LP, Exchangeco, the Trust, and UPC is hereby authorized, approved and adopted.
2. The plan of arrangement of UPC, as it has been or may be modified, supplemented or amended in accordance with the Arrangement Agreement and its terms (the “**Plan of Arrangement**”), the full text of which is set out in Appendix ● to the Circular, is hereby authorized, approved and adopted.
3. The: (i) Arrangement Agreement and all the transactions contemplated therein; (ii) actions of the directors of UPC in approving the Arrangement and Arrangement Agreement, and (iii) actions of the directors and officers of UPC in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.
4. UPC be and is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).
5. Notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the shareholders of UPC or that the Arrangement has been approved by the Court, the directors of UPC are hereby authorized and empowered to, without notice to or approval of the shareholders of UPC: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions
6. Any officer or director of UPC is hereby authorized and directed for and on behalf of UPC to execute and deliver for filing with the Director under the OBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.
7. Any officer or director of UPC is hereby authorized and directed for and on behalf of UPC to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

SCHEDULE C
FORM OF EXCHANGEABLE SHARE SUPPORT AGREEMENT

EXCHANGEABLE SHARE SUPPORT AGREEMENT

THIS EXCHANGEABLE SHARE SUPPORT AGREEMENT made as of ●, 2021 between Sprott Physical Uranium Trust (the “**Trust**”), a trust existing under the laws of the Province of Ontario, and 2834819 Ontario Inc., a corporation existing under the laws of the Province of Ontario (“**Exchangeco**”).

RECITALS:

- (A) In connection with an arrangement agreement (the “**Arrangement Agreement**”) dated April 27, 2021 among Sprott Asset Management LP, the Trust, Exchangeco and Uranium Participation Corp. (“**UPC**”), Exchangeco is to issue exchangeable shares (the “**Exchangeable Shares**”) to certain electing holders of common shares of UPC pursuant to an arrangement under Section 182 of the *Business Corporations Act* (Ontario) (the “**Arrangement**”) on the terms and conditions set out in the Plan of Arrangement (as defined in the Arrangement Agreement).
- (B) Pursuant to the Arrangement Agreement, the Trust and Exchangeco are required to enter into an exchangeable share support agreement (the “**Agreement**”) substantially in the form of this Agreement.

In consideration of the foregoing and the mutual agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the parties hereby agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

In this Agreement, each capitalized term used and not otherwise defined herein shall have the meaning ascribed thereto in the rights, privileges, restrictions and conditions (collectively, the “**Exchangeable Share Provisions**”) attaching to the Exchangeable Shares as set out in the articles of Exchangeco, unless the context requires otherwise.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.3 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender shall include all genders.

1.4 Date of any Action

If the date on which any action is required to be taken hereunder by any person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Statutes

Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

ARTICLE 2 COVENANTS OF TRUST AND EXCHANGECO

2.1 Covenants Regarding Exchangeable Shares

So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust shall:

- (a) not take any action that will result in the declaration or payment of any distribution on the Trust Units unless:
 - (i) in the case of a distribution by the Trust other than a distribution in Trust Units, Exchangeco shall (A) simultaneously declare or pay, as the case may be, an equivalent dividend or other distribution economically equivalent thereto (as determined in accordance with the Exchangeable Share Provisions) on the Exchangeable Shares (an “**Equivalent Distribution**”), and (B) have sufficient money or other assets or authorized but unissued securities available to enable the due declaration and the due and punctual payment, in accordance with applicable law and the Exchangeable Share Provisions, of any such Equivalent Distribution; or
 - (ii) if the distribution is of Trust Units, in lieu of such distribution, Exchangeco shall:
 - (A) effect a corresponding, contemporaneous and economically equivalent subdivision of the outstanding Exchangeable Shares (as determined in accordance with the Exchangeable Share Provisions) (an “**Equivalent Share Subdivision**”), and
 - (B) have sufficient authorized but unissued securities available to enable the Equivalent Share Subdivision;
- (b) advise Exchangeco sufficiently in advance of the declaration by the Trust of any distribution on the Trust Units and take all such other actions as are reasonably necessary or desirable, in co-operation with Exchangeco, to ensure that:
 - (i) the respective declaration date, record date and payment date for an Equivalent Distribution shall be the same as the declaration date, record date and payment date for the corresponding distribution on the Trust Units; or
 - (ii) the record date and effective date for an Equivalent Share Subdivision shall be the same as the record date and payment date for the corresponding unit distribution of Trust Units, in lieu of such a distribution on the Trust Units;
- (c) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit Exchangeco, in accordance with applicable law, to pay and otherwise perform its obligations with respect to the satisfaction of the Liquidation Amount, the Retraction Price or the Redemption Price in respect of each issued and outstanding Exchangeable Share upon the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, the delivery of a Retraction

Request by a holder of Exchangeable Shares or a redemption of Exchangeable Shares by Exchangeco, as the case may be, including without limitation all such actions and all such things as are necessary or desirable to enable and permit Exchangeco to deliver or cause to be delivered Trust Units or other property to the holders of Exchangeable Shares in accordance with the provisions of Sections 5, 6 or 7, as the case may be, of the Exchangeable Share Provisions;

- (d) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the trustee under the Voting and Exchange Trust Agreement (the “**Trustee**”) in accordance with applicable law to perform its obligations under the Voting and Exchange Trust Agreement, including, without limitation, all such actions and all such things as are reasonably necessary or desirable to enable and permit the Trustee to exercise such number of votes in respect of a Trust Meeting or a Trust Consent (as such terms are defined in the Voting and Exchange Trust Agreement) as is equal to the aggregate number of Exchangeable Shares outstanding at the relevant time other than those held by the Trust and its affiliates;
- (e) take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the Trust, in accordance with applicable law, to perform its obligations arising upon the exercise by it of the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right (as defined in the Plan of Arrangement) or the Redemption Call Right, including without limitation all such actions and all such things as are necessary or desirable to enable and permit the Trust to deliver or cause to be delivered Trust Units or other property to the holders of Exchangeable Shares in accordance with the provisions of the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right or the Redemption Call Right, as the case may be; and
- (f) not exercise its vote as a shareholder of Exchangeco to initiate the voluntary liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, nor take any action or omit to take any action that is designed to result in the liquidation, dissolution or winding up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs.

2.2 Reservation of Trust Units

The Trust hereby represents, warrants and covenants in favour of Exchangeco that the Trust has reserved for issuance and shall, at all times while any Exchangeable Shares are outstanding, keep available, free from pre-emptive and other rights, such number of Trust Units (or other securities into which Trust Units may be reclassified or changed as contemplated by Section 2.6):

- (a) as is equal to the sum of (i) the number of Exchangeable Shares issued and outstanding from time to time and (ii) the number of Exchangeable Shares issuable upon the exercise of all rights to acquire Exchangeable Shares outstanding from time to time; and
- (b) as are now and may hereafter be required to enable and permit each of the Trust and Exchangeco to meet its obligations under the Voting and Exchange Trust Agreement, the Exchangeable Share Provisions and any other security or commitment relating to the Arrangement pursuant to which the Trust may now or hereafter be required to issue or cause to be issued Trust Units.

2.3 Notification of Certain Events

In order to assist the Trust to comply with its obligations hereunder and to permit the Trust to exercise, as the case may be, the Liquidation Call Right, the Retraction Call Right, the Change of Law Call Right or the Redemption Call Right, as applicable, Exchangeco shall notify the Trust of each of the following events at the time set forth below:

- (a) in the event of any determination by the board of directors of Exchangeco to institute voluntary liquidation, dissolution or winding-up proceedings with respect to Exchangeco or to effect any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least 60 days prior to the proposed effective date of such liquidation, dissolution, winding-up or other distribution;
- (b) promptly upon the earlier of (i) receipt by Exchangeco of notice of, and (ii) Exchangeco otherwise becoming aware of, any threatened or instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of Exchangeco or to effect any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs;
- (c) immediately, upon receipt by Exchangeco of a Retraction Request;
- (d) on the same date on which notice of redemption is given to holders of Exchangeable Shares, upon the determination of a Redemption Date in accordance with the Exchangeable Share Provisions;
- (e) as soon as practicable upon the issuance by Exchangeco of any Exchangeable Shares or rights to acquire Exchangeable Shares (other than the issuance of Exchangeable Shares and rights to acquire Exchangeable Shares pursuant to the Arrangement); and
- (f) promptly, upon receiving notice of a Change of Law (as such term is defined in the Plan of Arrangement).

2.4 Delivery of Trust Units

Upon notice from Exchangeco of any event that requires Exchangeco to deliver or cause to be delivered Trust Units to any holder of Exchangeable Shares, the Trust shall forthwith issue and deliver or cause to be delivered the requisite number of Trust Units for the benefit of Exchangeco, as appropriate, and Exchangeco shall forthwith cause to be delivered the requisite number of Trust Units to be received by or for the benefit of the former holder of the surrendered Exchangeable Shares. All such Trust Units shall be duly authorized and validly issued as fully paid, non-assessable, free of preemptive rights and shall be free and clear of any lien, claim or encumbrance.

2.5 Qualification of Trust Units

- (1) The Trust covenants and agrees that it shall use its commercially reasonable efforts to ensure that Exchangeco and the Trust may rely upon the exemption from registration provided by Section 3(a)(10) (the “**Section 3(a)(10) Exemption**”) of the *U.S. Securities Act* of 1933, as amended (the “**1933 Act**”), with respect to the offer and sale of the Trust Units and Exchangeable Shares to be issued as consideration pursuant to the Plan of Arrangement. Notwithstanding the foregoing, it is acknowledged that although such Exchangeable Shares have not been registered under the 1933 Act and shall be issued by Exchangeco in reliance upon the Section 3(a)(10) Exemption pursuant to the Plan of Arrangement, such exemption does not exempt the issuance of any securities, including Trust Units, upon the exchange of such Exchangeable Shares; therefore, any Trust Units or other securities issuable upon

exchange of the Exchangeable Shares cannot be issued in the United States or to a person in the United States in reliance upon the Section 3(a)(10) Exemption and may only be issued pursuant to an effective registration statement or pursuant to an available exemption from the registration requirements of the 1933 Act and applicable state securities laws, if any. It is the intention of the Trust to rely on the exemption from registration provided by Regulation S under the 1933 Act in connection with the offer and sale of Trust Units issuable upon exchange of the Exchangeable Shares, and a holder of Exchangeable Shares will be required to make the Regulation S Confirmations (as defined below) at the time of such exchange in order to receive Trust Units. The Trust and Exchangeco each covenant and agree that they will take all such actions and do all such things as are reasonably necessary or desirable to make such filings and seek such regulatory consents and approvals as are necessary so that the Trust Units to be issued or delivered to holders of Exchangeable Shares by the Trust and Exchangeco pursuant to the terms of the Exchangeable Share Provisions, the Voting and Exchange Trust Agreement and this Agreement will be offered, sold, issued and delivered in compliance with the 1933 Act and all applicable state securities laws, and applicable securities laws in Canada and will use commercially reasonable efforts to ensure that the Trust Units will not be “restricted securities” within the meaning of Rule 144 under the 1933 Act or subject to any “hold period” resale restriction under National Instrument 45-102 *Resale of Securities*. The Trust will in good faith expeditiously take all such actions and do all such things as are reasonably necessary or desirable to cause all Trust Units to be delivered to holders of Exchangeable Shares pursuant to the terms of the Exchangeable Share Provisions, the Voting and Exchange Trust Agreement and this Agreement to be listed, quoted and posted for trading on all stock exchanges and quotation systems on which outstanding Trust Units have been listed by the Trust and remain listed and are quoted or posted for trading at such time.

- (2) Notwithstanding any other provision of the Exchangeable Share Provisions, or any term of this Agreement, the Voting and Exchange Trust Agreement or the Plan of Arrangement, no Trust Units shall be issued (and the Trust will not be required to issue any Trust Units) in connection with any liquidation, dissolution or winding-up of Exchangeco, or any retraction, redemption or any other exchange, direct or indirect, of Exchangeable Shares, if such issuance of Trust Units would not be permitted by applicable laws.
- (3) As used in this Section 2.6, “**Regulation S Confirmations**” means the representations provided by an eligible holder who validly elects to receive Exchangeable Shares prior to the applicable election deadline that: (1) the eligible holder is not a person in the United States and was not offered the Exchangeable Shares in the United States, (2) the eligible holder is not in the United States at the time of such election, and (3) the eligible holder acknowledges that the Exchangeable Shares may not be delivered to a person in the United States.

2.6 Economic Equivalence

- (1) So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding:
 - (a) the Trust shall not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b) of the Exchangeable Share Provisions:
 - (i) issue or distribute Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to the holders of all or substantially all of the then outstanding Trust Units by way of unit distribution, other than (A) an issue of Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) to holders of Trust Units who exercise an option to receive distributions in Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units) in lieu of receiving cash distributions, (B) pursuant to any distribution reinvestment plan or scrip

dividend or similar arrangement, or (C) to distribute the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the *Income Tax Act* (Canada);

- (ii) issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding Trust Units entitling them to subscribe for or to purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units); or
- (iii) issue or distribute to the holders of all or substantially all of the then outstanding Trust Units (A) units or securities of the Trust of any class other than Trust Units (or securities convertible into or exchangeable for or carrying rights to acquire Trust Units), (B) rights, options, warrants or other assets other than those referred to in Section 2.6(1)(a)(ii), (C) evidence of indebtedness of the Trust or (D) assets of the Trust,

unless, in each case, Exchangeco issues or distributes the economic equivalent of such rights, options, warrants, securities, shares, evidences of indebtedness or other assets simultaneously to holders of the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with, the Arrangement Agreement and the Plan of Arrangement.

- (b) The Trust shall not without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b) of the Exchangeable Share Provisions:
 - (i) subdivide, redivide or change the then outstanding Trust Units into a greater number of Trust Units; or
 - (ii) reduce, combine, consolidate or change the then outstanding Trust Units into a lesser number of Trust Units except for a consolidation of units in accordance with section 4.3 of the trust agreement of the Trust; or
 - (iii) reclassify or otherwise change the Trust Units or effect an amalgamation, merger, reorganization or other transaction affecting the Trust Units,

unless, in each case, the same or an economically equivalent change is made simultaneously to, or in the rights of the holders of, the Exchangeable Shares; provided, however, that, for greater certainty, the above restrictions shall not apply to any securities issued or distributed by the Trust in order to give effect to and to consummate the transactions contemplated by, and in accordance with the Arrangement Agreement and the Plan of Arrangement.

- (2) The board of directors of Exchangeco (or shareholder acting in place thereof pursuant to any unanimous shareholder declaration) shall determine, in good faith and in its sole discretion (with the assistance of such financial or other advisors as the board or shareholder, as applicable, may determine), “economic equivalence” for the purposes of any event referred to in Section 2.6(1)(a) or Section 2.6(1)(b) and each such determination shall be conclusive and binding on the Trust. In making each such determination, the following factors shall, without excluding other factors determined by the board of directors, or shareholder, as applicable, of Exchangeco, as applicable, to be relevant, be considered by the board of directors or shareholder, as applicable, of Exchangeco:

- (a) in the case of any distribution payable in Trust Units, the number of such Trust Units issued as a result of such distribution in proportion to the number of Trust Units previously outstanding;
 - (b) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase Trust Units (or securities exchangeable for or convertible into or carrying rights to acquire Trust Units), the relationship between the exercise price of each such right, option or warrant, the number of such rights, options or warrants to be issued or distributed in respect of each Trust Unit and the Current Market Price of a Trust Unit, the price volatility of the Trust Units and the terms of any such instrument;
 - (c) in the case of the issuance or distribution of any other form of property (including without limitation any units of the Trust of any class other than Trust Units, any rights, options or warrants other than those referred to in Section 2.6(2)(b), any evidences of indebtedness of the Trust or any assets of the Trust), the relationship between the fair market value (as determined by the board of directors or shareholder, as applicable, of Exchangeco in the manner above contemplated) of such property to be issued or distributed with respect to each outstanding Trust Unit and the Current Market Price of a Trust Unit; and
 - (d) in the case of any subdivision, redivision or change of the then outstanding Trust Units into a greater number of Trust Units or the reduction, combination, consolidation or change of the then outstanding Trust Units into a lesser number of Trust Units or any amalgamation, merger, arrangement, reorganization or other transaction affecting Trust Units, the effect thereof upon the then outstanding Trust Units;
- (3) Exchangeco agrees that, to the extent required, upon due notice from the Trust, Exchangeco shall use its best efforts to take or cause to be taken such steps as may be necessary for the purposes of ensuring that appropriate dividends are paid or other distributions are made by Exchangeco, or subdivisions, redivisions or changes are made to the Exchangeable Shares, in order to implement the required economic equivalence with respect to the Trust Units and Exchangeable Shares as provided for in this Section 2.6.

2.7 Tender Offers

In the event that a tender offer, share exchange offer, issuer bid, take-over bid or similar transaction with respect to Trust Units (an “**Offer**”) is proposed by the Trust or is proposed to the Trust or its unitholders and is recommended by the board of directors of the Trust, or is otherwise effected or to be effected with the consent or approval of the board of directors of the Trust, and the Exchangeable Shares are not redeemed by Exchangeco or purchased by the Trust pursuant to the Redemption Call Right, the Trust and Exchangeco will use reasonable efforts to take all such actions and do all such things as are necessary or desirable to enable and permit holders of Exchangeable Shares (other than the Trust and its affiliates) to participate in such Offer to the same extent and on an economically equivalent basis as the holders of Trust Units, without discrimination. Without limiting the generality of the foregoing, the Trust and Exchangeco will use reasonable efforts in good faith to ensure that holders of Exchangeable Shares may participate in each such Offer without being required to retract Exchangeable Shares as against Exchangeco (or, if so required, to ensure that any such retraction shall be effective only upon, and shall be conditional upon, the closing of such Offer and only to the extent necessary to tender or deposit to the Offer). Nothing herein shall affect the rights of Exchangeco to redeem, or the Trust to purchase pursuant to the Redemption Call Right, Exchangeable Shares in the event of a the Trust Control Transaction.

2.8 Trust and Affiliates Not to Vote Exchangeable Shares

The Trust covenants and agrees that it shall appoint and cause to be appointed proxyholders with respect to all Exchangeable Shares held by it and its affiliates for the sole purpose of attending each meeting of holders of Exchangeable Shares in order to be counted as part of the quorum for each such meeting. The Trust further covenants and agrees that it shall not, and shall cause its affiliates not to, exercise any voting rights which may be exercisable by holders of Exchangeable Shares from time to time pursuant to the Exchangeable Share Provisions or pursuant to the provisions of the *Business Corporations Act* (Ontario) (or any successor or other corporate statute by which Exchangeco may in the future be governed) with respect to any Exchangeable Shares held by it or by its affiliates in respect of any matter considered at any meeting of holders of Exchangeable Shares; provided however, for further clarity, that this Section 2.8 shall not in any way restrict the right of the Trust or any of its affiliates to vote their common shares of Exchangeco in accordance with the Exchangeable Share Provisions.

2.9 Ordinary Market Purchases

For greater certainty, nothing contained in this Agreement, including without limitation the obligations of the Trust contained in Section 2.6, shall limit the ability of the Trust (or any of its affiliates) to make ordinary market or other voluntary purchases of Trust Units in accordance with applicable laws and regulatory or stock exchange requirements.

2.10 Ownership of Outstanding Shares

Without the prior approval of Exchangeco and the prior approval of the holders of the Exchangeable Shares given in accordance with Section 11(b) of the Exchangeable Share Provisions, the Trust covenants and agrees in favour of Exchangeco that, as long as any outstanding Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust will be and remain the direct or indirect beneficial owner of all issued and outstanding common shares in the capital of Exchangeco. Notwithstanding the foregoing, the Trust shall not be in violation of this Section 2.10 if any person or group of persons acting jointly or in concert acquires all or substantially all of the assets of the Trust or the Trust Units pursuant to any arrangement, merger or similar transaction involving the Trust pursuant to which the Trust is not the surviving entity.

ARTICLE 3 TRUST SUCCESSORS

3.1 Certain Requirements in Respect of Combination, etc.

So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust shall not enter into any transaction (whether by way of reorganization, consolidation, arrangement, amalgamation, merger, transfer, sale, lease or otherwise) whereby all or substantially all of its undertaking, property and assets would become the property of any other person or, in the case of an amalgamation or merger, of the continuing corporation resulting therefrom, provided that it may do so if:

- (a) such other person, trust or continuing corporation (the “**Trust Successor**”) by operation of law, becomes, without more, bound by the terms and provisions of this Agreement or, if not so bound, executes, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) as are necessary or advisable to evidence the assumption by the Trust Successor of liability for all moneys payable and property deliverable hereunder and the covenant of such the Trust Successor to pay and deliver or cause to be paid and delivered the same and its agreement to observe and perform all the covenants and obligations of the Trust under this Agreement; and

- (b) such transaction shall be upon such terms and conditions as to preserve and not to impair any of the rights, duties, powers and authorities of the other parties hereunder or the holders of the Exchangeable Shares.

3.2 Vesting of Powers in Successor

Whenever the conditions of Section 3.1 have been duly observed and performed, the parties, if required by Section 3.1, shall execute and deliver the supplemental agreement provided for in Section 3.1(a) and thereupon the Trust Successor and such other person that may then be the issuer of the Trust Units shall possess and from time to time may exercise each and every right and power of the Trust under this Agreement in the name of the Trust or otherwise and any act or proceeding by any provision of this Agreement required to be done or performed by the board of directors of the Trust or any officers of the Trust may be done and performed with like force and effect by the directors or officers of such Trust Successor.

3.3 Wholly-Owned Subsidiaries

Nothing herein shall be construed as preventing (a) the amalgamation, merger, or similar transaction of any wholly-owned direct or indirect subsidiary of the Trust (other than Exchangeco) with or into the Trust or any other wholly-owned direct or indirect subsidiary of the Trust (other than Exchangeco), (b) the winding-up, liquidation or dissolution of any wholly-owned direct or indirect subsidiary of the Trust (other than Exchangeco), provided that all of the assets of such subsidiary are transferred to the Trust or another wholly-owned direct or indirect subsidiary of the Trust, (c) any other distribution of the assets of any wholly-owned direct or indirect subsidiary of the Trust among the shareholders of such subsidiary for the purpose of winding up its affairs, and (d) any such transactions are expressly permitted by this Article 3.

3.4 Successorship Transaction

Notwithstanding the foregoing provisions of this Article 3, in the event of a Trust Control Transaction:

- (a) in which the Trust merges with, or in which all or substantially all of the then outstanding Trust Units are acquired by, one or more other entities to which the Trust is, immediately before such merger, amalgamation or acquisition, “related” within the meaning of the *Income Tax Act* (Canada) (otherwise than by virtue of a right referred to in paragraph 251(5)(b) thereof);
- (b) which does not result in an acceleration of the Redemption Date in accordance with paragraph (ii) of the definition of Redemption Date in the Exchangeable Share Provisions; and
- (c) in which all or substantially all of the then outstanding Trust Units are converted into or exchanged for securities or rights to receive such securities (the “**Other Securities**”) or another entity (the “**Other Entity**”) that, immediately after such Trust Control Transaction, owns or controls, directly or indirectly, the Trust,

then all references herein to “the Trust” shall thereafter be and be deemed to be references to the “Other Entity” and all references herein to “Trust Units” shall thereafter be and be deemed to be references to “Other Securities” (with appropriate adjustments if any, as are required to result in a holder of Exchangeable Shares on the exchange, redemption or retraction of such shares pursuant to the Exchangeable Share Provisions or the Plan of Arrangement or the exchange of such shares pursuant to the Voting and Exchange Trust Agreement immediately subsequent to the Trust Control Transaction being entitled to receive that number of Other Securities equal to the number of Other Securities such holder of Exchangeable Shares would have received if the exchange, redemption or retraction of such shares pursuant to the

Exchangeable Share Provisions or the Plan of Arrangement, or the exchange of such shares pursuant to the Voting and Exchange Trust Agreement had occurred immediately prior to the Trust Control Transaction and the Trust Control Transaction was completed) but subject to subsequent adjustments to reflect any subsequent changes in the capital of the issuer of the Other Securities, including without limitation, any subdivision, consolidation or reduction of capital, without any need to amend the terms and conditions of the Exchangeable Shares and without any further action required.

ARTICLE 4 GENERAL

4.1 Term

This Agreement shall come into force and be effective as of the date hereof and shall terminate and be of no further force and effect at such time as no Exchangeable Shares (or securities or rights convertible into or exchangeable for or carrying rights to acquire Exchangeable Shares) are held by any person other than the Trust and any of its affiliates.

4.2 Changes in Capital of the Trust and Exchangeco

Notwithstanding the provisions of Section 4.4, at all times after the occurrence of any event contemplated pursuant to Section 2.6 and Section 2.7 or otherwise, as a result of which either Trust Units or the Exchangeable Shares or both are in any way changed, this Agreement shall forthwith be amended and modified as necessary in order that it shall apply with full force and effect, mutatis mutandis, to all new securities into which Trust Units or the Exchangeable Shares or both are so changed and the parties hereto shall execute and deliver an agreement in writing giving effect to and evidencing such necessary amendments and modifications.

4.3 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

4.4 Amendments, Modifications

Subject to Section 4.2, Section 4.3 and Section 4.5 this Agreement may not be amended or modified except by an agreement in writing executed by the Trust and Exchangeco and approved by the holders of the Exchangeable Shares in accordance with Section 11(b) of the Exchangeable Share Provisions. No amendment or modification or waiver of any of the provisions of this Agreement otherwise permitted hereunder shall be effective unless made in writing and signed by all of the parties hereto.

4.5 Ministerial Amendments

Notwithstanding the provisions of Section 4.4, the parties to this Agreement may, in writing, at any time and from time to time, without the approval of the holders of the Exchangeable Shares, amend or modify this Agreement for the purposes of:

- (a) adding to the covenants of any or all of the parties hereto if the board of directors of each of the Trust and Exchangeco shall be of the good faith opinion that such additions

will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares;

- (b) evidencing the succession of the Trust Successors and the covenants of and obligations assumed by each such Trust Successor in accordance with the provisions of Article 3;
- (c) making such amendments or modifications not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder which, in the good faith opinion of the board of directors of each of the Trust and Exchangeco, it may be expedient to make, provided that each such board of directors shall be of the good faith opinion, after consultation with counsel, that such amendments or modifications will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares; or
- (d) making such changes or corrections hereto which, on the advice of counsel to the Trust and Exchangeco, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error contained herein, provided that the boards of directors of each of the Trust and Exchangeco shall be of the good faith opinion that such changes or corrections will not be prejudicial to the rights or interests of the holders of the Exchangeable Shares.

4.6 Meeting to Consider Amendments

Exchangeco, at the request of the Trust, shall call a meeting or meetings of the holders of the Exchangeable Shares for the purpose of considering any proposed amendment or modification requiring approval pursuant to Section 4.4. Any such meeting or meetings shall be called and held in accordance with the articles of Exchangeco, the Exchangeable Share Provisions and all applicable laws.

4.7 Enurement

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

4.8 Notices to Parties

Any notice and other communications required or permitted to be given pursuant to this Agreement shall be sufficiently given if delivered in person or if sent by facsimile transmission (provided such transmission is recorded as being transmitted successfully) to the parties at the following addresses:

- (a) In the case of the Trust, at the following address:

●

Attention: ●
Facsimile: ●

with copies (which shall not constitute notice) to:

c/o Sprott Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

Attention: Arthur Einav, General Counsel [REDACTED -
Facsimile: PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

and to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: John Ciardullo and J.R. Laffin
Facsimile: 416-947-0866
Email: jciardullo@stikeman.com and jrlaffin@stikeman.com

(b) In the case of Exchangeco at the following address:

c/o Sprott Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

Attention: Arthur Einav, General Counsel
Facsimile: [REDACTED - PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

with copies (which shall not constitute notice) to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: John Ciardullo and J.R. Laffin
Facsimile: 416-947-0866
Email: jciardullo@stikeman.com and jrlaffin@stikeman.com

and such notice or other communication shall be deemed to have been given and received (x) if delivered on a Business Day prior to 5:00 p.m. (local time in the place where the notice or other communication is received), on the date of delivery, or (y) otherwise, on the next Business Day. Either party may change its address for notice by giving notice to the other parties in accordance with the foregoing provisions.

4.9 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

4.10 Jurisdiction

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each party hereto irrevocably submits to the exclusive jurisdiction of the courts of the Province of Ontario with respect to any matter arising hereunder or related hereto.

[Remainder of this page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

SPROTT PHYSICAL URANIUM TRUST

By its manager, Sprott Asset Management LP,
by its general partner, Sprott Asset
Management GP Inc.

By: _____
Name:
Title:

2834819 ONTARIO INC.

By: _____
Name:
Title:

SCHEDULE D
FORM OF VOTING AND EXCHANGE TRUST AGREEMENT

VOTING AND EXCHANGE TRUST AGREEMENT

THIS VOTING AND EXCHANGE TRUST AGREEMENT made as of ●, 2021 among Sprott Physical Uranium Trust (the “**Trust**”), a trust existing under the laws of the Province of Ontario, 2834819 Ontario Inc., a corporation existing under the laws of the Province of Ontario (“**Exchangeco**”), and ●, a trust company incorporated under the laws of Canada (the “**Trustee**”).

RECITALS:

- A. In connection with an arrangement agreement (the “**Arrangement Agreement**”) dated April 27, 2021 among Sprott Asset Management LP, Exchangeco, the Trust and Uranium Participation Corp. (“**UPC**”), Exchangeco is to issue exchangeable shares (the “**Exchangeable Shares**”) to certain electing holders of common shares of UPC pursuant to an arrangement under Section 182 of the *Business Corporations Act* (Ontario) on the terms and conditions set out in the Plan of Arrangement (as defined in the Arrangement Agreement).
- B. Pursuant to the Arrangement Agreement, the Trust and Exchangeco are required to enter into a voting and exchange trust agreement (the “**Agreement**”) substantially in the form of this Agreement.
- C. These recitals and any statements of fact in this Agreement are made by the Trust and Exchangeco and not by the Trustee.

In consideration of the foregoing and the mutual agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, each capitalized term used and not otherwise defined herein shall have the meaning ascribed thereto in the rights, privileges, restrictions and conditions (collectively, the “**Exchangeable Share Provisions**”) attaching to the Exchangeable Shares as set out in the articles of Exchangeco and the following terms shall have the following meanings:

“**1933 Act**” has the meaning ascribed thereto in Section 5.10;

“**Agreement**” has the meaning ascribed thereto in Recital B;

“**Arrangement Agreement**” has the meaning ascribed thereto in Recital A;

“**Automatic Exchange Right**” has the meaning ascribed thereto in Section 5.12(2);

“**Beneficiaries**” means the registered holders from time to time of Exchangeable Shares, other than the Trust and its affiliates;

“**Beneficiary Votes**” has the meaning ascribed thereto in Section 4.2;

“Change of Law Call Right” has the meaning ascribed thereto in the Plan of Arrangement;

“Electronic Methods” has the meaning ascribed thereto in Section 13.8;

“Equivalent Vote Amount” means, with respect to any matter, proposition, proposal or question on which holders of Trust Units are entitled to vote, consent or otherwise act, the number of votes to which a holder of one Trust Unit is entitled with respect to such matter, proposition or question, provided that if the foregoing would result in the aggregate number of Beneficiary Votes exceeding 19.9% of all of the votes attached to the Trust Units then the Equivalent Vote Amount will be reduced to such number of votes (which may include a fraction of a vote) as would not result in the aggregate number of Beneficiary Votes exceeding 19.9% of all of the votes attached to the Trust Units;

“Exchange Right” has the meaning ascribed thereto in Section 5.1;

“Exchangeable Shares” has the meaning ascribed thereto in Recital A;

“Exchangeco” has the meaning ascribed thereto in the introductory paragraph;

“Indemnified Parties” has the meaning ascribed thereto in Section 8.1;

“Insolvency Event” means (i) the institution by Exchangeco of any proceeding to be adjudicated a bankrupt or insolvent or to be dissolved or wound up, or the consent of Exchangeco to the institution of bankruptcy, insolvency, dissolution or winding-up proceedings against it, (ii) the filing by Exchangeco of a petition, answer or consent seeking dissolution or winding-up under any bankruptcy, insolvency or analogous laws, including the *Companies Creditors’ Arrangement Act* (Canada) and the *Bankruptcy and Insolvency Act* (Canada), or the failure by Exchangeco to contest in good faith any such proceedings commenced in respect of Exchangeco within 30 days of becoming aware thereof, or the consent by Exchangeco to the filing of any such petition or to the appointment of a receiver, (iii) the making by Exchangeco of a general assignment for the benefit of creditors, or the admission in writing by Exchangeco of its inability to pay its debts generally as they become due, or (iv) Exchangeco not being permitted, pursuant to solvency requirements of applicable law, to redeem any Retracted Shares pursuant to Section 6(a)(iii) of the Exchangeable Share Provisions specified in a retraction request delivered to Exchangeco in accordance with Section 6 of the Exchangeable Share Provisions;

“Liquidation Event Effective Date” has the meaning ascribed thereto in Section 5.12(3);

“Liquidation Event” has the meaning ascribed thereto in Section 5.12(1);

“List” has the meaning ascribed thereto in Section 4.6;

“Officer’s Certificate” means, with respect to (i) the Trust a certificate signed by any of the directors or officers Sprott Asset Management GP Inc., as the general partner of Sprott Asset Management LP, in its capacity as the manager of the Trust or (ii) Exchangeco,, any of the directors or officers of Exchangeco;

“Other Entity” has the meaning ascribed thereto in Section 10.4(c);

“Other Securities” has the meaning ascribed thereto in Section 10.4(c);

“Privacy Laws” has the meaning ascribed thereto in Section 6.18;

“Regulation S Confirmations” means the representations provided by an eligible holder who validly elects to receive Exchangeable Shares prior to the applicable election deadline that: (1) the eligible holder is not a person in the United States and was not offered the Exchangeable Shares in the United States, (2) the eligible holder is not in the United States at the time of such election, and (3) the eligible holder acknowledges that the Exchangeable Shares may not be delivered to a person in the United States.

“Retracted Shares” has the meaning ascribed thereto in Section 5.7;

“Special Voting Unit” means the special voting unit in the capital of the Trust, issued by the Trust to and deposited with the Trustee, which, at any time, entitles the holder of record to that number of votes at meetings of holders of Trust Units equal to the number of Exchangeable Shares outstanding at such time (excluding Exchangeable Shares held by the Trust and its affiliates);

“Support Agreement” means the support agreement dated the date hereof between the Trust and Exchangeco, substantially in the form of Schedule C to the Arrangement Agreement;

“Trust” has the meaning ascribed thereto in the introductory paragraph;

“Trust Consent” has the meaning ascribed thereto in Section 4.2;

“Trust Estate” means the Special Voting Unit, any other securities, the Exchange Right, the Automatic Exchange Right and any money or other property which may be held by the Trustee from time to time pursuant to this Agreement;

“Trust Meeting” has the meaning ascribed thereto in Section 4.2;

“Trust Successor” has the meaning ascribed thereto in Section 10.1(a);

“Trust Units” means units of the Trust.

“Trustee” has the meaning ascribed thereto in the introductory paragraph;

“UPC” has the meaning ascribed thereto in Recital A;

“Voting and Exchange Trust” means the trust created by this Agreement under the laws of the Province of Ontario; and

“Voting Rights” means the voting rights attached to the Special Voting Unit.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.3 Number, Gender, etc.

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender shall include all genders.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder by any person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada and "\$" refers to Canadian dollars.

1.6 Statutes

Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

ARTICLE 2 PURPOSE OF AGREEMENT

2.1 Establishment of Trust

The purpose of this Agreement is to create the Voting and Exchange Trust for the benefit of the Beneficiaries as herein provided. The Trust, as the settlor of the Voting and Exchange Trust, hereby appoints the Trustee as trustee of the Voting and Exchange Trust. The Trustee shall hold the Special Voting Unit in order to enable the Trustee to exercise the Voting Rights and shall hold the Exchange Right and the Automatic Exchange Right in order to enable the Trustee to exercise or enforce such rights, in each case as trustee for and on behalf of the Beneficiaries as provided in this Agreement.

ARTICLE 3 SPECIAL VOTING UNIT

3.1 Issue and Ownership of the Special Voting Unit

Immediately following execution and delivery of this Agreement, the Trust shall issue to and deposit with the Trustee the Special Voting Unit (and shall deliver the certificate representing such Special Voting Unit to the Trustee) to be hereafter held of record by the Trustee as trustee for and on behalf of, and for the use and benefit of, the Beneficiaries and in accordance with the provisions of this Agreement. The Trust hereby acknowledges receipt from the Trustee, as trustee for and on behalf of the Beneficiaries, of \$1.00 and other good and valuable consideration (and the adequacy thereof) for the issuance of the Special Voting Unit by the Trust to the Trustee. During the term of the Voting and Exchange Trust, and subject to the terms and conditions of this Agreement, the Trustee shall possess and be vested with full legal ownership of the Special Voting Unit and shall be entitled to exercise all of the rights and powers of an owner with respect to the Special Voting Unit; provided, however, that:

- (a) the Trustee shall hold the Special Voting Unit and the legal title thereto as trustee solely for the use and benefit of the Beneficiaries in accordance with the provisions of this Agreement; and
- (b) except as specifically authorized by this Agreement, the Trustee shall have no power or authority to sell, transfer, vote or otherwise deal in or with the Special Voting Unit and the Special Voting Unit shall not be used or disposed of by the Trustee for any purpose (including for exercising dissent or appraisal rights relating to the Special Voting Unit) other than the purposes for which the Voting and Exchange Trust is created pursuant to this Agreement.

3.2 Legended Share Certificates

Exchangeco shall cause each certificate representing Exchangeable Shares to bear a legend notifying the Beneficiary of such shares of his, her or its right to instruct the Trustee with respect to the exercise of that portion of the Voting Rights which corresponds to the number of Exchangeable Shares held by each such Beneficiary.

ARTICLE 4 EXERCISE OF VOTING RIGHTS

4.1 Voting Rights

The Trustee, as the holder of record of the Special Voting Unit, shall be entitled to exercise all of the Voting Rights, including the right to consent to or vote in person or by proxy the Special Voting Unit, on any matter, question, proposal or proposition whatsoever that may properly come before the unitholders of the Trust at a Trust Meeting or in connection with a Trust Consent. The Voting Rights shall be and remain vested in and exercisable by the Trustee on behalf of the Beneficiaries as provided in this Agreement. Subject to Section 6.15:

- (a) the Trustee shall exercise the Voting Rights only on the basis of instructions received pursuant to this Article 4 from Beneficiaries on the record date established by the Trust or by applicable law for such Trust Meeting or Trust Consent who are entitled to instruct the Trustee as to the voting thereof;

- (b) to the extent that no instructions are received from a Beneficiary with respect to the Voting Rights in respect of which such Beneficiary is entitled to instruct the Trustee, the Trustee shall not exercise or permit the exercise of such Voting Rights; and
- (c) without prejudice to paragraph (b) above, under no circumstances shall the Trustee exercise or permit the exercise of a number of Voting Rights which is greater than the number of Exchangeable Shares outstanding at the relevant time.

4.2 Number of Votes

With respect to all meetings of unitholders of the Trust at which holders of Trust Units are entitled to vote (each, a “**Trust Meeting**”) and with respect to all written consents sought by the Trust from holders of Trust Units (each, a “**Trust Consent**”), each Beneficiary shall be entitled to instruct the Trustee to cast and exercise, in the manner instructed, that number of votes equal to the Equivalent Vote Amount for each Exchangeable Share owned of record by such Beneficiary at the close of business on the record date established by the Trust or by applicable law for such Trust Meeting or Trust Consent, as the case may be (collectively, the “**Beneficiary Votes**”), in respect of each matter, question, proposal or proposition to be voted on at such Trust Meeting or consented to in connection with such Trust Consent.

4.3 Mailings to Unitholders

- (1) With respect to each Trust Meeting or Trust Consent, the Trustee will mail or cause to be mailed (or otherwise communicate in the same manner as the Trust utilizes in communications to holders of Trust Units, subject to applicable regulatory requirements and to the Trustee being advised in writing of such manner of communications and provided that such manner of communications is reasonably available to the Trustee) to each Beneficiary named in the applicable List on the same day as the mailing (or other communication) with respect thereto is commenced by the Trust to its unitholders:
 - (a) a copy of such mailing, together with any related materials, including, without limitation, any proxy circular or information statement or listing particulars, to be provided to unitholders of the Trust;
 - (b) a statement that such Beneficiary is entitled to instruct the Trustee as to the exercise of the Beneficiary Votes with respect to such Trust Meeting or Trust Consent or, pursuant to Section 4.7, to attend such Trust Meeting and to exercise personally the Beneficiary Votes thereat;
 - (c) a statement as to the manner in which such instructions may be given to the Trustee, including an express indication that instructions may be given to the Trustee to give (A) a proxy to such Beneficiary or his, her or its designee to exercise personally such holder’s Beneficiary Votes, or (B) a proxy to a designated agent or other representative of the Trust to exercise such holder’s Beneficiary Votes;
 - (d) a statement that if no such instructions are received from such Beneficiary, the Beneficiary Votes to which the Beneficiary is entitled will not be exercised;
 - (e) a form of direction such Beneficiary may use to direct and instruct the Trustee as contemplated herein; and

- (f) a statement of (A) the time and date by which such instructions must be received by the Trustee in order for such instructions to be binding upon the Trustee, which in the case of a Trust Meeting shall not be earlier than the close of business on the Business Day immediately prior to the date by which the Trust has required proxies to be deposited for such meeting, and (B) of the method for revoking or amending such instructions.
- (2) The materials referred to in this Section 4.3 shall be provided to the Trustee by the Trust, and the materials referred to in Sections 4.3(1)(b), 4.3(1)(c), 4.3(1)(d), 4.3(1)(e) and 4.3(1)(f) shall (if reasonably practicable to do so) be subject to reasonable comment by the Trustee in a timely manner. Subject to the foregoing, the Trust shall ensure that the materials to be provided to the Trustee are provided in sufficient time to permit the Trustee to comment as aforesaid and to send all materials to each Beneficiary at the same time as such materials are first sent to holders of Trust Units. The Trust agrees not to communicate with holders of Trust Units with respect to the materials referred to in this Section 4.3 otherwise than by mail unless such method of communication is also reasonably available to the Trustee for communication with the Beneficiaries. Notwithstanding the foregoing, the Trust may, at its option, exercise the duties of the Trustee to deliver copies of all materials to all Beneficiaries as required by this Section 4.3 so long as, in each case, the Trust delivers a certificate to the Trustee stating that the Trust has undertaken to perform the obligations of the Trustee set forth in this Section 4.3.
- (3) For the purpose of determining the number of Beneficiary Votes to which a Beneficiary is entitled in respect of any Trust Meeting or Trust Consent, the number of Exchangeable Shares owned of record by the Beneficiary shall be determined at the close of business on the record date established by the Trust or by applicable law for purposes of determining unitholders entitled to vote at such Trust Meeting or in respect of such Trust Consent. The Trust shall notify the Trustee of any decision of the manager of the Trust with respect to the calling of any Trust Meeting or any Trust Consent and shall provide all necessary information and materials to the Trustee in each case promptly and, in any event, in sufficient time to enable the Trustee to perform the obligations of the Trustee set forth in this Section 4.3.

4.4 Copies of Unitholder Information

The Trust shall deliver to the Trustee copies of all proxy materials (including, without limitation, notices of Trust Meetings but excluding proxies to vote Trust Units), information statements, reports (including, without limitation, all interim and annual financial statements) and other written communications that, in each case, are to be distributed by the Trust from time to time to holders of Trust Units in sufficient quantities and in sufficient time so as to enable the Trustee to send or cause to send those materials to each Beneficiary at the same time as such materials are first sent to holders of Trust Units. The Trustee shall mail or otherwise send to each Beneficiary, at the expense of the Trust, copies of all such materials (and all materials specifically directed to the Beneficiaries or to the Trustee for the benefit of the Beneficiaries by the Trust) received by the Trustee from the Trust contemporaneously with the sending of such materials to holders of Trust Units. The Trustee shall also make available for inspection, on an appointment basis, during regular business hours by any Beneficiary at the Trustee's principal office in Toronto, Ontario all proxy materials, information statements, reports and other written communications that are:

- (a) received by the Trustee as the registered holder of the Special Voting Unit and made available by the Trust generally to the holders of Trust Units; or

- (b) specifically directed to the Beneficiaries or to the Trustee for the benefit of the Beneficiaries by the Trust.

Notwithstanding the foregoing, the Trust may, at its option, exercise the duties of the Trustee to deliver copies of all such materials to all Beneficiaries as required by this Section 4.4 so long as, in each case, the Trust delivers a certificate to the Trustee stating that the Trust has undertaken to perform the obligations of the Trustee set forth in this Section 4.4.

4.5 Other Materials

As soon as reasonably practicable after receipt by the Trust or unitholders of the Trust (if such receipt is known by the Trust) of any material sent or given by or on behalf of a third party to holders of Trust Units generally, including dissident proxy and information circulars (and related information and material) and take-over bid and securities exchange take-over bid circulars (and related information and material), provided such material has not been sent to the Beneficiaries by or on behalf of such third party, the Trust shall use its reasonable efforts to obtain and deliver to the Trustee copies thereof in sufficient quantities so as to enable the Trustee to forward such material (unless the same has been provided directly to Beneficiaries by such third party) to each Beneficiary as soon as possible thereafter. As soon as reasonably practicable after receipt thereof, the Trustee shall mail or otherwise send to each Beneficiary, at the expense of the Trust, copies of all such materials received by the Trustee from the Trust. The Trustee shall also make available for inspection, on an appointment basis, during regular business hours by any Beneficiary at the Trustee's principal office in Toronto, Ontario copies of all such materials. Notwithstanding the foregoing, the Trust may, at its option, exercise the duties of the Trustee to deliver copies of all such materials to all Beneficiaries as required by this Section 4.5 so long as, in each case, the Trust delivers a certificate to the Trustee stating that the Trust has undertaken to perform the obligations of the Trustee set forth in this Section 4.5.

4.6 List of Persons Entitled to Vote

Exchangeco shall (a) prior to each annual or other Trust Meeting or the seeking of any Trust Consent, and (b) forthwith upon each request made at any time by the Trustee in writing, prepare or cause to be prepared a list (a "**List**") of the names and addresses of the Beneficiaries arranged in alphabetical order and showing the number of Exchangeable Shares held of record by each such Beneficiary, in each case at the close of business on the date specified by the Trustee in such request or, in the case of a List prepared in connection with a Trust Meeting or Trust Consent, at the close of business on the record date established by the Trust or pursuant to applicable law for determining the holders of Trust Units entitled to receive notice of and/or to vote at such Trust Meeting or to give consent in connection with a Trust Consent. Each such List shall be delivered to the Trustee promptly after receipt by Exchangeco of such request or the record date for such meeting or seeking of consent, as the case may be, and, in any event, within sufficient time as to permit the Trustee to perform its obligations under this Agreement. The Trust agrees to give Exchangeco notice (with a copy to the Trustee) of the calling of any Trust Meeting or the seeking of any Trust Consent, together with the record date therefor, sufficiently prior to the date of the calling of such meeting or seeking of such consent, so as to enable Exchangeco to perform its obligations under this Section 4.6.

4.7 Entitlement to Direct Votes

Subject to Section 4.8 and Section 4.11, any Beneficiary named in a List prepared in connection with any Trust Meeting or Trust Consent shall be entitled to (a) instruct the Trustee in the manner described in Section 4.2 with respect to the exercise of the Beneficiary Votes to which such

Beneficiary is entitled, (b) attend such meeting and personally exercise thereat (or to exercise with respect to any written consent), as the proxy of the Trustee, the Beneficiary Votes to which such Beneficiary is entitled, or (c) appoint a third party as the proxy of the Trustee to attend such meeting and exercise thereat the Beneficiary Votes to which such Beneficiary is entitled except, in each case, to the extent that such Beneficiary has transferred the ownership of any Exchangeable Shares in respect of which such Beneficiary is entitled to Beneficiary Votes after the close of business on the record date for such meeting or seeking of consent.

4.8 Voting by Trustee and Attendance of Trustee Representative at Meeting

- (1) In connection with each Trust Meeting and Trust Consent, the Trustee shall exercise, either in person or by proxy, in accordance with the instructions received from a Beneficiary pursuant to Section 4.2, the Beneficiary Votes as to which such Beneficiary is entitled to direct the vote (or any lesser number thereof as may be set forth in the instructions) other than any Beneficiary Votes that are the subject of Section 4.8(2); provided, however, that such written instructions are received by the Trustee from the Beneficiary prior to the time and date fixed by the Trustee for receipt of such instruction in the notice given by the Trustee to the Beneficiary pursuant to Section 4.3.
- (2) To the extent so instructed in accordance with the terms of this Agreement, the Trustee shall cause a representative who is empowered by it to sign and deliver, on behalf of the Trustee, proxies for Voting Rights enabling a Beneficiary to attend a Trust Meeting. Upon submission by a Beneficiary (or its designee) named in the List prepared in connection with the relevant meeting of identification satisfactory to the Trustee's representative, and at the Beneficiary's request, such representative shall sign and deliver to such Beneficiary (or its designee) a proxy to exercise personally the Beneficiary Votes as to which such Beneficiary is otherwise entitled hereunder to direct the vote, if such Beneficiary either (i) has not previously given the Trustee instructions pursuant to Section 4.3 in respect of such meeting or (ii) submits to such representative written revocation of any such previous instructions. At such meeting, the Beneficiary (or its designee) exercising such Beneficiary Votes in accordance with such proxy shall have the same rights in respect of such Beneficiary Votes as the Trustee to speak at the meeting in favour of any matter, question, proposal or proposition, to vote by way of ballot at the meeting in respect of any matter, question, proposal or proposition, and to vote at such meeting by way of a show of hands in respect of any matter, question, proposal or proposition.

4.9 Distribution of Written Materials

Any written materials distributed by the Trustee to the Beneficiaries pursuant to this Agreement shall be sent by mail (or otherwise communicated in the same manner as the Trust utilizes in communications to holders of Trust Units subject to applicable regulatory requirements and to the Trustee being advised in writing of such manner and provided such manner of communications is reasonably available to the Trustee) to each Beneficiary at its address as shown on the register of holders of Exchangeable Shares maintained by the registrar. In connection with each such distribution, Exchangeco shall provide or cause to be provided to the Trustee for purposes of communication, on a timely basis and without charge or other expense, a current List, and upon the request of the Trustee, mailing labels to enable the Trustee to carry out its duties under this Agreement. Exchangeco's obligations under this Section 4.9 shall be deemed satisfied to the extent the Trust exercises its option to perform the duties of the Trustee to deliver copies of materials to each Beneficiary and Exchangeco provides the required information and materials to the Trust.

4.10 Termination of Voting Rights

Except as otherwise provided in the Exchangeable Share Provisions, all of the rights of a Beneficiary with respect to the Beneficiary Votes exercisable in respect of the Exchangeable Shares held by such Beneficiary, including the right to instruct the Trustee as to the voting of or to vote personally such Beneficiary Votes, shall lapse and be deemed to be surrendered by the Beneficiary to the Trust, and such Beneficiary Votes and the Voting Rights represented thereby shall cease immediately upon:

- (a) the delivery by such holder to the Trustee of the certificates representing such Exchangeable Shares in connection with the exercise by the Beneficiary of the Exchange Right;
- (b) the occurrence of the automatic exchange of Exchangeable Shares for Trust Units, as specified in Article 5 (unless the Trust shall not have delivered the requisite Trust Units deliverable in exchange therefor to the Trustee pending delivery to the Beneficiaries);
- (c) the retraction or redemption of Exchangeable Shares pursuant to Section 6 or 7 of the Exchangeable Share Provisions;
- (d) the effective date of the liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs pursuant to Section 5 of the Exchangeable Share Provisions; or
- (e) upon the purchase of Exchangeable Shares from the holder thereof by the Trust pursuant to the exercise by the Trust of the Liquidation Call Right, the Redemption Call Right, the Change of Law Call Right or the Retraction Call Right (unless, in any case, the Trust shall not have delivered the requisite consideration deliverable in exchange therefor).

4.11 Disclosure of Interest in Exchangeable Shares

The Trustee or Exchangeco shall be entitled to require any Beneficiary or any person whom the Trustee or Exchangeco, as the case may be, knows or has reasonable cause to believe holds any interest whatsoever in an Exchangeable Share to (a) confirm that fact, or (b) give such details as to who has an interest in such Exchangeable Share, in each case as would be required (if the Exchangeable Shares were a class of “equity securities” of Exchangeco) under Section 5.2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* or as would be required under the management and/or trust agreement of the Trust or any laws or regulations, or pursuant to the rules or regulations of any regulatory agency, if and only to the extent that the Exchangeable Shares were Trust Units. If a Beneficiary does not provide the information required to be provided by such Beneficiary pursuant to this Section 4.11, the manager or trustee of the Trust may take any action permitted under the management agreement and/or trust agreement of the Trust or any laws or regulations, or pursuant to the rules or regulations of any regulatory agency, with respect to the Voting Rights relating to the Exchangeable Shares held by such Beneficiary as if, and only to that the extent that, the Exchangeable Shares were Trust Units.

ARTICLE 5

EXCHANGE AND AUTOMATIC EXCHANGE

5.1 Grant and Ownership of the Exchange Right and Automatic Exchange Right

- (1) The Trust hereby grants to the Trustee as trustee for and on behalf of, and for the use and benefit of, the Beneficiaries (i) the right (the “**Exchange Right**”), upon the occurrence and during the continuance of an Insolvency Event, to require the Trust to purchase from each or any Beneficiary all or any part of the Exchangeable Shares held by such Beneficiary, all in accordance with the provisions of this Agreement, and (ii) the Automatic Exchange Right. The Trust hereby acknowledges receipt from the Trustee as trustee for and on behalf of the Beneficiaries of good and valuable consideration (and the adequacy thereof) for the grant of the Exchange Right and the Automatic Exchange Right by the Trust to the Trustee.
- (2) During the term of the Trust, and subject to the terms and conditions of this Agreement, the Trustee shall possess and be vested with full legal ownership of the Exchange Right and the Automatic Exchange Right and shall be entitled to exercise all of the rights and powers of an owner with respect to the Exchange Right and the Automatic Exchange Right, provided that the Trustee shall:
 - (a) hold the Exchange Right and the Automatic Exchange Right and the legal title thereto as trustee solely for the use and benefit of the Beneficiaries in accordance with the provisions of this Agreement; and
 - (b) except as specifically authorized by this Agreement, have no power or authority to exercise or otherwise deal in or with the Exchange Right or the Automatic Exchange Right, and the Trustee shall not exercise any such rights for any purpose other than the purposes for which the Trust is created pursuant to this Agreement.

5.2 Legended Share Certificates

Exchangeco shall cause each certificate representing Exchangeable Shares to bear a legend notifying the Beneficiary in respect of the Exchangeable Shares represented by such certificate of (a) his, her or its right to instruct the Trustee with respect to the exercise of the Exchange Right in respect of the Exchangeable Shares held by such Beneficiary and (b) the Automatic Exchange Right.

5.3 General Exercise of Exchange Right

The Exchange Right shall be and remain vested in and exercisable by the Trustee. Subject to Section 6.15, the Trustee shall exercise the Exchange Right only on the basis of instructions received pursuant to this Article 5 (including under Section 5.7) from Beneficiaries entitled to instruct the Trustee as to the exercise thereof. To the extent that no instructions are received from any Beneficiary with respect to the Exchange Right, the Trustee shall not exercise or permit the exercise of the Exchange Right.

5.4 Purchase Price

The purchase price payable by the Trust for each Exchangeable Share to be purchased by the Trust pursuant to the exercise of the Exchange Right shall be an amount per share equal to the Exchangeable Share Price on the last Business Day prior to the day of the closing of the purchase

and sale of such Exchangeable Share pursuant to such exercise of the Exchange Right, which price may be satisfied only by the Trust delivering or causing to be delivered to the Trustee, on behalf of the relevant Beneficiary, the Exchangeable Share Consideration representing such Exchangeable Share Price. In connection with each exercise of the Exchange Right, the Trust shall provide to the Trustee an Officer's Certificate setting forth the calculation of the Exchangeable Share Price. Upon payment by the Trust of the Exchangeable Share Price, the relevant Beneficiary shall cease to have any right to be paid any amount in respect of declared and unpaid dividends on each such Exchangeable Share by Exchangeco and Exchangeco shall cease to be obligated to pay any amount in respect of such dividends.

5.5 Exercise Instructions

Subject to the terms and conditions set forth herein, a Beneficiary shall be entitled upon the occurrence and during the continuance of an Insolvency Event, to instruct the Trustee to exercise the Exchange Right with respect to all or any part of the Exchangeable Shares registered in the name of such Beneficiary. In order to cause the Trustee to exercise the Exchange Right with respect to all or any part of the Exchangeable Shares registered in the name of a Beneficiary, such Beneficiary shall deliver to the Trustee, in person or by certified or registered mail, at its principal office in Toronto, Ontario or at such other place as the Trustee may from time to time designate by written notice to the Beneficiaries, the certificates representing the Exchangeable Shares which such Beneficiary desires the Trust to purchase, duly endorsed in blank for transfer, and accompanied by such other documents and instruments as may be required to effect a transfer of the Exchangeable Shares under the *Business Corporations Act* (Ontario), the articles of Exchangeco and such additional documents and instruments as the Trust, Exchangeco or the Trustee may reasonably require together with:

- (a) a duly completed form of notice of exercise of the Exchange Right, contained on the reverse of or attached to the Exchangeable Share certificates, stating (i) that the Beneficiary thereby instructs the Trustee to exercise the Exchange Right so as to require the Trust to purchase from the Beneficiary the number of Exchangeable Shares specified therein, (ii) that such Beneficiary has good title to and owns all such Exchangeable Shares to be acquired by the Trust free and clear of all liens, claims, security interests and encumbrances, (iii) the names in which the certificates representing Trust Units issuable in connection with the exercise of the Exchange Right are to be issued, (iv) the names and addresses of the persons to whom such new certificates should be delivered, and (v) the Regulation S Confirmations; and
- (b) payment (or evidence satisfactory to the Trust, Exchangeco and the Trustee of payment) of the taxes (if any) payable as contemplated by Section 5.8 of this Agreement;

provided that if only a part of the Exchangeable Shares represented by any certificate or certificates delivered to the Trustee are to be purchased by the Trust pursuant to the exercise of the Exchange Right, a new certificate for the balance of such Exchangeable Shares shall be issued to the holder at the expense of Exchangeco.

5.6 Delivery of Trust Units; Effect of Exercise

Promptly after the receipt by the Trustee of the certificates representing the Exchangeable Shares which a Beneficiary desires the Trust to purchase pursuant to the exercise of the Exchange Right, together with a notice of exercise and such other documents and instruments specified by Section

5.5, the Trustee shall notify the Trust and Exchangeco of its receipt of the same, which notice to the Trust and Exchangeco shall constitute exercise of the Exchange Right by the Trustee on behalf of such Beneficiary in respect of such Exchangeable Shares, and the Trust shall promptly thereafter deliver or cause to be delivered to the Trustee, for delivery to such Beneficiary (or to such other persons, if any, properly designated by such Beneficiary) the Exchangeable Share Consideration deliverable in connection with such exercise of the Exchange Right; provided, however, that no such delivery shall be made unless and until the Beneficiary requesting the same shall have paid (or provided evidence satisfactory to the Trust and Exchangeco and the Trustee of the payment of) the taxes (if any) payable as contemplated by Section 5.7 of this Agreement. Immediately upon the giving of notice by the Trustee to the Trust and Exchangeco of any exercise of the Exchange Right, as provided in this Section 5.6, the closing of the transaction of purchase and sale contemplated by the Exchange Right shall be deemed to have occurred, and the Beneficiary in respect of such Exchangeable Shares shall be deemed to have transferred to the Trust all of such Beneficiary's right, title and interest in and to such Exchangeable Shares and in the related interest in the Trust Estate and shall cease to be a holder of such Exchangeable Shares and shall not be entitled to exercise any of the rights of a holder in respect thereof, other than the right to receive the total Exchangeable Share Consideration in respect of such Exchangeable Shares, unless such Exchangeable Share Consideration is not delivered by the Trust to the Trustee for delivery to such Beneficiary (or to such other person, if any, properly designated by such Beneficiary) within five Business Days of the date of the giving of such notice by the Trustee, in which case the rights of the Beneficiary shall remain unaffected until such Exchangeable Share Consideration is so delivered. Upon delivery of such Exchangeable Share Consideration to the Trustee, the Trustee shall promptly deliver such Exchangeable Share Consideration to such Beneficiary (or to such other person, if any, properly designated by such Beneficiary). Concurrently with the closing of the transaction of purchase and sale contemplated by such exercise of the Exchange Right, the Beneficiary shall be considered and deemed for all purposes to be the holder of Trust Units delivered to it pursuant to such exercise of the Exchange Right.

5.7 Exercise of Exchange Right Subsequent to Retraction

In the event that a Beneficiary has exercised its retraction right under Section 6 of the Exchangeable Share Provisions to require Exchangeco to redeem any or all of the Exchangeable Shares held by the Beneficiary (the "**Retracted Shares**") and is notified by Exchangeco pursuant to Section 6(a)(iii) of the Exchangeable Share Provisions that Exchangeco will not be permitted as a result of solvency requirements of applicable law to redeem all such Retracted Shares, subject to receipt by the Trustee of written notice to that effect from Exchangeco, and provided the Trust shall not have exercised its Retraction Call Right with respect to the Retracted Shares and that the Beneficiary shall not have revoked the retraction request delivered by the Beneficiary to Exchangeco pursuant to Section 6(a)(iv) of the Exchangeable Share Provisions, the retraction request will constitute and will be deemed to constitute notice from the Beneficiary to the Trustee instructing the Trustee to exercise the Exchange Right with respect to those Retracted Shares that Exchangeco is unable to redeem. In any such event, Exchangeco hereby agrees with the Trustee, and in favour of the Beneficiary, promptly to notify the Trustee of such prohibition against Exchangeco and to forward or cause to be forwarded to the Trustee all relevant materials delivered by the Beneficiary to Exchangeco or to the Transfer Agent in connection with such proposed redemption of the Retracted Shares and the Trustee will thereupon exercise the Exchange Right with respect to the Retracted Shares that Exchangeco is not permitted to redeem and will require the Trust to purchase such shares in accordance with the provisions of this Article 5.

5.8 Stamp or Other Transfer Taxes

Upon any sale or transfer of Exchangeable Shares to the Trust pursuant to the exercise of the Exchange Right or the Automatic Exchange Right, the certificate or certificates representing Trust Units to be delivered in connection with the payment of the purchase price therefor shall be issued in the name of the Beneficiary in respect of the Exchangeable Shares so sold or transferred or in such names as such Beneficiary may otherwise direct in writing without charge to the holder of the Exchangeable Shares so sold or transferred; provided, however, that such Beneficiary (a) shall pay (and none of the Trust, Exchangeco or the Trustee shall be required to pay) any documentary, stamp, transfer of other taxes or duties that may be payable in respect of any sale or transfer involved in the issuance or delivery of such shares to a person other than such Beneficiary including, without limitation, in the event that Exchangeable Shares are being delivered, sold or transferred in the name of a clearing service or depository or a nominee thereof, or (b) shall have evidenced to the satisfaction of the Trust, Exchangeco and the Trustee that such taxes or duties (if any) have been paid.

5.9 Notice of Insolvency Event

As soon as practicable following the occurrence of an Insolvency Event or any event that with the giving of notice or the passage of time or both would be an Insolvency Event, the Trust and Exchangeco shall give written notice thereof to the Trustee. As soon as practicable after receiving notice from the Trust or Exchangeco of the occurrence of an Insolvency Event, or upon the Trustee otherwise becoming aware of an Insolvency Event, the Trustee shall mail to each Beneficiary, at the expense of the Trust (such funds to be received in advance), a notice of such Insolvency Event in the form provided by the Trust, which notice shall contain a brief statement of the rights of the Beneficiaries with respect to the Exchange Right.

5.10 U.S. Securities Law Compliance and Listing of Trust Units

The Trust covenants and agrees that it shall use its commercially reasonable efforts to ensure that Exchangeco and the Trust may rely upon the exemption from registration provided by Section 3(a)(10) (the “**Section 3(a)(10) Exemption**”) of the *U.S. Securities Act* of 1933, as amended (the “**1933 Act**”), with respect to the offer and sale of the Trust Units and Exchangeable Shares to be issued as consideration pursuant to the Plan of Arrangement. Notwithstanding the foregoing, it is acknowledged that although such Exchangeable Shares have not been registered under the 1933 Act and shall be issued by Exchangeco in reliance upon the Section 3(a)(10) Exemption pursuant to the Plan of Arrangement, such exemption does not exempt the issuance of any securities, including Trust Units, upon the exchange of such Exchangeable Shares; therefore, any Trust Units or other securities issuable upon exchange of the Exchangeable Shares cannot be issued in the United States or to a person in the United States in reliance upon the Section 3(a)(10) Exemption and may only be issued pursuant to an effective registration statement or pursuant to an available exemption from the registration requirements of the 1933 Act and applicable state securities laws, if any. It is the intention of the Trust to rely on the exemption from registration provided by Regulation S under the 1933 Act in connection with the offer and sale of Trust Units issuable upon exchange of the Exchangeable Shares, and a holder of Exchangeable Shares will be required to make the Regulation S Confirmations at the time of such exchange in order to receive Trust Units. The Trust and Exchangeco each covenant and agree that it will take all such actions and do all such things as are reasonably necessary or desirable to make such filings and seek such regulatory consents and approvals as are necessary so that Trust Units to be issued or delivered to holders of Exchangeable Shares by the Trust or Exchangeco pursuant to the terms of the Exchangeable Share Provisions, the Support Agreement and this Agreement will be offered, sold, issued and delivered in compliance with the 1933 Act and all applicable state

securities laws, and applicable securities laws in Canada and will use commercially reasonable efforts to ensure that Trust Units will not be “restricted securities” within the meaning of Rule 144 under the 1933 Act nor subject to any “hold period” resale restriction under National Instrument 45-102 *Resale of Securities*. The Trust will in good faith expeditiously take all such actions and do all such things as are reasonably necessary or desirable to cause all Trust Units to be delivered to holders of Exchangeable Shares pursuant to the terms of the Exchangeable Share Provisions, the Support Agreement and this Agreement to be listed, quoted and posted for trading on all stock exchanges and quotation systems on which outstanding Trust Units have been listed by the Trust and remain listed and are quoted or posted for trading at such time.

5.11 Trust Units

The Trust hereby represents, warrants and covenants that Trust Units deliverable as described herein will be duly authorized and validly issued as fully paid and non-assessable and shall be free and clear of any lien, claim or encumbrance.

5.12 Automatic Exchange on Liquidation of the Trust

- (1) The Trust shall give the Trustee written notice of each of the following events (each, a “**Liquidation Event**”) at the time set forth below:
 - (a) in the event of any determination by the manager or trustee of the Trust to institute voluntary liquidation, dissolution or winding-up proceedings with respect to the Trust or to effect any other distribution of assets of the Trust among its unitholders for the purpose of winding up its affairs, at least 30 days prior to the proposed effective date of such liquidation, dissolution, winding-up or other distribution; and
 - (b) as soon as practicable following the earlier of (A) receipt by the Trust of notice of, and (B) the Trust otherwise becoming aware of any instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of the Trust or to effect any other distribution of assets of the Trust among its unitholders for the purpose of winding up its affairs, in each case where the Trust has failed to contest in good faith any such proceeding commenced in respect of the Trust within 30 days of becoming aware thereof.
- (2) As soon as practicable following receipt by the Trustee from the Trust of notice of a Liquidation Event, the Trustee shall give notice thereof to the Beneficiaries. Such notice shall be provided by the Trust to the Trustee and shall include a brief description of the automatic exchange of Exchangeable Shares for Trust Units provided for in Section 5.12(3) (the “**Automatic Exchange Right**”).
- (3) In order that the Beneficiaries will be able to participate on a pro rata basis with the holders of Trust Units in the distribution of assets of the Trust in connection with a Liquidation Event, immediately prior to the effective date (the “**Liquidation Event Effective Date**”) of a Liquidation Event, each of the then outstanding Exchangeable Shares (other than Exchangeable Shares held by the Trust and its affiliates) shall be automatically exchanged for one Trust Unit. To effect such automatic exchange, the Trust shall purchase each such Exchangeable Share outstanding immediately prior to the Liquidation Event Effective Date, and each Beneficiary shall sell each Exchangeable Shares held by it at such time, free and clear of any lien, claim or encumbrance, for a purchase price per share equal to the Exchangeable Share Price immediately prior to the Liquidation Event Effective Date, which price shall be satisfied in full by the Trust delivering to such holder the Exchangeable

Share Consideration representing such Exchangeable Share Price. For greater certainty, the Beneficiary shall upon delivery of the Exchangeable Share Consideration cease to have any rights to be paid by Exchangeco any amount in respect of declared and unpaid dividends on the Exchangeable Shares.

- (4) The closing of the transaction of purchase and sale contemplated by any exercise of the Automatic Exchange Right shall be deemed to have occurred at the close of business on the Business Day immediately prior to the Liquidation Event Effective Date, and each Beneficiary shall be deemed to have transferred to the Trust all of such Beneficiary's right, title and interest in and to the Exchangeable Shares held by such Beneficiary free and clear of any lien, claim or encumbrance and the related interest in the Trust Estate, any right of each such Beneficiary to receive declared and unpaid dividends from Exchangeco shall be deemed to be satisfied and discharged, and each such Beneficiary shall cease to be a holder of such Exchangeable Shares and the Trust shall deliver or cause to be delivered to the Trustee, for delivery to such Beneficiary, the Exchangeable Share Consideration deliverable to such Beneficiary upon such exercise of the Automatic Exchange Right. Concurrently with each such Beneficiary ceasing to be a holder of Exchangeable Shares, such Beneficiary shall be considered and deemed for all purposes to be the holder of Trust Units included in the Exchangeable Share Consideration to be delivered to such Beneficiary and the certificates held by such Beneficiary previously representing the Exchangeable Shares exchanged by the Beneficiary with the Trust pursuant to the exercise of the Automatic Exchange Right shall thereafter be deemed to represent Trust Units issued to such Beneficiary by the Trust pursuant to the exercise of the Automatic Exchange Right. Upon the request of any Beneficiary and the surrender by such Beneficiary of Exchangeable Share certificates deemed to represent Trust Units, duly endorsed in blank and accompanied by such instruments of transfer as the Trust or the transfer agent of the Trust may reasonably require, the Trust shall deliver or cause to be delivered to such Beneficiary certificates representing Trust Units of which the Beneficiary is the holder.

5.13 Withholding Rights

The Trust, Exchangeco and the Trustee shall be entitled to deduct and withhold from any dividend, distribution, price or other consideration otherwise payable under this Agreement to any holder of Exchangeable Shares or Trust Units such amounts as the Trust, Exchangeco or the Trustee is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada) or United States tax laws or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case as amended or succeeded. The Trustee may act and rely on the advice of counsel with respect to such matters. To the extent that amounts are so deducted and withheld, such amounts shall be treated for all purposes as having been paid to the holder of the Exchangeable Shares or Trust Units in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing agency. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, the Trust, Exchangeco and the Trustee are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to the Trust, Exchangeco or the Trustee, as the case may be, to enable it to comply with such deduction or withholding requirement and the Trust, Exchangeco or the Trustee, as the case may be, shall notify the holder thereof and remit to such holder any unapplied balance of the net proceeds of such sale.

5.14 No Fractional Units

A holder of an Exchangeable Share shall not be entitled to any fraction of a Trust Unit upon the exercise of the Exchange Right or Automatic Exchange Right hereunder and no certificates, if such Trust Units are certificated, representing any such fractional interest shall be issued and such holder otherwise entitled to a fractional interest shall be entitled to receive for such fractional interest from Exchangeco or the Trust, as the case may be, a cash payment equal to such fractional interest multiplied by the Current Market Price.

ARTICLE 6 CONCERNING THE TRUSTEE

6.1 Powers and Duties of the Trustee

- (1) The rights, powers, duties and authorities of the Trustee under this Agreement, in its capacity as Trustee of the Trust, shall include:
 - (a) receipt and deposit of the Special Voting Unit from the Trust, as trustee for and on behalf of the Beneficiaries in accordance with the provisions of this Agreement;
 - (b) granting proxies and distributing materials to Beneficiaries as provided in this Agreement;
 - (c) voting the Beneficiary Votes on the direction and behalf of the Beneficiaries in accordance with the provisions of this Agreement;
 - (d) receiving the grant of the Exchange Right from the Trust, and the Automatic Exchange Right from the Trust, as trustee for and on behalf of the Beneficiaries in accordance with the provisions of this Agreement;
 - (e) exercising the Exchange Right and enforcing the benefit of the Automatic Exchange Right, in each case in accordance with the provisions of this Agreement, and in connection therewith receiving from Beneficiaries any requisite documents and distributing to such Beneficiaries the Exchangeable Share Consideration to which such Beneficiaries are entitled pursuant to the exercise of the Exchange Right or the Automatic Exchange Right, as the case may be;
 - (f) holding title to the Trust Estate;
 - (g) investing any moneys forming, from time to time, a part of the Trust Estate as provided in this Agreement;
 - (h) taking action at the direction of a Beneficiary or Beneficiaries to enforce the obligations of the Trust and Exchangeco under this Agreement; and
 - (i) taking such other actions and doing such other things as are specifically provided in this Agreement to be carried out by the Trustee.
- (2) In the exercise of such rights, powers, duties and authorities, the Trustee shall have (and is granted) such incidental and additional rights, powers, duties and authority not in conflict with any of the provisions of this Agreement as the Trustee, acting in good faith and in the reasonable exercise of its discretion, may deem necessary, appropriate or desirable to

effect the purpose of the Trust. Any exercise of such discretionary rights, powers, duties and authorities by the Trustee shall be final, conclusive and binding upon all persons. For greater certainty, the Trustee shall have only those duties as are set out specifically in this Agreement.

- (3) The Trustee, in exercising its rights, powers, duties and authorities hereunder, shall act honestly and in good faith and with a view to the best interests of the Beneficiaries and shall exercise the care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.
- (4) The Trustee shall not be bound to give notice or do or take any act, action or proceeding by virtue of the powers conferred on it hereby unless and until it shall be specifically required to do so under the terms hereof; nor shall the Trustee be required to take any notice of, or to do, or to take any act, action or proceeding as a result of any default or breach of any provision hereunder, unless and until notified in writing of such default or breach, which notices shall distinctly specify the default or breach desired to be brought to the attention of the Trustee, and in the absence of such notice the Trustee may for all purposes of this Agreement conclusively assume that no default or breach has been made in the observance or performance of any of the representations, warranties, covenants, agreements or conditions contained herein.

6.2 No Conflict of Interest

The Trustee represents to the Trust and Exchangeco that, at the date of execution and delivery of this Agreement, there exists no material conflict of interest in the role of the Trustee as a fiduciary hereunder and the role of the Trustee in any other capacity. The Trustee shall, within 90 days after it becomes aware that such material conflict of interest exists, either eliminate such material conflict of interest or resign in the manner and with the effect specified in Article 9. If, notwithstanding the foregoing provisions of this Section 6.2, the Trustee has such a material conflict of interest, the validity and enforceability of this Agreement shall not be affected in any manner whatsoever by reason only of the existence of such material conflict of interest. If the Trustee contravenes the foregoing provisions of this Section 6.2, any interested party may apply to the Superior Court of Justice of Ontario for an order that the Trustee be replaced as Trustee hereunder.

6.3 Dealings with Transfer Agents, Registrars, etc.

- (1) (a) Each of the Trust and Exchangeco irrevocably authorizes the Trustee, from time to time, to:
 - (a) consult, communicate and otherwise deal with the respective registrars and transfer agents, and with any such subsequent registrar or transfer agent, of the Exchangeable Shares and Trust Units; and
 - (b) requisition, from time to time, from any such registrar or transfer agent, any information readily available from the records maintained by it which the Trustee may reasonably require for the discharge of its duties and responsibilities under this Agreement.
- (2) The Trust irrevocably authorizes its registrar and Transfer Agent to comply with all such requests and covenants that it shall supply the Trustee or its transfer agent, as the case may be, in a timely manner with duly executed certificates, if the Trust Units are

certificated, for the purpose of completing the exercise from time to time of all rights to acquire Trust Units hereunder, under the Exchangeable Share Provisions and under any other security or commitment given to the Beneficiaries pursuant thereto, in each case pursuant to the provisions hereof or of the Exchangeable Share Provisions or otherwise.

6.4 Books and Records

The Trustee shall keep available for inspection during regular business hours by the Trust and Exchangeco at the Trustee's principal office in Toronto, Ontario correct and complete books and records of account relating to the Trust created by, and Trustee's actions under, this Agreement, including all relevant data relating to mailings and instructions to and from Beneficiaries and all transactions pursuant to the Exchange Right and the Automatic Exchange Right. On or before January 15, 2022, and on or before January 15 in every year thereafter, so long as the Special Voting Unit is registered in the name of the Trustee, the Trustee shall transmit to the Trust and Exchangeco a brief report, dated as of the preceding December 31, with respect to:

- (a) the property and funds comprising the Trust Estate as of that date;
- (b) the number of exercises of the Exchange Right, if any, and the aggregate number of Exchangeable Shares received by the Trustee on behalf of Beneficiaries in consideration of the issuance and delivery by the Trust of Trust Units in connection with the Exchange Right, during the calendar year ended on such December 31; and
- (c) any action taken by the Trustee in the performance of its duties under this Agreement which it had not previously reported.

6.5 Income Tax Returns and Reports

The Trustee shall, to the extent necessary, prepare and file, or cause to be prepared and filed, on behalf of the Trust appropriate Canadian income tax returns and any other returns or reports as may be required by applicable law, by any court, tribunal, government, governmental or regulatory agency or public official, or pursuant to the rules and regulations of any securities exchange or other trading system through which the Exchangeable Shares are traded. In connection therewith, the Trustee may obtain the advice and assistance of such experts or advisors (who may be experts or advisors to the Trust and/or Exchangeco) as the Trustee considers necessary or advisable. If requested by the Trustee, the Trust shall retain or caused to be retained qualified experts or advisors for the purpose of providing such tax advice or assistance.

6.6 Indemnification Prior to Certain Actions by Trustee

- (1) The Trustee shall exercise any or all of the rights, duties, powers or authorities vested in it by this Agreement at the request, order or direction of any Beneficiary upon such Beneficiary furnishing to the Trustee reasonable funding, security or indemnity against the costs, expenses and liabilities which may be incurred by the Trustee therein or thereby, provided that no Beneficiary shall be obligated to furnish to the Trustee any such funding, security or indemnity in connection with the exercise by the Trustee of any of its rights, duties, powers and authorities with respect to the Special Voting Unit pursuant to Article 4, subject to Section 6.15, and with respect to the Exchange Right and the Automatic Exchange Right pursuant to Article 5.
- (2) None of the provisions contained in this Agreement shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the exercise of any of its rights, powers, duties, or authorities unless funded, given security and indemnified as aforesaid.

6.7 Action of Beneficiaries

No Beneficiary shall have the right to institute any action, suit or proceeding or to exercise any other remedy authorized by this Agreement for the purpose of enforcing any of its rights or for the execution of any trust or power hereunder unless the Beneficiary has requested the Trustee to take or institute such action, suit or proceeding and furnished the Trustee with the funding, security or indemnity referred to in Section 6.6 and the Trustee shall have failed to act within a reasonable time thereafter. In such case, but not otherwise, the Beneficiary shall be entitled to take proceedings in any court of competent jurisdiction such as the Trustee might have taken; it being understood and intended that no one or more Beneficiaries shall have any right in any manner whatsoever to affect, disturb or prejudice the rights hereby created by any such action, or to enforce any right hereunder or the Voting Rights, the Exchange Right or the Automatic Exchange Right except subject to the conditions and in the manner herein provided, and that all powers and trusts hereunder shall be exercised and all proceedings at law shall be instituted, had and maintained by the Trustee, except only as herein provided, and in any event for the equal benefit of all Beneficiaries.

6.8 Reliance Upon Declarations

The Trustee shall not be considered to be in contravention of any of its rights, powers, duties and authorities hereunder if, when required, it acts and relies in good faith upon statutory declarations, certificates, opinions or reports furnished pursuant to the provisions hereof or required by the Trustee to be furnished to it in the exercise of its rights, powers, duties and authorities hereunder if such statutory declarations, certificates, opinions or reports comply with the provisions of Section 6.9, if applicable, and with any other applicable provisions of this Agreement.

6.9 Evidence and Authority to Trustee

- (1) The Trust and/or Exchangeco shall furnish to the Trustee evidence of compliance with the conditions provided for in this Agreement relating to any action or step required or permitted to be taken by the Trust and/or Exchangeco or the Trustee under this Agreement or as a result of any obligation imposed under this Agreement, including in respect of the Voting Rights, the Exchange Right or the Automatic Exchange Right and the taking of any other action to be taken by the Trustee at the request of or on the application of the Trust and/or Exchangeco promptly if and when:

- (a) such evidence is required by any other Section of this Agreement to be furnished to the Trustee in accordance with the terms of this Section 6.9; or
 - (b) the Trustee, in the exercise of its rights, powers, duties and authorities under this Agreement, gives the Trust and/or Exchangeco written notice requiring it to furnish such evidence in relation to any particular action or obligation specified in such notice.
- (2) Such evidence shall consist of an Officer's Certificate of the Trust and/or Exchangeco or a statutory declaration or a certificate made by persons entitled to sign an Officer's Certificate stating that any such condition has been complied with in accordance with the terms of this Agreement.
- (3) Whenever such evidence relates to a matter other than the Voting Rights or the Exchange Right or the Automatic Exchange Right or the taking of any other action to be taken by the Trustee at the request or on the application of the Trust and/or Exchangeco, and except as otherwise specifically provided herein, such evidence may consist of a report or opinion of any solicitor, attorney, auditor, accountant, appraiser, valuer or other expert or any other person whose qualifications give authority to a statement made by such person; provided, however, that if such report or opinion is furnished by a director, officer or employee of the Trust and/or Exchangeco it shall be in the form of an Officer's Certificate or a statutory declaration.
- (4) Each statutory declaration, Officer's Certificate, opinion or report furnished to the Trustee as evidence of compliance with a condition provided for in this Agreement shall include a statement by the person giving the evidence:
 - (a) declaring that such person has read and understands the provisions of this Agreement relating to the condition in question;
 - (b) describing the nature and scope of the examination or investigation upon which such person based the statutory declaration, certificate, statement or opinion; and
 - (c) declaring that such person has made such examination or investigation as such person believes is necessary to enable such person to make the statements or give the opinions contained or expressed therein.

6.10 Experts, Advisers and Agents

The Trustee may:

- (a) in relation to these presents act and rely on the opinion or advice of or information obtained from any solicitor, attorney, auditor, accountant, appraiser, valuer or other expert, whether retained by the Trustee or by the Trust and/or Exchangeco or otherwise, and may retain or employ such assistants as may be necessary to the proper discharge of its powers and duties and determination of its rights hereunder and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid;
- (b) employ such agents and other assistants as it may reasonably require for the proper determination and discharge of its powers and duties hereunder; and

- (c) pay reasonable remuneration for all services performed for it (and shall be entitled to receive reasonable remuneration for all services performed by it) in the discharge of the trusts hereof and compensation for all reasonable disbursements, costs and expenses made or incurred by it in the discharge of its duties hereunder and in the management of the Trust.

6.11 Investment of Moneys Held by Trustee

Unless otherwise provided in this Agreement, any moneys held by or on behalf of the Trustee which under the terms of this Agreement may or ought to be invested or which may be on deposit with the Trustee or which may be in the hands of the Trustee may be invested or reinvested in the name or under the control of the Trustee in securities in which, under the laws of the Province of Ontario, trustees are authorized to invest trust moneys or as otherwise agreed upon in writing by the Trustee and Exchangeco, provided that such securities are stated to mature within two years after their purchase by the Trustee and the Trustee shall so invest such money on the written direction of Exchangeco. Pending the investment of any money as herein provided, such moneys may be deposited in the name of the Trustee in any chartered bank in Canada or, with the consent of Exchangeco, in the deposit department of the Trustee or any other specified loan or trust company authorized to accept deposits under the laws of Canada or any province thereof at the rate of interest then current on similar deposits. The Trustee shall not be held liable for any losses incurred in the investment of any funds as herein provided and all interest on monies held by or on behalf of the Trustee shall be for the account of Exchangeco and held by the Trustee for the benefit of Exchangeco.

6.12 Trustee Not Required to Give Security

The Trustee shall not be required to give any bond or security in respect of the execution of the trusts, rights, duties, powers and authorities of this Agreement or otherwise in respect of the premises.

6.13 Trustee Not Bound to Act on Request

Except as in this Agreement otherwise specifically provided, the Trustee shall not be bound to act in accordance with any direction or request of the Trust and/or Exchangeco or of the respective trustees or directors thereof until a duly authenticated copy of the instrument or resolution containing such direction or request shall have been delivered to the Trustee, and the Trustee shall be empowered to act upon any such copy purporting to be authenticated and believed by the Trustee to be genuine. The Trustee shall have the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Trustee, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation or regulation. Further, should the Trustee, in its sole judgment, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation or regulation, then it shall have the right to resign on fifteen days written notice to the other parties to this Agreement, provided that (a) the Trustee's written notice shall describe the circumstances of such non-compliance and (b) if such circumstances are rectified to the Trustee's satisfaction within such fifteen day period, such resignation shall not be effective.

6.14 Authority to Carry on Business

The Trustee represents to the Trust and Exchangeco that, at the date of execution and delivery by it of this Agreement, it is authorized to carry on the business of a trust company in each of the

provinces and territories of Canada but if, notwithstanding the provisions of this Section 6.14, it ceases to be so authorized to carry on business, the validity and enforceability of this Agreement and the Voting Rights, the Exchange Right and the Automatic Exchange Right and the other rights granted in or resulting from the Trustee being a party to this Agreement shall not be affected in any manner whatsoever by reason only of such event but the Trustee shall, within 90 days after ceasing to be authorized to carry on the business of a trust company in any province or territory of Canada, either become so authorized or resign in the manner and with the effect specified in Article 9.

6.15 Conflicting Claims

- (1) If conflicting claims or demands are made or asserted with respect to any interest of any Beneficiary in any Exchangeable Shares, including any disagreement between the heirs, representatives, successors or assigns succeeding to all or any part of the interest of any Beneficiary in any Exchangeable Shares, resulting in conflicting claims or demands being made in connection with such interest, then the Trustee shall be entitled, in its sole discretion, to refuse to recognize or to comply with any such claims or demands. In so refusing, the Trustee may elect not to exercise any Voting Rights, Exchange Right, Automatic Exchange Right or other rights subject to such conflicting claims or demands and, in so doing, the Trustee shall not be or become liable to any person on account of such election or its failure or refusal to comply with any such conflicting claims or demands. The Trustee shall be entitled to continue to refrain from acting and to refuse to act until:
 - (a) the rights of all adverse claimants with respect to the Voting Rights, Exchange Right, Automatic Exchange Right or other rights subject to such conflicting claims or demands have been adjudicated by a final judgement of a court of competent jurisdiction and all rights of appeal have expired; or
 - (b) all differences with respect to the Voting Rights, Exchange Right, Automatic Exchange Right or other rights subject to such conflicting claims or demands have been conclusively settled by a valid written agreement binding on all such adverse claimants, and the Trustee shall have been furnished with an executed copy of such agreement certified to be in full force and effect.
- (2) If the Trustee elects to recognize any claim or comply with any demand made by any such adverse claimant, it may in its discretion require such claimant to furnish such surety bond or other security satisfactory to the Trustee as it shall deem appropriate to fully indemnify it as between all conflicting claims or demands.

6.16 Acceptance of Trust

The Trustee hereby accepts the Trust created and provided for, by and in this Agreement and agrees to perform the same upon the terms and conditions herein set forth and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various persons who shall from time to time be Beneficiaries, subject to all the terms and conditions herein set forth.

6.17 Third Party Interests

Each party to this Agreement hereby represents to the Trustee that any account to be opened by, or interest to be held by the Trustee in connection with this Agreement, for or to the credit of such party, either (a) is not intended to be used by or on behalf of any third party, or (b) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and

execute forthwith a declaration in the Trustee's prescribed form as to the particulars of such third party.

6.18 Privacy

- (1) The parties acknowledge that Canadian federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this Agreement. Despite any other provision of this Agreement, no party shall take or direct any action that would contravene, or cause the others to contravene, applicable Privacy Laws. The parties shall, prior to transferring or causing to be transferred personal information to the Trustee, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Trustee shall use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws. Specifically, the Trustee agrees (a) to have a designated chief privacy officer, (b) to maintain policies and procedures to protect personal information and to receive and respond to any privacy complaint or inquiry, (c) to use personal information solely for the purposes of providing its services under or ancillary to this Agreement and not to use it for any other purpose except with the consent of or direction from the other parties or the individual involved, (d) not to sell or otherwise improperly disclose personal information to any third party, and (e) to employ administrative, physical and technological safeguards to reasonably secure and protect personal information against loss, theft, or unauthorized access, use or modification.
- (2) The parties acknowledge that the Trustee may, in the course of providing services hereunder, collect or receive financial and other personal information about the parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:
 - (a) to provide the services required under this Agreement and other services that may be requested from time to time;
 - (b) to help the Trustee manage its servicing relationships with such individuals;
 - (c) to meet the Trustee's legal and regulatory requirements; and
 - (d) if social insurance numbers are collected by the Trustee, to perform tax reporting and to assist in verifying an individual's identity for security purposes.
- (3) Each party acknowledges and agrees that the Trustee may receive, collect, use and disclose personal information provided to it or acquired by it in connection with this Agreement for the purposes described above, in the manner and on the terms described in its privacy policy or upon request.
- (4) The Trustee may transfer personal information to other companies in or outside of Canada that provide data processing and storage or other support in order to facilitate the services it provides.

ARTICLE 7 COMPENSATION

7.1 Fees and Expenses of the Trustee

The Trust and Exchangeco jointly and severally agree to pay the Trustee reasonable compensation for all of the services rendered by it under this Agreement and shall reimburse the Trustee for all reasonable expenses (including, but not limited to, taxes (other than taxes based on the net income or capital of the Trustee), fees paid to legal counsel and other experts and advisors and agents and travel expenses) and disbursements, including the reasonable cost and expense of any suit or litigation of any character and any proceedings before any governmental agency, in each case reasonably incurred by the Trustee in connection with its duties under this Agreement; provided, however, that the Trust and Exchangeco shall have no obligation to reimburse the Trustee for any expenses or disbursements paid, incurred or suffered by the Trustee in any suit or litigation or any such proceedings in which the Trustee is determined to have acted in bad faith or with fraud, gross negligence or willful misconduct.

ARTICLE 8 INDEMNIFICATION AND LIMITATION OF LIABILITY

8.1 Indemnification of the Trustee

- (1) The Trust and Exchangeco jointly and severally agree to indemnify and hold harmless the Trustee and each of its directors, officers, employees and agents appointed and acting in accordance with this Agreement (collectively, the **"Indemnified Parties"**) against all claims, losses, damages, reasonable costs, penalties, fines and reasonable expenses (including reasonable expenses of the Trustee's legal counsel) which, without bad faith, fraud, gross negligence or willful misconduct on the part of such Indemnified Party, may be paid, incurred or suffered by the Indemnified Party by reason or as a result of the Trustee's acceptance or administration of the Trust, its compliance with its duties set forth in this Agreement, or any written or oral instruction delivered to the Trustee by the Trust or Exchangeco pursuant hereto. Notwithstanding any other provision of this Agreement, any liability of the Trustee, except where same results from bad faith, fraud, gross negligence or willful misconduct on the part of the Trustee, shall be limited to an amount equal to the annual retainer paid by the parties to the Trustee under this Agreement in the 24 months immediately prior to the Trustee receiving the first notice of claim.
- (2) The Trustee shall promptly notify the Trust and Exchangeco of a claim or of any action commenced against any Indemnified Parties promptly after the Trustee or any of the Indemnified Parties shall have received written assertion of such a claim or action or have been served with a summons or other first legal process giving information as to the nature and basis of the claim or action; provided, however, that the omission to so notify the Trust or Exchangeco shall not relieve the Trust or Exchangeco of any liability which any of them may have to any Indemnified Party except to the extent that any such delay prejudices the defence of any such claim or action or results in any increase in the liability which the Trust or Exchangeco have under this indemnity. Subject to (ii) below, the Trust and Exchangeco shall be entitled to participate at their own expense in the defence and, if the Trust and Exchangeco so elect at any time after receipt of such notice, either of them may assume the defence of any suit brought to enforce any such claim. The Trustee shall have the right to employ separate counsel in any such suit and participate in the defence thereof, but the fees and expenses of such counsel shall be at the expense of the Trustee unless (i) the employment of such counsel has been authorized by the Trust or Exchangeco, or (ii) the

named parties to any such suit include both the Trustee and the Trust or Exchangeco and the Trustee shall have been advised by counsel acceptable to the Trust and Exchangeco that there may be one or more legal defences available to the Trustee that are different from or in addition to those available to the Trust or Exchangeco and that, in the judgement of such counsel, would present a conflict of interest were a joint representation to be undertaken (in which case the Trust and Exchangeco shall not have the right to assume the defence of such suit on behalf of the Trustee but shall be liable to pay the reasonable fees and expenses of counsel for the Trustee). This indemnity shall survive the termination of the Trust and the resignation or removal of the Trustee.

8.2 Limitation of Liability

The Trustee shall not be held liable for any loss which may occur by reason of depreciation of the value of any part of the Trust Estate or any loss incurred on any investment of funds pursuant to this Agreement, except to the extent that such loss is attributable to the bad faith, fraud, gross negligence, recklessness or willful misconduct on the part of the Trustee.

8.3 Force Majeure

No party shall be liable to the other, or held in breach of this Agreement, if prevented, hindered or delayed in the performance or observance of any provision contained herein by reason of act of god, riots, terrorism, acts of war, epidemics, governmental action or judicial order, earthquakes, or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Agreement shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 8.3.

ARTICLE 9 CHANGE OF TRUSTEE

9.1 Resignation

The Trustee, or any trustee hereafter appointed, may at any time resign by giving written notice of such resignation to the Trust and Exchangeco specifying the date on which it desires to resign, provided that such notice shall not be given less than 30 days before such desired resignation date unless the Trust and Exchangeco otherwise agree and provided further that such resignation shall not take effect until the date of the appointment of a successor trustee and the acceptance of such appointment by the successor trustee. Upon receiving such notice of resignation, the Trust and Exchangeco shall promptly appoint a successor trustee, which successor trustee shall be a corporation organized and existing under the laws of Canada and authorized to carry on the business of a trust company in all provinces and territories of Canada, by written instrument in duplicate, one copy of which shall be delivered to the resigning trustee and one copy to the successor trustee. Failing the appointment and acceptance of a successor trustee, a successor trustee may be appointed by order of a court of competent jurisdiction upon application of one or more of the parties to this Agreement. If the retiring trustee is the party initiating an application for the appointment of a successor trustee by order of a court of competent jurisdiction, the Trust and Exchangeco shall be jointly and severally liable to reimburse the retiring trustee for its legal costs and expenses in connection with same.

9.2 Removal

The Trustee, or any trustee hereafter appointed, may (provided a successor trustee is appointed) be removed at any time on not less than 30 days' prior notice by written instrument executed by the Trust and Exchangeco, in duplicate, one copy of which shall be delivered to the trustee so removed and one copy to the successor trustee, provided that such removal shall not take effect until the date of acceptance of appointment by the successor trustee.

9.3 Successor Trustee

Any successor trustee appointed as provided under this Agreement shall execute, acknowledge and deliver to the Trust and Exchangeco and to its predecessor trustee an instrument accepting such appointment. Thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor under this Agreement, with the like effect as if originally named as trustee in this Agreement. However, on the written request of the Trust and Exchangeco or of the successor trustee, the trustee ceasing to act shall, upon payment of any amounts then due to it pursuant to the provisions of this Agreement, execute and deliver an instrument transferring to such successor trustee all the rights and powers of the trustee so ceasing to act. Upon the request of any such successor trustee, the Trust, Exchangeco and such predecessor trustee shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers.

9.4 Notice of Successor Trustee

Upon acceptance of appointment by a successor trustee as provided herein, the Trust and Exchangeco shall cause to be mailed notice of the succession of such trustee hereunder to each Beneficiary specified in a List. If the Trust or Exchangeco shall fail to cause such notice to be mailed within ten days after acceptance of appointment by the successor trustee, the successor trustee shall cause such notice to be mailed at the expense of the Trust and Exchangeco.

ARTICLE 10 TRUST SUCCESSORS

10.1 Certain Requirements in Respect of Combination, etc.

So long as any Exchangeable Shares not owned by the Trust or its affiliates are outstanding, the Trust shall not enter into any transaction (whether by way of reorganization, consolidation, arrangement, amalgamation, merger, transfer, sale for otherwise) whereby all or substantially all of its undertaking, property and assets would become the property of any other person or, in the case of an amalgamation or merger, of the continuing corporation resulting therefrom, provided that it may do so if:

- (a) such other person or continuing corporation (the "**Trust Successor**"), by operation of law, becomes, without more, bound by the terms and provisions of this Agreement or, if not so bound, executes, prior to or contemporaneously with the consummation of such transaction, a trust agreement supplemental hereto and such other instruments (if any) as are necessary or advisable to evidence the assumption by the Trust Successor of liability for all moneys payable and property deliverable hereunder and the covenant of such Trust Successor to pay and deliver or cause to be paid and delivered the same and its agreement to observe and perform all the covenants and obligations of the Trust under this Agreement; and

- (b) such transaction shall be upon such terms and conditions as to substantially preserve and not impair any of the rights, duties, powers and authorities of the Trustee or the holders of the Exchangeable Shares.

10.2 Vesting of Powers in Successor

Whenever the conditions of Section 10.1 have been duly observed and performed, the parties, if required by Section 10.1, shall execute and deliver the supplemental trust agreement provided for in Section 10.1(a) and thereupon the Trust Successor and such other person that may then be the issuer of Trust Units shall possess and from time to time may exercise each and every right and power of the Trust under this Agreement in the name of the Trust or otherwise and any act or proceeding by any provision of this Agreement required to be done or performed by the trustee of the Trust or any officers of the Trust may be done and performed with like force and effect by the directors or officers of such the Trust Successor.

10.3 Wholly-Owned Subsidiaries

Nothing herein shall be construed as preventing (a) the amalgamation or merger of any wholly-owned direct or indirect subsidiary of the Trust (other than Exchangeco) with or into the Trust, (b) the winding-up, liquidation or dissolution of any wholly-owned direct or indirect subsidiary of the Trust (other than Exchangeco), provided that all of the assets of such subsidiary are transferred to the Trust or another wholly-owned direct or indirect subsidiary of the Trust, (c) any other distribution of the assets of any wholly-owned direct or indirect subsidiary of the Trust among the shareholders of such subsidiary for the purpose of winding up its affairs, and (d) any such transactions which are expressly permitted by this Article 10.

10.4 Successor Transactions

Notwithstanding the foregoing provisions of this Article 10, in the event of a Trust Control Transaction:

- (a) in which the Trust merges or amalgamates with, or in which all or substantially all of the then outstanding Trust Units are acquired by, one or more other corporations or other entities to which the Trust is, immediately before such merger, amalgamation or acquisition, “related” within the meaning of the *Income Tax Act* (Canada) (otherwise than by virtue of a right referred to in paragraph 251(5)(b) thereof);
- (b) which does not result in an acceleration of the Redemption Date in accordance with paragraph (ii) of the definition of Redemption Date in the Exchangeable Share Provisions; and
- (c) in which all or substantially all of the then outstanding Trust Units are converted into or exchanged for shares or securities or rights to receive such shares or securities (the “**Other Securities**”) of another entity (the “**Other Entity**”) that, immediately after such Trust Control Transaction, owns or controls, directly or indirectly, the Trust;

then, (i) all references herein to “the Trust” shall thereafter be and be deemed to be references to “Other Entity” and all references herein to “Trust Units” shall thereafter be and be deemed to be references to “Other Securities” (with appropriate adjustments, if any, as are required to result in a holder of Exchangeable Shares on the exchange, redemption or retraction of such shares

pursuant to the Exchangeable Share Provisions or the Plan of Arrangement or the exchange of such shares pursuant to this Agreement immediately subsequent to the Trust Control Transaction being entitled to receive that number of Other Securities equal to the number of Other Securities such holder of Exchangeable Shares would have received if the exchange, redemption or retraction of such shares pursuant to the Exchangeable Share Provisions or the Plan of Arrangement, or the exchange of such shares pursuant to this Agreement had occurred immediately prior to the Trust Control Transaction and the Trust Control Transaction was completed) but subject to subsequent adjustments to reflect any subsequent changes in the share capital of the issuer of the Other Securities, including without limitation, any subdivision, consolidation or reduction of share capital, without any need to amend the terms and conditions of this Agreement and without any further action required, and (ii) the Trust shall cause the Other Entity to deposit one or more voting securities of such Other Entity to allow Beneficiaries to exercise voting rights in respect of the Other Entity substantially similar to those provided for in this Agreement.

ARTICLE 11 AMENDMENTS AND SUPPLEMENTAL TRUST AGREEMENTS

11.1 Amendments, Modifications, etc.

Subject to Section 11.2, 11.4 and 13.1, this Agreement may not be amended or modified except by an agreement in writing executed by the Trust, Exchangeco and the Trustee and approved by the Beneficiaries in accordance with Section 11(b) of the Exchangeable Share Provisions.

11.2 Ministerial Amendments

Notwithstanding the provisions of Section 11.1, the parties to this Agreement may in writing, at any time and from time to time, without the approval of the Beneficiaries, amend or modify this Agreement for the purposes of:

- (a) adding to the covenants of any or all parties hereto for the protection of the Beneficiaries hereunder provided that the trustee of the Trust, and the boards of directors of Exchangeco, shall be of the good faith opinion that such additions will not be prejudicial to the rights or interests of the Beneficiaries;
- (b) evidencing the succession of Trust Successors and the covenants of and obligations assumed by each such Trust Successor in accordance with the provisions of Article 10;
- (c) making such amendments or modifications not inconsistent with this Agreement as may be necessary or desirable with respect to matters or questions arising hereunder which, in the good faith opinion of the trustee of the Trust and the boards of directors Exchangeco, and in the opinion of the Trustee, it may be expedient to make, provided that the trustee of the Trust, the board of directors of Exchangeco, and the Trustee shall be of the good faith opinion, after consultation with counsel, that such amendments or modifications will not be prejudicial to the rights or interests of the Beneficiaries; or
- (d) making such changes or corrections which, on the advice of counsel to the Trust, Exchangeco and the Trustee, are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error, provided that trustee of the Trust, the board of directors of

Exchangeco, and the Trustee shall be of the good faith opinion that such changes or corrections will not be prejudicial to the rights or interests of the Beneficiaries.

11.3 Meeting to Consider Amendments

Exchangeco, at the request of the Trust, shall call a meeting or meetings of the Beneficiaries for the purpose of considering any proposed amendment or modification requiring approval pursuant hereto. Any such meeting or meetings shall be called and held in accordance with the articles of Exchangeco, the Exchangeable Share Provisions and all applicable laws.

11.4 Changes in Capital of the Trust and Exchangeco

Notwithstanding the provisions of Section 11.1, at all times after the occurrence of any event contemplated pursuant to Section 2.6 or 2.7 of the Support Agreement or otherwise, as a result of which either the Trust Units or the Exchangeable Shares or both are in any way changed, this Agreement shall forthwith be amended and modified as necessary in order that it shall apply with full force and effect, mutatis mutandis, to all new securities into which the Trust Units or the Exchangeable Shares or both are so changed and the parties hereto shall execute and deliver a supplemental trust agreement giving effect to and evidencing such necessary amendments and modifications.

11.5 Execution of Supplemental Trust Agreements

No amendment to or modification or waiver of any of the provisions of this Agreement otherwise permitted hereunder shall be effective unless made in writing and signed by all of the parties hereto. Notwithstanding the provisions of Section 11.1, from time to time the Trust and Exchangeco (in each case, when duly authorized by its trustee or board of directors, as applicable) and the Trustee may, subject to the provisions of these presents, and they shall, when so directed by these presents, execute and deliver by their proper officers, trust agreements or other instruments supplemental hereto, which thereafter shall form part hereof, for any one or more of the following purposes:

- (a) evidencing the succession of Trust Successors and the covenants of and obligations assumed by each such Trust Successor in accordance with the provisions of Article 10 and the successors of the Trustee or any successor trustee in accordance with the provisions of Article 9;
- (b) making any additions to, deletions from or alterations of the provisions of this Agreement or the Voting Rights, the Exchange Right or the Automatic Exchange Right which, in the opinion of the Trustee, will not be prejudicial to the interests of the Beneficiaries or are, in the opinion of counsel to the Trustee, necessary or advisable in order to incorporate, reflect or comply with any legislation the provisions of which apply to the Trust, Exchangeco, the Trustee or this Agreement; and
- (c) for any other purposes not inconsistent with the provisions of this Agreement, including without limitation to make or evidence any amendment or modification to this Agreement as contemplated hereby; provided that, in the opinion of the Trustee, the rights of the Trustee and Beneficiaries will not be prejudiced thereby.

ARTICLE 12 TERMINATION

12.1 Term

The Trust created by this Agreement shall continue until the earliest to occur of the following events:

- (a) no outstanding Exchangeable Shares are held by a Beneficiary;
- (b) each of the Trust and Exchangeco elects in writing to terminate the Trust and such termination is approved by the Beneficiaries in accordance with Section 11(b) of the Exchangeable Share Provisions; and
- (c) 21 years after the death of the last survivor of the descendants of His Majesty King George VI of Canada and the United Kingdom of Great Britain and Northern Ireland living on the date of the creation of the Trust.

12.2 Survival of Agreement

This Agreement shall survive any termination of the Trust and shall continue until there are no Exchangeable Shares outstanding held by a Beneficiary; provided, however, that the provisions of Article 7 and Article 8 shall survive any such termination of this Agreement.

ARTICLE 13 GENERAL

13.1 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

13.2 Enurement

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns and, subject to the terms hereof, to the benefit of the Beneficiaries.

13.3 Notices to Parties

Any notice and other communications required or permitted to be given pursuant to this Agreement shall be sufficiently given if delivered in person or if sent by facsimile transmission (provided such transmission is recorded as being transmitted successfully) to the parties at the following addresses:

- (a) In the case of the Trust, at the following address:

●

Attention: ●

Facsimile: ●

with copies (which shall not constitute notice) to:

Sprott Asset Management LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

Attention: Arthur Einav, General Counsel
Facsimile: [REDACTED - PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

and to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: John Ciardullo and J.R. Laffin
Facsimile: 416-947-0866
Email: jciardullo@stikeman.com and jrlaffin@stikeman.com

(b) In the case of Exchangeco at the following address:

Sprott Asset Management LP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2600
Toronto, Ontario M5J 2J1

Attention: Arthur Einav, General Counsel
Facsimile: [REDACTED - PERSONAL INFORMATION]
Email: [REDACTED - PERSONAL INFORMATION]

with copies (which shall not constitute notice) to:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: John Ciardullo and J.R. Laffin
Facsimile: 416-947-0866
Email: jciardullo@stikeman.com and jrlaffin@stikeman.com

(c) In the case of Trustee, at the following address:

●

Attention: ●

Telephone: ●

Facsimile: ●

Email: ●

and such notice or other communication shall be deemed to have been given and received (x) if delivered on a Business Day prior to 5:00 p.m. (local time in the place where the notice or other communication is received), on the date of delivery, or (y) otherwise, on the next Business Day. Either party may change its address for notice by giving notice to the other parties in accordance with the foregoing provisions.

13.4 Notice to Beneficiaries

Any notice, request or other communication to be given to a Beneficiary shall be given or sent to the address of the holder recorded in the securities register of Exchangeco or, in the event of the address of any such holder not being so recorded, then at the last known address of such holder, in any manner permitted by the articles of Exchangeco, and shall be deemed received at the time specified by such articles. Accidental failure or omission to give any notice, request or other communication to one or more holders of Exchangeable Shares, or any defect in such notice, shall not invalidate or otherwise alter or affect any action or proceeding to be taken pursuant thereto.

13.5 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

13.6 Jurisdiction

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

13.7 Attornment

Each of the Trust, Exchangeco and the Trustee agrees that any action or proceeding arising out of or relating to this Agreement may be instituted in the courts of Ontario, waives any objection which it may have now or hereafter to the venue of any such action or proceeding, irrevocably submits to the non-exclusive jurisdiction of the said courts in any such action or proceeding, agrees to be bound by any judgement of the said courts and not to seek, and hereby waives, any review of the merits of any such judgement by the courts of any other jurisdiction, and the Trust hereby appoints Exchangeco at its registered office in the Province of Ontario as attorney for service of process.

13.8 Communications Methods

The Trustee shall be entitled to treat a facsimile, pdf or e-mail communication or communication by other similar electronic means in a form satisfactory to the Trustee ("**Electronic Methods**") from a person purporting to be (and whom the Trustee, acting reasonably, believes in good faith to be) the authorized representative of a party, as sufficient instructions and authority of the party

for the Trustee to act and shall have no duty to verify or confirm that such person is so authorized. The parties hereto acknowledges that they are fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than Electronic Methods.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

SPROTT PHYSICAL URANIUM TRUST

by its manager, **SPROTT ASSET
MANAGEMENT LP**, by its general partner,
SPROTT ASSET MANAGEMENT GP INC.

By: _____
Name:
Title:

2834819 ONTARIO INC.

By: _____
Name:
Title:

● **[Trustee]**

By: _____
Name:
Title:

SCHEDULE E
FORM OF MANAGEMENT AGREEMENT

MANAGEMENT AGREEMENT

THIS AGREEMENT made and entered into as of the ● day of ●, 2021

BETWEEN:

SPROTT PHYSICAL URANIUM TRUST,

a trust established under the laws of the Province of Ontario, by its trustee, ●
, a trust company incorporated under the federal laws of Canada

(hereinafter referred to as the “**Trust**”)

OF THE FIRST PART

- and -

SPROTT ASSET MANAGEMENT LP,

a limited partnership formed under the laws of the Province of Ontario

(hereinafter referred to as the “**Manager**”)

OF THE SECOND PART

WHEREAS the Trust was established under the laws of the Province of Ontario pursuant to the Trust Agreement (as hereinafter defined);

AND WHEREAS the Trust was created to invest and hold, directly or indirectly, substantially all of its assets in Uranium (as hereinafter defined), which will provide holders of units of the Trust with a convenient and exchange-traded investment alternative for investors interested in holding Uranium;

AND WHEREAS pursuant to the Trust Agreement, ● and the Manager were appointed as the trustee and the manager of the Trust, respectively;

AND WHEREAS pursuant to the Trust Agreement, the Manager has the full authority and exclusive power to manage and direct the business and affairs of the Trust including, without limitation, to provide the Trust with all necessary investment management services and all management and administrative services, and to provide such other services and facilities as described in the Trust Agreement;

AND WHEREAS pursuant to the Trust Agreement, the Trustee has no responsibility for the investment management of the Trust Property (as hereinafter defined) or for monitoring the Investment Policy (as hereinafter defined);

AND WHEREAS the Trust and the Manager wish to evidence by this Agreement the manner in which the Manager will provide investment management services to the Trust and such other management and administrative services to the Trust as hereinafter described, subject to the terms and conditions set out herein;

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties hereto agree as follows:

1. Definitions and Interpretations

The terms defined in this Section whenever used in this Agreement shall, unless the context otherwise requires, have the respective meanings hereinafter specified:

- (a) **"Agreement"** means this management agreement dated as of the day and year first above written as the same may be amended, restated or supplemented from time to time and **"herein"**, **"hereof"**, **"hereby"**, **"hereunder"** and similar expressions refer to this Agreement and include every instrument supplemental or ancillary to this Agreement and, except where the context otherwise requires, not to any particular article, section or subsection thereof;
- (b) **"Applicable Laws"** means, unless the context otherwise dictates, any applicable statute of Canada or of a province or territory of Canada or any applicable statute of the United States of America or of a state or territory of the United States of America or any applicable regulations, orders, instruments, policies or other laws made under statutory authority by any governmental or regulatory body or agency having jurisdiction over the Trust including, but not limited to, Securities Legislation and the Tax Act;
- (c) **"Arrangement"** means the arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in the Arrangement Agreement and the Plan of Arrangement, subject to any amendments or variations made at the direction of the Ontario Superior Court of Justice (Commercial List);
- (d) **"Arrangement Agreement"** means the arrangement agreement dated April 27, 2021 by and among Sprott Asset Management LP, the Trust, 2834819 Ontario Inc. and UPC;
- (e) **"Arrangement Effective Date"** means the date shown on the certificates of arrangement issued by the director pursuant to subsection 182(2) of the OBCA in respect of the articles of arrangement of UPC in respect of the Arrangement;
- (f) **"Business Day"** means any day on which the TSX, or any U.S. stock exchange on which the Units are listed, is open for trading;
- (g) **"Custodian"** means the Trustee, acting as the custodian of the Trust Property other than the Uranium, and any sub-custodians appointed by the Trustee, in accordance with the Trust Agreement, or any successor custodian of the Trust Property other than the Uranium appointed in accordance with the Trust Agreement or pursuant to one or more separate written custodial agreements;
- (h) **"Facility"** means a licensed uranium conversion facility operated by a duly licensed operator in the case of U_3O_8 or a duly licensed uranium enrichment facility in the case of UF_6 or any other reputable entity that is licensed and authorized to store Uranium and that the Trust or a Subsidiary has entered into an agreement to store such Uranium;
- (i) **"Investment Policy"** shall have the meaning set forth in Section 3 hereof;
- (j) **"Management Fee"** shall have the meaning set forth in Section 8 hereof;

- (k) “**Manager**” means Sprott Asset Management LP, acting as the manager of the Trust, and appointed in accordance with the Trust Agreement;
- (l) “**Net Asset Value of the Trust**” shall have the meaning and shall be calculated in accordance with the Trust Agreement;
- (m) “**OBCA**” means the *Business Corporations Act* (Ontario);
- (n) “**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (o) “**Plan of Arrangement**” has the meaning ascribed thereto in the Arrangement Agreement;
- (p) “**Securities Authorities**” means the Ontario Securities Commission and equivalent securities regulatory authorities in each applicable province and territory of Canada, and the United States Securities and Exchange Commission;
- (q) “**Securities Legislation**” means the laws, regulations, rules, requirements and policies of the Securities Authorities which are in effect from time to time and applicable to the Trust including, but not limited to, National Instrument 81-102 *Investment Funds*, National Instrument 81-106 *Investment Fund Continuous Disclosure*, National Instrument 81-107 *Independent Review Committee for Investment Funds*, the *United States Securities Act of 1933*, as amended and, if applicable, the *United States Securities Exchange Act of 1934*, as amended;
- (r) “**Subsidiary**” means a direct or indirect wholly-owned subsidiary of the Trust, including, following the Arrangement, each of UPC, 2834819 Ontario Inc., Uranium Participation Bermuda Limited (“**UPBL**”) and Uranium Participation Bermuda 2 Limited (“**UPBL2**”, and together with UPBL and any other Subsidiary, collectively, the “**Subsidiaries**”)
- (s) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations, rules, requirements and policies promulgated thereunder, as amended from time to time;
- (t) “**Technical Advisor**” means the Person(s) appointed by the Manager, on behalf of the Trust and each Subsidiary, as applicable, from time to time pursuant to the provisions hereof and any technical advisory, consulting or other similar agreement, to provide advisory services to the Manager, including: (i) commercial services with respect to: (a) the management of the movement and storage of Uranium assets in accordance with reasonable standard industry practice; (b) all of the Trust’s and its Subsidiaries’ transactions involving the purchase and sale of Uranium, lending or relocation of Uranium, and (c) other means of optimizing the Trust’s portfolio value, (ii) periodic communication with the Manager related to current and forecasted market conditions; and (iii) reasonable support of the Manager’s marketing efforts for the Trust;
- (u) “**Trust**” means Sprott Physical Uranium Trust, a trust established pursuant to the Trust Agreement;

- (v) **"Trust Agreement"** means the amended and restated trust agreement of the Trust dated the date hereof, as the same may be amended, restated, supplemented or replaced from time to time;
- (w) **"Trust Property"** at any time, means any and all securities, cash (including free credit balances), property and assets, real and personal, tangible and intangible, transferred, conveyed or paid to the Trust including, without limitation:
 - (i) all funds realized from the sale of Units;
 - (ii) Uranium held, directly or indirectly through one or more Subsidiaries, for the account of the Trust;
 - (iii) the securities of each of the Subsidiaries;
 - (iv) all investments, sums or property of any type or description (other than Uranium) from time to time delivered to and received by the Trust or held for its account, directly or indirectly, as directed by the Manager and accepted by the Trustee on behalf of the Trust in accordance with the Trust Agreement;
 - (v) any proceeds of disposition of any of the foregoing property and assets; and
 - (vi) all income, interest, profit, gains and accretions and additional rights arising from or accruing to such foregoing property or such proceeds of disposition;
- (x) **"Trustee"** means ●, acting as the trustee of the Trust, or any successor trustee appointed in accordance with the Trust Agreement;
- (y) **"Unit"** means a unit of beneficial interest, in any class or series of a class of the Trust, as presently constituted pursuant to the Trust Agreement or as the same may from time to time hereinafter be constituted, collectively referred to as the **"Units"**, which, for greater certainty, does not include the Special Voting Unit (as defined in the Trust Agreement);
- (z) **"UPC"** means Uranium Participation Corporation;
- (aa) **"Uranium"** means uranium oxide in concentrates (U_3O_8) or uranium hexafluoride (UF_6);
- (bb) **"Valuation Date"** means each Business Day, unless the Manager determines that the assets of the Trust should be valued less frequently, either generally or in respect of one or more specific instances, in which event "Valuation Date" shall mean such Business Day or Business Days as the Manager determines.

In this Agreement, where the context so indicates, the singular shall include the plural and the masculine shall include the feminine and neuter.

2. Appointment of the Manager

The Manager hereby directs the Trustee to execute this Agreement on behalf of, and in order for, the Trust to appoint the Manager to provide all necessary or advisable investment management and administrative services and facilities as hereinafter set forth and the Manager hereby accepts

such appointment and agrees to act in such capacity and to provide such investment management and administrative services and facilities upon the terms set forth in this Agreement.

The Trust hereby retains the Manager to manage the Trust Property in the name of the Trust with full discretionary authority as to all trades on a continuing basis until terminated and subject to and in accordance with the provisions of this Agreement.

The Manager may from time to time employ or retain any other person or entity where the Manager, in its sole discretion, has determined that it would be in the best interests of the Trust to do so (including without limitation any Technical Advisor), to provide investment management and administrative services on behalf of the Manager or to assist the Manager in managing or providing investment management and administrative services with respect to all or any portion of the Trust Property, and in performing other duties of the Manager set out in this Agreement (including without limitation any Technical Advisor). In the event that the Manager engages such other person or entity to provide investment management services with respect to the Trust Property, and such other person or entity is not registered as an adviser (or exempt from such registration requirement) under the *Securities Act* (Ontario), the Manager shall be responsible under the terms of this Agreement and the Trust Agreement to the Trust for advice received from such other person or entity with respect to the Trust Property as if such advice were given by the Manager.

In accordance with its authority and exclusive powers to manage and direct the investment management and administrative services for the Trust, the Manager, on behalf of the Trust, shall select qualified brokers or dealers to transact trades in respect of the Trust Property. The Manager may execute a portion of such portfolio transactions through an affiliate (as such term is defined in the *Securities Act* (Ontario)) which is a registered investment dealer. The Manager or its affiliates will offer competitive rates and will only execute trades as an investment dealer for the Trust when the executions obtained would be on terms and conditions no less favourable to the Trust than would otherwise be obtainable if the orders were placed through independent brokers or dealers and at commission rates equal or comparable to rates that would have been charged by independent brokers or dealers.

Funds of the Manager shall not be commingled with those of the Trust under any circumstances.

3. Investment Policy

The Trust's investment objective, strategy and operating restrictions with respect to the Trust Property are set out in Article 22 of the Trust Agreement (the "**Investment Policy**") (and reproduced for reference in Schedule A attached hereto). Subject to applicable Securities Legislation and the terms of the Trust Agreement, and this Agreement, the Manager shall advise the Trust in writing promptly of any material change to the Investment Policy, and any such writing shall be annexed hereto as a supplementary schedule.

4. Investment Management Services

The Manager shall manage the Trust Property by taking such action from time to time in connection therewith as the Manager, in its sole discretion, shall deem necessary or desirable for the proper investment management of the Trust Property at all times in compliance with the Investment Policy. It is expressly understood that the Manager's investment discretion shall, subject to the Investment Policy, be absolute. Without limiting the generality of the preceding sentence, the Manager shall not be limited to investing the Trust Property in securities of a class authorized for investment by trustees if otherwise permitted by the Investment Policy.

The Trust hereby grants to the Manager, subject to, and in accordance with, the Trust Agreement and the Investment Policy, all power and authority necessary to give effect to the foregoing, with full power to delegate any of such duties to the extent permitted under applicable law and subject to the terms of the Trust Agreement and Section 3 and Section 12 of this Agreement, including, without limitation, the power to:

- (a) achieve the Trust's investment objectives and oversee the strategy and restrictions of the Trust, including providing investment advisory and portfolio management services to the Trust;
- (b) provide investor relations, sales and marketing support for the Trust, as well as client service support and direct the Manager's subject matter experts and spokespeople to promote the merits of investing in Uranium, through an investment in the Trust;
- (c) oversee the direct or indirect administration of the Subsidiaries;
- (d) obtain commercial services with respect to the movement and safe storage of Uranium at Facilities;
- (e) arrange for, and complete, for and on behalf of the Trust, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of Uranium at the best prices available over a prudent period of time;
- (f) obtain brokerage and other services (including without limitation from a Technical Advisor) with respect to the purchase and sale of Uranium, as well as other services aimed at optimizing the value of the Trust's portfolio (it being agreed that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all Uranium Buy/Sell Transactions (as defined below));
- (g) provide for the Trust delivery and payment particulars in respect of each purchase and sale of Uranium and arrange with the Facilities for the storage of Uranium held by or for the account of the Trust, including arrangements regarding indemnities or insurance for the loss of such Uranium in accordance with industry practices;
- (h) monitor relationships with the Facilities (and any other service providers) that have been appointed by the Manager, in its own right or on behalf of the Trust, to hold and store the Uranium that is owned by the Trust;
- (i) provide or arrange to be provided research, information, data, advice, opportunities and recommendations with respect to the making, acquiring (by purchase, investment, re-investment, exchange or otherwise), holding and disposing (through sale, exchange or otherwise) of Trust Property in the name of, on behalf of, and at the risk of, the Trust;
- (j) obtain for the Trust such services as may be required in acquiring, disposing of and owning Trust Property including, but not limited to, the placing of orders with brokers and investment dealers to purchase, sell and otherwise trade in or deal with any Trust Property in the name of, on behalf of, and at the risk of, the Trust (it being agreed that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all Uranium Buy/Sell Transactions (as defined below));

- (k) direct the delivery of Trust Property that is sold, exchanged or otherwise disposed of from the Trust's account and direct payment for Trust Property acquired for the Trust's account upon delivery to the Custodian;
- (l) direct the holding of all or any part of the Trust Property in cash or cash equivalents from time to time available for investment in Uranium, which cash or cash equivalents shall be invested or held in accordance with the terms of the Trust Agreement, and investing all or any part of said cash or cash equivalents from time to time available for investment in short-term debt obligations of or guaranteed by the Government of Canada or a province thereof, or the Government of the United States of America or a state thereof, or such other short-term investment grade corporate debt obligations as the Manager, in its discretion, deems advisable;
- (m) exercise, or direct the exercise of, any and all rights, powers and discretion in connection with the Trust Property, including the power to vote any securities at meetings of securityholders or executing proxies or other instruments on behalf of the Trust for that purpose, and to consent to any reorganization or similar transaction;
- (n) maintain the accounting records for the Trust and to cause the financial statements of the Trust to be audited for each fiscal year;
- (o) make any election to be made in connection with any mergers, acquisitions, tender offers, take-over bids, arrangements, bankruptcy proceedings or other similar occurrences which may affect the Trust Property;
- (p) execute any prospectus, registration statement or similar offering document relating to the offering of securities of the Trust filed with the Securities Authorities on behalf of the Trust; and
- (q) generally perform any other act necessary to enable it to carry out its obligations under this Agreement and the Trust Agreement.

5. Records

The Manager shall keep at all times proper books of account and records relating to the services performed hereunder, which books of account and records shall be accessible for inspection by the Trust at any time during normal business hours.

6. Information, Statements and Reports

The Manager shall provide for the Trust periodic statements describing the Trust Property, and transactions involving the Trust Property, as follows:

- (a) at the end of each month in which a transaction has been effected in respect of the Trust Property; or
- (b) at the end of each calendar quarter if no transaction has been effected with respect to the Trust Property.

The Manager shall provide for the Trust with notice of any change in the primary portfolio manager(s) who are responsible for the day-to-day investment management decisions made on behalf of the Trust Property. The Manager shall also provide for the Trust notice of any action,

inquiry or proceeding involving the Manager which is initiated by a Securities Authority having jurisdiction over the Manager's investment management operations, unless such action, inquiry or proceeding is initiated in conjunction with correspondence and applications made in the ordinary course of maintaining such registrations in good standing and such action, inquiry or proceeding does not have an adverse material effect on the Trust, including the Manager's ability to act as discretionary investment manager of the Trust Property.

7. Custody of Trust Property

It is agreed that the Manager, on behalf of the Trust, shall be entitled to make arrangements for the Trust Property, or any part thereof, to be held by such custodians or Facilities as the Manager may designate; in such event, the Manager agrees to provide the Trust with a copy of any authorization to such custodians or Facilities regarding acceptance of instructions from the Manager or the Trust and the Trust agrees not to withdraw any of the Trust Property so held without notice to the Manager.

Subject to the foregoing paragraph, the Trust and the Manager agree that Uranium will be held by Facilities designated by the Manager on behalf of the Trust, and the Trust Property other than the Uranium will be held by the Custodian.

8. Fees and Expenses

In consideration for the management, administrative and investment management services rendered by the Manager pursuant to this Agreement and the Trust Agreement, the Manager shall receive from the Trust:

- (a) a monthly management fee (the **"Management Fee"**) set out in Schedule B attached hereto, as such may be amended from time to time; and
- (b) the following additional fees (the **"Additional Fees"**):
 - (i) a commission of 1.0% of the gross value of any purchases or sales of Uranium (**"Uranium Buy/Sell Transactions"**), to be paid not later than ten (10) Business Days upon the receipt of delivery of Uranium to, or the delivery of Uranium by, the Trust, as the case may be, in connection with such Uranium Buy/Sell Transactions provided that the Manager shall be responsible for any and all third party brokerage fees, commissions and service charges and other similar fees relating to all Uranium Buy/Sell Transactions; and
 - (ii) for any other loan, swap or relocation of Uranium or other commercial transaction by or on behalf of the Trust (a **"Value-Added Service"**), an additional fee equal to the amount that would be paid an arm's length party (within the meaning of the Tax Act) for comparable services, including giving consideration to the complexity of the transaction, the value created for the Trust and other appropriate factors, provided such additional fee in this paragraph (b) shall generally be between \$25,000 and \$75,000 per transaction but shall not exceed the economic benefit to the Trust of the Value-Added Service.

In addition to the Management Fee and the Additional Fees paid to the Manager pursuant to the foregoing paragraphs, the Trust shall reimburse the Manager for all reasonable out-of-pocket expenses incurred by the Manager in connection with the duties set out in Section 4 hereof

(including reimbursements to third parties in that regard, which, for greater certainty shall include reasonable expenses reimbursed by the Manager to any Technical Advisor) to the extent such expenses were incurred for and on behalf of the Trust and do not represent administrative or internal costs of the Manager, any Technical Advisor or third parties necessary for it to carry out its functions hereunder or, in the case of the Technical Advisor or third parties, for which it has otherwise been engaged or for which it is otherwise responsible to pay out of the Management Fee hereunder or under the Trust Agreement, and further provided such expenses do not contain any mark-up and administrative fees. Such expenses shall be reimbursed on each Valuation Date when incurred.

The Manager shall be responsible for paying the fees of any Technical Advisor out of the Management Fee (which, for greater certainty, shall not include any expenses of the Technical Advisor for which it is reimbursed by the Manager, which shall be addressed as set forth in the immediately preceding paragraph).

No more than six (6) months after the Arrangement Effective Date, the Manager shall have submitted to the New York Stock Exchange Arca ("**NYSE Arca**") a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, in order to effect a listing of the Units on NYSE Arca. The Manager shall also use its commercially reasonable efforts to obtain a listing of the Units on the NYSE Arca or similar U.S. stock exchange and shall pay all out-of-pocket, documented costs incurred by the Trust in connection therewith up to an aggregate maximum of \$1.5 million (not including amounts paid to or owing to the Manager or the Technical Advisor or any delegate of the Manager).

9. Other Activities of the Manager

The Trust acknowledges that the Manager has investment management responsibilities and contracts with other persons, companies, limited partnerships, trusts, investment funds and other entities. The Trust therefore agrees that the Manager may provide investment management and other services to such other persons and entities which are similar or different from the services provided to the Trust by the Manager even though such other persons or entities may be the same or similar to the Trust. The Trust hereby accedes to such advisory arrangement consequences on the understanding that the Manager will act in good faith and follow a policy of allocating over a period of time investment opportunities to the Trust on a basis which is, in the Manager's reasonable opinion, fair and equitable to the Trust relative to investment opportunities allocated to other persons or entities for which the Manager is responsible, and of which the Manager has knowledge, in which case the Manager shall not be liable to account to the Trust for any profit, commission or remuneration made or received from or by reason of such investment decisions or advice.

Subject to the Investment Policy, the Manager, on behalf of the Trust, may from time to time invest the Trust Property in securities of an issuer in which the Manager or any affiliate, or any director, partner, officer, shareholder and/or employee of either has an interest or is an officer, a partner or a director, as set out under the sub-heading "Conflicts of Interest" in Schedule C attached hereto.

10. Authority to Enter into Agreement

Each of the parties to this Agreement hereby represents and warrants to the other that it is duly authorized and empowered to execute, deliver and perform this Agreement and that such action does not conflict with or violate any provision of law, regulation, policy, contract, deed of trust or other instrument to which it is a party or by which it is bound and that this Agreement constitutes a valid and binding obligation of it enforceable in accordance with its terms.

The Trust shall provide to the Manager concurrently with the execution and delivery by the Trust of this Agreement all such evidence of authority to act including, without limitation, designations of authorized persons and certified copies of the Trust Agreement and other documents, as the Manager may require. The Manager may continue to rely on all such evidence until notice to the contrary given hereunder has been received by it.

11. Representations and Warranties of the Manager

The Manager hereby represents and warrants to the Trust that:

- (a) the Manager is registered under the securities laws of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as an adviser in the registration category of portfolio manager;
- (b) the Manager is registered under the securities laws of Ontario, Québec, and Newfoundland and Labrador in the registration category of investment fund manager; and
- (c) the Manager has obtained, completed, executed, filed, received and passed, as the case may be, all registrations, filings, approvals, authorizations, consents and/or examinations required under applicable Securities Legislation or by any Securities Authority by reason of its activities as Manager hereunder and it shall maintain such registrations, filings, authorizations and consents throughout the term of this Agreement.

12. Standard of Care

The Manager shall exercise the powers granted and discharge its duties hereunder honestly, in good faith and in the best interests of the Trust and, in connection therewith, shall exercise the degree of care, diligence and skill that a reasonably prudent professional manager would exercise in comparable circumstances. However, it is agreed that the Manager does not in any way guarantee the performance of the Trust Property and shall not be responsible for any loss in respect of the Trust Property, except where such loss arises out of acts or omissions of the Manager done or suffered in breach of its standard of care (including in connection with the Manager's delegation of its duties to any third party) or through the Manager's own negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty (including in connection with the Manager's delegation of its duties to any third party) or a material failure to comply with Applicable Laws or the provisions set forth in this Agreement or the Trust Agreement.

13. Liability of the Manager

The Manager shall not be liable to the Trust or any unitholder thereof for any loss suffered by the Trust or any unitholder thereof, as the case may be, which arises out of any action or inaction of the Manager if such course of conduct did not constitute a breach of its standard of care (including in connection with the Manager's delegation of its duties to any third party) or negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty (including in connection with the Manager's delegation of its duties to any third party) or a material failure to comply with Applicable Laws or the provisions set forth in this Agreement or the Trust Agreement, and if the Manager, in good faith, determined that such course of conduct was in the best interests of the Trust.

The Trust acknowledges and agrees that the Manager shall not be responsible for any loss of opportunity whereby the value of any of the Trust Property could have been increased nor shall it be responsible for any decline in value of any of the Trust Property unless such decline is the result

of the Manager's breach of its standard of care (including in connection with the Manager's delegation of its duties to any third party) or negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty (including in connection with the Manager's delegation of its duties to any third party) or a material failure in complying with Applicable Laws or the provisions set forth in this Agreement or the Trust Agreement.

The Trust acknowledges and agrees that the Manager shall not be responsible for any losses or damages to the Trust arising out of any action or inaction by the Custodian, a Facility, or any sub-custodian holding the Trust Property, unless such action or inaction arises out of or is the result of the Manager's breach of its standard of care (including in connection with the Manager's delegation of its duties to any third party) or negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty (including in connection with the Manager's delegation of its duties to any third party) or a material failure in complying with Applicable Laws or the provisions set forth in this Agreement or the Trust Agreement, or, for greater certainty the Manager's failure to meet its standard of care in the appointment and on-going monitoring of any Facility, or the Manager's failure to meet its standard of care in the appointment and on-going monitoring of any custodian or sub-custodian appointed by the Manager.

The Manager may rely and act upon any statement, report or opinion prepared by or any advice received from auditors, solicitors, notaries or other professional advisors of the Manager and shall not be responsible or held liable for any loss or damage resulting from relying or acting thereon if the advice was within the area of professional competence of the person from whom it was received and the Manager acted reasonably and in good faith in relying thereon.

The Manager hereby acknowledges and agrees that the obligations of the Trust hereunder are not personally binding upon the unitholders of the Trust, any annuitant under a plan of which a unitholder of the Trust acts as a trustee or carrier, or the agents of the Trust and that the Manager shall not resort to or seek redress, recourse or satisfaction from the private property of any of the foregoing, whether the liability be based on contract, tort or otherwise. The Manager agrees that only the Trust and the Trust Property shall be bound by and subject to the obligations and liabilities arising out of this Agreement.

14. Indemnity

The Trust shall indemnify and hold harmless the Manager and its partners, officers, agents and employees from and against any and all expenses, losses, damages, liabilities, demands, charges, costs and claims of any kind or nature whatsoever (including legal fees, judgments and amounts paid in settlement, provided that the Trust has approved such settlement in accordance with the Trust Agreement) in respect of the acts, omissions, transactions, duties, obligations or responsibilities of the Manager as manager of the Trust, save and except where such expenses, losses, damages, liabilities, demands, charges, costs or claims are caused by acts or omissions of the Manager done or suffered in breach of its standard of care or through the Manager's own negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty or a material failure in complying with Applicable Laws or the provisions set forth in this Agreement or the Trust Agreement.

The Manager shall indemnify and save harmless the Trustee, its affiliates, subsidiaries and agents, and their respective directors, officers, and employees (each an **"Indemnified Party"**) from and against all costs, expenses (including reasonable costs of litigation and reasonable legal fees and expenses), damages, claims, actions, demands and liabilities to which the Indemnified Party may become subject as a result of any act or omission in connection with this Agreement.

15. Not Partners or Joint Venturers

The Trust and the Manager are not partners or joint venturers with each other and nothing herein shall be construed so as to make them partners or joint venturers or impose any liability as such on either of them; provided, however, that nothing herein shall be construed so as to prohibit the Trust and the Manager or its affiliates from embarking upon an investment together as partners, joint venturers or in any other manner whatsoever, subject to Applicable Law.

16. Term

This Agreement shall become effective on the date hereof and shall be in force until the date that is the five-year anniversary of the Arrangement Effective Date and shall be automatically renewed from time to time thereafter for additional terms of one year unless otherwise terminated pursuant to Section 17 hereof.

17. Termination

This Agreement shall continue in full force and effect until this Agreement is terminated by either party giving at least 90 days' prior written notice (or such shorter period upon which the parties may mutually agree in writing) to the other party of such termination.

The Trust may terminate immediately this Agreement if the Manager is, in the opinion of the Trustee, in material default of its obligations under this Agreement or the Trust Agreement and such default continues for 120 days from the date that the Manager receives notice of such default from the Trustee and no successor manager has been appointed by the unitholders of the Trust pursuant to the Trust Agreement.

In addition, the Trust may terminate immediately this Agreement where: (i) the Manager has been declared bankrupt or insolvent or has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reconstruction); (ii) the Manager makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or (iii) the assets of the Manager have become subject to seizure or confiscation by any public or governmental authority.

Such termination of the Agreement will be without prejudice to the rights and liabilities created under this Agreement prior to the effective date of the termination. Termination of this Agreement in accordance with the terms hereof shall not result in any penalty or other fee.

The parties acknowledge and agree that any change of the Manager (other than to its affiliate) requires the approval of the unitholders of the Trust and the approval of Securities Authorities in accordance with applicable Securities Legislation.

Upon termination or assignment of this Agreement, the Manager shall forthwith deliver to the Trust, in the case of termination, or to the assignee, in the case of an assignment:

- (a) all records, documents and books of account of the Trust; and
- (b) all materials and supplies of the Trust,

which are in the possession or control of the Manager and relate directly or indirectly to the performance by the Manager of its obligations under this Agreement; provided, however, that the Manager may retain notarial or other copies of such records, documents and books of account and the Trust or the assignee shall produce at its head office the originals of such records, documents

and books of account whenever reasonably required to do so by the Manager for the purpose of legal proceedings or dealings with any governmental authorities.

Notwithstanding the foregoing paragraphs, the Trust reserves the right to make a partial withdrawal from the Trust Property by providing prior written notice to the Manager.

With respect to any transactions entered into by the Manager on behalf of the Trust prior to giving or receiving notice of termination or partial withdrawal, such transactions shall not be affected by such termination or partial withdrawal and adequate provisions will be made for proper settlement of outstanding commitments and the orderly transfer of the Trust Property.

18. Conflict of Interest Policy

Attached as Schedule C hereto is a copy of the Manager's Statement of Policies, which policies may be amended or restated from time to time.

19. Confidentiality and Anti-Money Laundering Legislation

The Manager shall treat as confidential all information pertaining to the Trust including, without limitation, the financial affairs of the Trust, and the Manager shall not disclose such confidential information to persons who are not involved in the management and operation of the Trust, except with the Trust's consent or as may be necessary to comply with Applicable Laws or rules, regulations and policies of Securities Authorities. The Trust will treat all investment advice and information which it receives from the Manager as confidential and for the exclusive use of the Trust.

With respect to any prospective investor or unitholder of the Trust, the Manager shall comply with Applicable Laws aimed at the prevention of money laundering and terrorist financing. If, as a result of any information or other matter coming to the attention of the Manager, or any of its directors, partners, officers, employees, or its professional advisors, the Manager knows or suspects that a prospective investor or unitholder of the Trust is engaged in money laundering or terrorist financing, the Manager shall be required to report such information or other matter to the Financial Transactions and Reports Analysis Centre of Canada and such report or any other report required by Applicable Laws shall not be treated as a breach of any restriction upon the disclosure of information imposed by Canadian law or otherwise.

20. Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and if delivered, shall be delivered to a responsible officer of the Trust or to the Manager, as the case may be, and if mailed shall be mailed by prepaid registered mail:

- (a) in the case of the Trust:

●

Attention: ●

Telephone: ●

Facsimile: ●

- (b) in the case of the Manager:

Sprott Asset Management LP

Royal Bank Plaza, South Tower
200 Bay Street
Suite 2700, P.O. Box 27
Toronto, Ontario
M5J 2J1

Attention: Chief Compliance Officer

Telephone: (416) 943-6388
Facsimile: (416) 943-6497

or at such other address and number as the party to whom such communication is to be given shall have last notified the party giving the same in the manner provided in this section.

Any notice so mailed shall be deemed to have been given and received at the time of delivery. Any notice so mailed shall be deemed to have been given and received if given by the Trust, when received by the Manager, and if given by the Manager, on the third Business Day following such mailing, except in the event of interruption of normal postal service, in which event it shall be deemed given when received by the Trust. Either party may from time to time upon written notice to the other party change their or its address.

21. Currency

Unless otherwise indicated, all references to sums of money or to "\$" are references to Canadian dollars.

22. Headings

The inclusion of section headings in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

23. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. The parties hereto hereby attorn to the jurisdiction of the courts of Ontario for arbitration of any disputes between them with respect to the subject matter hereof.

24. Entire Agreement

This Agreement, including the Schedules attached hereto, and the Trust Agreement constitute the entire agreement between the parties pertaining to the subject matter hereof and supersede and replace all prior understandings, agreements, negotiations or discussions, whether written or oral, between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understanding, express or implied, between the parties other than those expressly set forth in this Agreement and the Trust Agreement.

25. Further Acts

Each of the Trust and the Manager shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement.

26. Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by Applicable Law, the parties waive any provision of law which renders any provision of this Agreement invalid or unenforceable in any respect.

27. Amendment

This Agreement may not be amended, changed, supplemented or otherwise modified in any respect except by written instrument executed by the parties hereto or their respective successors or permitted assigns.

28. Assignment

This Agreement shall not be assigned by the Trust without the prior written consent of the Manager. Upon notice to the Trust, the Manager may transfer or assign any and all rights granted hereunder to any of its successors or affiliates.

29. Successors

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

30. Counterparts

This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF the Trust and the Manager, by proper officers duly authorized on their behalf, have executed this Agreement as of the date first above written.

SPROTT PHYSICAL URANIUM TRUST, by
its Trustee, ● without personal liability

By: _____
[Name]
[Title]

By: _____
[Name]
[Title]

We have the authority to bind the Trustee.

SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**, in its capacity as
the Manager of the Trust

By: _____
[Name]
[Title]

By: _____
[Name]
[Title]

We have the authority to bind the Manager.

SCHEDULE A

INVESTMENT POLICY

Investment Objective

The Trust was created to participate in the Arrangement and to subsequently invest and hold substantially all of its assets in Uranium. The Trust seeks to provide a convenient and exchange-traded investment alternative for investors interested in holding Uranium. The Trust does not anticipate making regular cash distributions to unitholders of the Trust.

Investment Strategy

The Trust intends to achieve its objective by investing primarily in long-term holdings of unencumbered, fully allocated, Uranium and generally will not speculate with regard to short-term changes in Uranium prices.

Investment and Operating Restrictions

The investment activities of the Trust are intended to be conducted in accordance with, among other things, the following investment and operating restrictions, and they provide that the Trust:

- (a) will invest in and hold, directly or indirectly, a minimum of 90% of the total net assets of the Trust in Uranium and invest in and hold, directly or indirectly, no more than 10% of the total net assets of the Trust, at the discretion of the Manager, in debt obligations guaranteed by the Government of the United States or a state thereof or by the Government of Canada or a province of Canada, short-term commercial paper obligations of a corporation or other person whose short-term commercial paper is rated R-1 (or its equivalent, or higher) by Dominion Bond Rating Service Limited or its successors or assigns or F1 (or its equivalent, or higher) by Fitch Ratings or its successors or assigns or A-1 (or its equivalent, or higher) by Standard & Poor's or its successors or assigns or P-1 (or its equivalent, or higher) by Moody's Investor Service or its successors or assigns, interest-bearing accounts and short-term certificates of deposit issued or guaranteed by a Canadian chartered bank or trust company, money market mutual funds, short-term government debt or short-term investment grade corporate debt, cash or other short-term debt obligations approved by the Manager from time to time (for the purpose of this paragraph, the term "**short-term**" means having a date of maturity or call for payment not more than 182 days from the date on which the investment is made), except during the 60-day period following the closing of additional offerings or prior to the distribution of the assets of the Trust;
- (b) will have the ability to optimize the value of the Trust through normal nuclear fuel cycle transactions, including loans, swap/exchanges, and similar transactions, so long as these transactions provide value to the Trust and the risk associated with each transaction is minimized to the satisfaction of the Manager;
- (c) will not issue Units following the Arrangement Effective Date except (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Class Net Asset Value (as defined in the Trust Agreement) per Unit prior to, or upon, the determination of the pricing of such issuance or (ii) by way of Unit distribution in connection with an income distribution;

- (d) will not invest in financial instruments that represent Uranium or that may be exchanged for uranium, other than through forward contracts for the sole purpose of purchasing physical uranium for future delivery;
- (e) will ensure that the storage of physical Uranium is governed by agreements with the Facilities having generally customary terms for agreements of such nature;
- (f) subject to (e) above, will ensure that the physical uranium remains unencumbered;
- (g) will not guarantee the securities or obligations of any Person other than the Manager, and then only in respect of the activities of the Trust;
- (h) will not use leverage other than for short-term borrowings to settle trades;
- (i) in connection with requirements of the Tax Act, will not invest in any security that would be a tax shelter investment within the meaning of section 143.2 of the Tax Act;
- (j) in connection with requirements of the Tax Act, will not invest in the securities of any non-resident corporation, trust or other non-resident entity (or of any partnership that holds such securities) if the Trust (or the partnership) would be required to include any significant amount in income under sections 94, 94.1 or 94.2 of the Tax Act; and
- (k) in connection with requirements of the Tax Act, will not carry on any business and make or hold any investments that would result in the Trust itself being subject to the tax for SIFT trusts as provided for in section 122 of the Tax Act,

provided that notwithstanding the foregoing, the Trust, the Trustee and/or the Manager shall have the power to take such acts as are determined by the Manager to be necessary or appropriate to give effect to the Arrangement and to execute such instruments as may be necessary and desirable to do so.

SCHEDULE B

FEES

Management Fee

As compensation for providing management, administrative and investment management services to the Trust pursuant to this Agreement and the Trust Agreement, the Trust shall pay the Manager a monthly Management Fee equal to $\frac{1}{12}$ of 0.35% of the Net Asset Value of the Trust (as defined in the Trust Agreement) plus any applicable federal and provincial taxes. The Management Fee shall be calculated and accrued daily and payable monthly in arrears on the last day of each month.

SCHEDULE C

Sprott Asset Management

SPROTT ASSET MANAGEMENT LP STATEMENT OF POLICIES

IMPORTANT - The securities laws of certain jurisdictions of Canada require securities dealers and advisers, when they trade in or advise with respect to their own securities or securities of certain other issuers to which they, or certain other parties related to them, are related or connected, to do so only in accordance with particular disclosure and other rules. These rules require dealers and advisers, prior to trading with or advising their customers or clients, to inform them of the relevant relationships and connections with the issuer of the securities. Clients and customers should refer to the applicable provisions of these securities laws for the particulars of these rules and their rights or consult with a legal advisor.

General

Sprott Asset Management LP (herein referred to as “**SAM**”, “**we**”, “**us**” or “**this firm**”) is registered as an investment fund manager in Ontario, Quebec and Newfoundland and Labrador and a portfolio manager in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia and Newfoundland and Labrador. SAM is also a SEC-registered investment advisor. SAM is an affiliate of: Sprott Capital Partners LP (“**SCP**”), an investment dealer and member of the Investment Industry Regulatory Organization of Canada (IIROC); Sprott Global Resource Investments Ltd., a US full service broker-dealer and member of the Financial Industry Regulatory Authority (FINRA); Sprott Asset Management USA Inc., a SEC-registered investment advisor; and Resource Capital Investment Corp., a SEC-registered investment advisor. On occasion we will work in a cooperative fashion with our affiliates in providing services to you.

Since these transactions may create a conflict between our interests and yours, we are required by securities laws to disclose to you certain relevant matters relating to these transactions. This statement contains a general description of our policies and the required disclosures.

Compliance with Law and Regulatory Requirements

SAM, its officers and employees are required to fully observe, in letter and spirit, all laws governing their business and securities activities. SAM, its officers and employees must deal fairly, honestly and in good faith with its clients.

SAM will only engage in activities where it is confident that such activities are in compliance with all requirements imposed by applicable law. In particular, it is SAM's policy to ensure that the engagement of other affiliates on behalf of SAM's clients would only be done when it has been determined that such other affiliate is an appropriate selection in the circumstances, given the client's mandate, investment objectives and risk tolerances.

In addition to applicable securities regulatory provisions and contractual provisions respecting any business arrangements that may exist between SAM and other dealers and advisers, the directors, officers and employees of each are subject to guidelines or codes of conduct governing their actions. Our internal compliance process supplements these policies and procedures.

Related and Connected Issuers

National Instrument 31-103 *Registration Requirements and Exemptions* requires SAM to disclose to investors whether any securities it recommends to investors to buy, sell or hold are securities issued by SAM, a related issuer or, during the distribution of the securities, a connected issuer of SAM. An issuer is related to SAM if, through the ownership of, or control over, voting securities or otherwise, the issuer is an influential securityholder of SAM, SAM is an influential securityholder of the issuer or if each of them is a related issuer of the same third party. An issuer is connected to SAM if it has a business relationship with SAM that, in connection with a distribution of securities of that issuer, may lead a reasonable prospective purchaser to question if the issuer and SAM are independent of each other.

In addition, SAM must disclose the name of any related issuer that is a reporting issuer in Ontario or that has distributed securities outside Ontario on a basis that, if it had done so in Ontario, would have made such issuer a reporting issuer. Set out below are the names of such related issuers:

- *Sprott Inc.* (“**SI**”), a reporting issuer that is a related issuer of SAM because SI is an indirect 100% shareholder of Sprott Asset Management GP Inc., the general partner of SAM, and is the sole limited partner of SAM.

We may, from time to time, be deemed to be related or connected to one or more other issuers for purposes of the disclosure and other rules of the securities laws referred to above. We are prepared to act as an adviser in the ordinary course of our business to, and in respect of securities of, any such related or connected issuer and, in connection therewith to provide the full range of services customarily provided by us to, and in respect of securities of, other issuers. In any such case, such adviser and other services shall be carried on by us in the ordinary course of our business as an adviser in accordance with our usual practices and procedures and in accordance with all applicable disclosure and other regulatory requirements.

SAM, or its directors, officers, partners, salespeople or other employees may, from time to time, recommend that you trade in, or provide to you advice about, a security issued by these listed persons or companies. If you wish further information concerning the relationship between SAM and these listed persons or companies, or if you have any questions, please contact us.

Related Registrants

Where SAM has a principal shareholder, director or officer that is a principal shareholder, director or officer of another registrant, SAM shall adopt policies and procedures to minimize the potential for conflicts of interest resulting from such relationship(s). SAM is also required to disclose to clients in writing, initially before making a trade for or providing advice to the client, and in a timely manner thereafter and, if possible, before making the next trade for or providing advice to the client, if there are any significant changes to this disclosure, the details of the relationship(s) and the policies and procedures adopted to minimize the potential for conflicts of interest resulting from such relationships. SCP, a registrant, is related to SAM, by virtue of each of SAM and SCP having SI as a direct or indirect holder of 100% of the voting securities of each general partner of SAM and SCP.

Conflicts of Interest

SAM as Adviser

The principal business activity of SAM is to act as a portfolio manager for separately managed investment accounts of its clients (a “**SAM Managed Account**”) and investment funds it manages or

sub-advises (a “**SAM Investment Fund**”). In providing advisory services to our clients it is important that our clients understand our interests in the service or transaction.

We must make certain disclosures where we: (a) advise you; or (b) exercise discretion on your behalf, with respect to securities issued by us, by a related issuer or, in the course of a distribution, by a connected issuer (collectively, “**Related Securities**”).

In these situations, we must disclose our relationship with the issuer of the securities. We must also make disclosure to you where we know or should know that, as a result of our acting as your adviser, or of our exercising discretion on your behalf, Related Securities will be purchased or sold by you through us.

The following is a list of the time and manner in which these disclosures must be made:

- Where we purchase or sell securities for your account, a disclosure will be contained in the confirmation of trade and monthly statement, which we prepare and send to you.
- Where we advise you with respect to the purchase, sale or holding of securities, the disclosure must be made prior to our giving the advice.
- If there is a significant change to the information previously disclosed to you, SAM will notify you of the change in a timely manner and, if possible, before making the next purchase or sale of the securities for you or providing advice to you to purchase, sell or hold the securities.
- Where we use our discretion as an adviser to trade securities in a SAM Managed Account neither we nor another affiliate will charge a trade commission without your consent, or otherwise in compliance with applicable law.

Potential for Conflict

SAM and its officers and employees must ensure that if they select another affiliate to assist a SAM client it is based on the determination that such other affiliate is an appropriate selection having regard to the client’s circumstances.

Representatives of SAM and other affiliates may from time to time act as officers of SAM and may also be officers of other affiliates. All affiliates have adopted policies and procedures that minimize the potential for conflicts of interest resulting from the relationships of the officers and the affiliates, and all officers are required to observe such policies in carrying out their duties.

Fair Allocation of Investment Opportunities and Fair Treatment of SAM Investment Funds and SAM Managed Accounts

We must ensure the fair treatment of our clients through the highest standards of integrity and ethical business conduct. The principle of fair treatment must be recognized by all employees, officers and directors of SAM in order to provide a true benefit to our clients. Our clients have the right to be assured that their interests will always take precedence over the personal trading activities of SAM portfolio managers and other SAM access persons.

Fairness Policy

In order to ensure fairness in the allocation of investment opportunities among the SAM Managed Accounts and the SAM Investment Funds (each a “**SAM Client**”), SAM will allocate investment opportunities with consideration to the suitability of such investments to each SAM Client’s

investment objectives and strategies, portfolio composition, restrictions and cash availability (even though the investment objectives and strategies are substantially the same for some of the SAM Clients and cash flows of each SAM Client can be substantially different given daily/monthly subscriptions and redemptions/withdrawals). As well, cash flows (subscription inflows and redemptions/withdrawals) and investment strategies can influence the allocation process in order to maintain property weightings in each SAM Client account. If an investment opportunity is suitable for more than one SAM Client, SAM will allocate such investment opportunities equitably in order to ensure that each SAM Client has equal access to the same quality and quantity of investment opportunities.

To ensure fairness in the allocation of investment opportunities as between each SAM Client, SAM will ensure:

- (l) where orders are entered simultaneously for execution at the same price, fills are allocated on a *pro rata* basis;
- (m) when transactions are executed at different prices for a group of SAM Clients, fills are allocated on an average price basis;
- (n) in the case of a block trade or a new or secondary securities issue, if all SAM Client orders can be accommodated (demand is smaller than supply), allocation is made on a *pro rata* basis based on the order size of each SAM Client. Where the allotment received is insufficient to meet the full requirements of all SAM Clients on whose behalf orders have been placed (demand exceeds supply), allocation is made on a *pro rata* basis based on the size of the SAM Client account or the existing position size in a SAM Client account. However, if such prorating should result in an inappropriately small position for a SAM Client, the allotment would be reallocated to another SAM Client. Depending on the number of block trades or new or secondary issues, over a period of time, every effort will be made to ensure that these prorating and reallocation policies result in fair and equal treatment to all SAM Clients, and
- (o) when orders for more than one SAM Client are bunched or blocked and the transactions are executed at varying prices, an average price will be determined and allocated to each SAM Client on a *pro rata* basis. As well, all commissions will be totalled and allocated to all SAM Clients on a *pro rata* basis. If different prices and commissions are executed, then an average price as well as total average commission will be calculated and allocated on a *pro rata* basis. For a normal secondary purchase order executed through a broker, the average price and commission will be calculated and allocated evenly among SAM Clients. There will be no differentiation on price towards SAM Clients.

In addition, SAM will always seek to obtain the best order execution for each SAM Client and to minimize transaction costs. SAM employee trading accounts are never commingled with trades involving SAM Investment Funds.

Proxy Voting Guidelines

SAM, in its capacity as portfolio adviser to the SAM Clients, is sometimes responsible for establishing, monitoring and amending (if necessary) the policies and procedures relating to the voting of proxies received in connection with each SAM Client's investment portfolio.

In certain cases, proxy votes may not be cast when the portfolio manager determines that it is not in the best interests of the SAM Client to vote such proxies. In the event a proxy raises a potential

material conflict of interest between the interests of a SAM Client and SAM, the conflict will be resolved by SAM in favour of that SAM Client.

SAM retains the discretion to depart from these policies on any particular proxy vote depending upon the facts and circumstances.

SAM will maintain and prepare an annual proxy voting record for each SAM Investment Fund. The proxy voting record for the annual period beginning July 1 for each SAM Investment Fund will be available free of charge to any investor upon request at any time after June 30 of the following year.

Misuse of Confidential and Insider Information

The misuse of confidential information or misuse of any insider information not generally disclosed, for personal gain or for the benefit of anyone else, is prohibited and grounds for serious sanction.

Confidentiality and Privacy

In addition, SAM has adopted a privacy policy in accordance with the *Personal Information Protection and Electronic Documents Act* (Canada) with respect to personal information of SAM Clients. This policy states that SAM will only disclose this information to third parties or its affiliates in limited specific circumstances on a strictly confidential basis.

Money Laundering and Terrorist Financing

As outlined by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, SAM is obligated to implement specific measures to detect and deter money laundering and the financing of terrorist activity. As such, all investments into our SAM Managed Accounts and SAM Investment Funds require completed documentation to be submitted by investors. It is our duty to report to the Financial Transactions and Reports Analysis Centre of Canada confirmation of any investors engaged in money laundering. This reporting requirement will not be deemed to be a breach of any information disclosure restrictions imposed by applicable law or otherwise.

Please do not hesitate to contact us should you have any questions with regards to SAM's Statement of Policies or should you require further details on any SAM policies and practices.

SCHEDULE F
FORM OF TRUST AGREEMENT

SPROTT ASSET MANAGEMENT LP

**SPROTT PHYSICAL URANIUM TRUST
AMENDED AND RESTATED TRUST AGREEMENT**

Dated as of ●, 2021

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THIS AMENDED AND RESTATED TRUST AGREEMENT made and entered into as of the ●, 2021
BETWEEN:

Lara Misner, an individual resident in the Province of Ontario
(hereinafter referred to as the “**Settlor**”)

OF THE FIRST PART

SPROTT ASSET MANAGEMENT LP,
a limited partnership formed under the laws of the Province of Ontario
(hereinafter referred to as the “**Manager**”)

OF THE SECOND PART

- and -

●,
a trust company incorporated under the federal laws of Canada
(hereinafter referred to as the “**Trustee**”)

OF THE THIRD PART

WHEREAS Sprott Physical Uranium Trust” (the “**Trust**”) is a closed-end investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of April 27, 2021 (the “**Original Trust Agreement**”);

AND WHEREAS the Trust was created to invest and hold, directly or indirectly, substantially all of its assets in uranium oxide in concentrates (“**U₃O₈**”) and uranium hexafluoride (“**UF₆**”) and together with the U₃O₈, the “**Uranium**”), which will provide holders of units of the Trust with a convenient and exchange-traded investment alternative for investors interested in holding Uranium;

AND WHEREAS the Manager was appointed as the trustee and manager of the Trust pursuant to the Original Trust Agreement, and as such, was responsible for the management and the administration of the Trust prior to the date hereof;

AND WHEREAS the Manager wishes to amend and restate the Original Trust Agreement, with the effect of continuing without interruption the Trust, upon the terms and conditions set out herein, including the appointment of the Trustee as trustee of the Trust, and the Trustee is willing to replace the Manager as trustee and to act as the Trustee of the Trust on and subject to the terms and conditions herein contained;

AND WHEREAS the Trustee, the Manager and the Settlor intend that certain of the operations and affairs of the Trust shall be managed by the Manager.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the respective covenants and agreements set forth herein (the receipt and sufficiency of which are hereby acknowledged) the parties agree that the Trust Property (as hereinafter defined) shall be held and administered by the Trustee and the Manager upon the trusts, terms and conditions hereinafter set forth.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Trust Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms have the meanings ascribed to them below:

- (a) **“Additional Trustee Duties”** has the meaning ascribed thereto in Section 10.5 hereof;
- (b) **“Affiliate”** has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
- (c) **“Annual Certificate of Compliance”** has the meaning ascribed thereto in clause 7.2(a)(xxxvii) hereof and is substantially in the form of Schedule A attached hereto;
- (d) **“Applicable Laws”** means, unless the context otherwise dictates, any applicable statute of Canada or of a province or territory of Canada or any applicable statute of the United States of America or of a state or territory of the United States of America or any applicable regulations, orders, instruments, policies or other laws made under statutory authority by any governmental or regulatory body or agency having jurisdiction over the Trust including, but not limited to, Securities Legislation and the *Tax Act*;
- (e) **“Arrangement”** means the arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in the Arrangement Agreement and the Plan of Arrangement, subject to any amendments or variations made at the direction of Ontario Superior Court of Justice (Commercial List) with the prior written consent of the Manager and UPC, each acting reasonably;
- (f) **“Arrangement Agreement”** means the arrangement agreement dated April 27, 2021 by and among the Trust, the Manager, Exchangeco and UPC;
- (g) **“Arrangement Effective Date”** means the date shown on the certificate of arrangement issued by the director pursuant to subsection 183(2) of the OBCA in respect of the articles of arrangement of UPC in respect of the Arrangement;
- (h) **“associate”** has the meaning ascribed thereto in the *Securities Act* (Ontario), as amended from time to time;
- (i) **“Auditors”** means a firm of chartered accountants duly licensed and recognized to practice in the Province of Ontario and appointed from time to time by the Manager pursuant to the provisions of Section 16.3 hereof. The initial Auditors shall be KPMG LLP;
- (j) **“Broker”** means a CDS Participant in Canada or a DTC Participant in the United States;
- (k) **“Business Day”** means any day on which the TSX, or any U.S. stock exchange on which the Units are listed, is open for trading;

- (l) “**CBCA**” means the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44, as amended from time to time;
- (m) “**CBCA Corporation**” means a corporation incorporated under the CBCA, any of the securities of which (i) are or were part of a distribution to the public, (ii) remain outstanding, and (iii) are held by more than one Person;
- (n) “**CDS**” means CDS Clearing and Depository Services Inc.;
- (o) “**CDS Participant**” means a registered dealer or other financial institution in Canada that is a direct or indirect participant in the CDS depository service holding securities operated by or on behalf of CDS;
- (p) “**Certificate of Authorized Signing Authorities**” has the meaning ascribed thereto in subsection 10.2(a) hereof and is substantially in the form of Schedule C attached hereto;
- (q) “**Class Expenses**” in respect of any particular class or series of a class of Units means the expenses of the Trust (including Management Fees) that are allocated only to that class or series of a class pursuant to this Trust Agreement;
- (r) “**Class Net Asset Value**” in respect of any particular class or series of a class of Units is the portion of the Net Asset Value of the Trust attributed to such class or series of a class determined in accordance with Section 3.5 and Section 3.6 hereof;
- (s) “**Class Net Asset Value per Unit**” in respect of any particular class or series of a class of Units is the portion of the Class Net Asset Value of the Trust attributed to each Unit of such class or series of a class determined in accordance with Section 3.5 and Section 3.6 hereof;
- (t) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended from time to time;
- (u) “**Common Expenses**” means those expenses of the Trust other than Class Expenses;
- (v) “**Corporate Action**” means any conversion privileges, subscription rights, warrants or other rights or options available in connection with any securities forming part of the Trust Property, including those relating to the reorganization, recapitalization, takeover, consolidation, amalgamation, merger, liquidation, filing for or declaration of bankruptcy or plans of arrangement, of any corporation, association or other entity;
- (w) “**Counsel**” means any Person qualified and engaged in the practice of law in the Province of Ontario;
- (x) “**Court**” means any court of competent jurisdiction in the Province of Ontario;
- (y) “**Custodian**” means the custodian of the Trust Property, other than Uranium, appointed pursuant to Section 16.6 hereof and shall include the Trustee and any sub-custodians appointed by the Trustee which from time to time hold the Trust Property other than Uranium pursuant to this Trust Agreement or a separate written custodial agreement;

- (z) **“Depository”** means any authorized domestic or foreign depository or clearing or settlement agency or system, including a transnational book-based system, CDS or DTC;
- (aa) **“Designated Markets”** has the meaning ascribed thereto in subsection 16.6(k) hereof;
- (bb) **“Disclosure Documents”** means any (final) prospectus of the Trust filed in all provinces and territories of Canada and any registration statement of the Trust filed with the United States Securities and Exchange Commission, or similar offering documents, including an information circular filed in connection with the Arrangement, as may be used by the Manager or required by applicable Securities Legislation in connection with qualifying the distribution of the Units to the public, including any amendments to such offering documents;
- (cc) **“Distribution Date”** has the meaning ascribed thereto in Section 4.1 hereof;
- (dd) **“DTC”** means The Depository Trust Company;
- (ee) **“DTC Participant”** means a registered broker/dealer or other financial institution in the United States that is a direct or indirect participant in the DTC book-entry only system and a Person through whom the Unitholder deals directly to initiate any transaction in Units;
- (ff) **“Exchangeable Shares”** means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set out in the Plan of Arrangement;
- (gg) **“Exchangeco”** means 2834819 Ontario Inc.;
- (hh) **“Extraordinary Resolution”** means a resolution approved, in person or by proxy, by Unitholders and the Special Voting Unitholder holding Voting Units representing in aggregate not less than 66 2/3% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 66 2/3% of the Class Net Asset Value, as determined in accordance with this Trust Agreement, at a duly constituted meeting of Unitholders and the Special Voting Unitholder, or at any adjournment thereof, called and held in accordance with this Trust Agreement, or a written resolution signed by Unitholders holding Units or the Special Voting Unitholder holding the Special Voting Unit representing in aggregate not less than 66 2/3% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 66 2/3% of the Class Net Asset Value, as determined in accordance with this Trust Agreement;
- (ii) **“Facility”** means a licensed uranium conversion facility operated by a duly licensed operator in the case of U3O8 or a duly licensed uranium enrichment facility in the case of UF6 or any other reputable entity that is licensed and authorized to store Uranium and that the Trust or a Subsidiary has entered into an agreement to store such Uranium;

- (jj) **“Fee Agreement”** has the meaning ascribed thereto in Section 9.1 hereof;
- (kk) **“Fiscal Year”** means the fiscal year of the Trust ending on the last day of December in each year or such other date as may be determined from time to time by the Manager;
- (ll) **“IFRS”** means International Financial Reporting Standards as issued by the International Accounting Standards Board;
- (mm) **“Independent Review Committee”** means the independent review committee of the Trust established pursuant to NI 81-107;
- (nn) **“Initial Unit”** has the meaning ascribed thereto in Section 2.1 hereof;
- (oo) **“Interim Certificate of Compliance”** has the meaning ascribed thereto in subsection 7.2(a)(xxxviii) hereof and is substantially in the form of Schedule B attached hereto;
- (pp) **“Investment Manager”** means the Person(s) appointed by the Manager, on behalf of the Trust, from time to time pursuant to the provisions hereof and any portfolio management agreement, to determine, in its sole discretion, but subject to the Investment Policy, which securities or other assets (other than Uranium) shall be purchased, held or sold for the Trust and to execute or cause the execution of purchase and sale orders in respect of such determinations;
- (qq) **“Investment Policy”** means the investment objective, the investment strategy, and the investment and operating restrictions of the Trust, as described in Article 22 hereof;
- (rr) **“Management Agreement”** means the management agreement between the Manager and the Trust to be dated on or about the date hereof, as the same may be amended, restated or supplemented from time to time;
- (ss) **“Management Fee”** has the meaning ascribed thereto in Section 9.2 hereof;
- (tt) **“Manager”** means Sprott Asset Management LP, acting as the manager of the Trust, or any successor manager appointed in accordance with this Trust Agreement and subject to the Management Agreement;
- (uu) **“Manager Reorganization”** means any change of the Manager which occurs primarily as a result of restructuring corporations, limited partnerships or other entities under similar control and ownership and which results in no material change to the day-to-day management, administration or operation of the Trust;
- (vv) **“Net Asset Value of the Trust”** is the amount determined from time to time in accordance with Section 3.5 hereof;
- (ww) **“Net Asset Value per Unit”** is the amount determined from time to time in accordance with Section 3.5 hereof;
- (xx) **“Net Change in Non-Portfolio Assets”** on a Valuation Date means:
 - (i) the aggregate of all income accrued by the Trust as of that Valuation Date, including cash dividends and distributions, interest and compensation since

the last calculation of Class Net Asset Value or Class Net Asset Value per Unit, as the case may be; minus

- (ii) the Common Expenses to be accrued by the Trust as of that Valuation Date which have been accrued since the last calculation of Class Net Asset Value or Class Net Asset Value per Unit, as the case may be; plus (in the case of an increase) or minus (in the case of a decrease)
 - (iii) any change in the value of any non-portfolio assets or liabilities stated in any foreign currency accrued on that Valuation Date since the last calculation of Class Net Asset Value or Class Net Asset Value per Unit, as the case may be, including, without limitation, cash, accrued dividends or interest and any receivables or payables;¹ plus (in the case of an increase) or minus (in the case of a decrease)
 - (iv) any other item accrued on that Valuation Date determined by the Manager to be relevant in determining the Net Change in Non-Portfolio Assets.
- (yy) **“Net Income”** has the meaning ascribed thereto in subsection 4.2(a) hereof;
- (zz) **“Net Realized Capital Gains”** has the meaning ascribed thereto in subsection 4.2(b) hereof;
- (aaa) **“NI 81-102”** means National Instrument 81-102 *Investment Funds*, as amended from time to time;
- (bbb) **“NI 81-106”** means National Instrument 81-106 *Investment Fund Continuous Disclosure*, as amended from time to time;
- (ccc) **“NI 81-107”** means National Instrument 81-107 *Independent Review Committee for Investment Funds*, as amended from time to time;
- (ddd) **“Non-Certificated Inventory System”** means the non-certificated inventory system of recording CDS Participants holding securities operated by or on behalf of CDS;
- (eee) **“OBCA”** means the *Business Corporations Act*, R.S.O. 1990, c.B.16, as amended from time to time;
- (fff) **“Obligations”** means collectively all of the obligations, liabilities and indebtedness of the Trust to the Trustee from time to time, whether present or future, absolute or contingent, liquidated or unliquidated, of whatsoever nature or kind, in any currency or otherwise, including without limitation any unpaid fees, disbursements and expenses, and any indemnification and overdraft amounts, arising pursuant to this Trust Agreement and under any transaction or arrangement entered into in connection herewith or otherwise with or for the benefit of the Trust including, without limitation, any foreign exchange or similar transaction however defined and documented including under any ISDA Master Agreement or similar document, any securities lending transactions, and any administrative services provided by the Trustee in any capacity;

¹ This item is strictly meant to be an adjustment for movement in value of assets that are denominated in a foreign currency.

- (ggg) “**Ordinary Resolution**” means a resolution approved, in person or by proxy, by Unitholders and the Special Voting Unitholder holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 50% of the Class Net Asset Value, as determined in accordance with this Trust Agreement, at a duly constituted meeting of Unitholders and the Special Voting Unitholder, or at any adjournment thereof, called and held in accordance with this Trust Agreement, or a written resolution signed by Unitholders holding Units or the Special Voting Unitholder holding the Special Voting Unit representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units), or in the case of a separate vote by a particular class or series of a class of Voting Units, 50% of the Class Net Asset Value, as determined in accordance with this Trust Agreement;
- (hhh) “**Original Trust Agreement**” means the trust agreement dated as of April 27, 2021 between the Settlor and the Manager which established the Trust;
- (iii) “**Person**” means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;
- (jjj) “**PFIC**” means a “passive foreign investment company” within the meaning of Section 1297 of the Code;
- (kkk) “**Plan of Arrangement**” has the meaning ascribed thereto in the Arrangement Agreement;
- (III) “**PPSA**” means the *Personal Property Security Act* (Ontario) and any successor legislation thereto amended and in effect from time to time;
- (mmm) “**Proportionate Share**”, when used to describe (i) an amount to be allocated to any one class or series of a class of Units, means the total amount to be allocated to all classes or series of classes of Units multiplied by a fraction, the numerator of which is the Class Net Asset Value of such class or series of a class and the denominator of which is the Net Asset Value of the Trust at such time, and (ii) a Unitholder’s interest in or share of any amount, means, after an allocation has been made to each class or series of a class of Units as provided in clause (i), that allocated amount multiplied by a fraction, the numerator of which is the number of Units of that class or series of a class registered in the name of that Unitholder and the denominator of which is the total number of Units of that class or series of a class then outstanding (if such Unitholder holds Units of more than one class or series of a class, then such calculation is made in respect of each class or series of a class of Units and aggregated);
- (nnn) “**QEF**” has the meaning ascribed thereto in Section 4.7 hereof;
- (ooo) “**Register**” means the register or registers of the Trust established and maintained by the Registrar and Transfer Agent pursuant to Section 16.2 hereof;

- (ppp) “**Registrar and Transfer Agent**” means the registrar and transfer agent of the Units appointed by the Manager in accordance with Section 16.1 hereof. The initial Registrar and Transfer Agent shall be TSX Trust Company;
- (qqq) “**Securities Authorities**” means the Ontario Securities Commission and equivalent securities regulatory authorities in each other province and territory of Canada, and, if applicable, the United States Securities and Exchange Commission;
- (rrr) “**Securities Legislation**” means the laws, regulations, rules, requirements and policies of the Securities Authorities which are in effect from time to time and applicable to the Trust including, but not limited to NI 81-102, NI 81-106, NI 81-107 and, if applicable, the *United States Securities Act of 1933*, as amended;
- (sss) “**Settlor**” means Lara Misner, an individual resident in the Province of Ontario;
- (ttt) “**Special Voting Unit**” means a special voting unit of the Trust, as referred to in Section 3.1 hereof as the same may from time to time hereinafter be constituted;
- (uuu) “**Special Voting Unitholder**” means at any time the Person whose name appears on the Register as the registered holder of the Special Voting Unit;
- (vvv) “**STA**” means the *Securities Transfer Act, 2006* (Ontario) and any successor legislation thereto as amended and in effect from time to time;
- (www) “**Sub-Custodian Guidelines**” has the meaning ascribed thereto in subsection 16.6(h) hereof;
- (xxx) “**Subsidiary**” means a direct or indirect wholly-owned subsidiary of the Trust, including, following the Arrangement, each of UPC, Exchangeco, Uranium Participation Bermuda Limited (“**UPBL**”) and Uranium Participation Bermuda 2 Limited (“**UPBL2**”, and together with UPBL and any other Subsidiary, collectively, the “**Subsidiaries**”);
- (yyy) “**Tax Act**” means the *Income Tax Act* (Canada) and the regulations, rules, requirements and policies promulgated thereunder, as amended from time to time;
- (zzz) “**Technical Advisor**” the Person(s) appointed by the Manager, on behalf of the Trust and each Subsidiary, as applicable, from time to time pursuant to the provisions hereof and any technical advisory, consulting or other similar agreement, to provide advisory services to the Manager, including: (i) commercial services with respect to: (a) the management of the movement and storage of Uranium assets in accordance with reasonable standard industry practice; (b) all of the Trust’s and its Subsidiaries’ transactions involving the purchase and sale of Uranium, lending or relocation of Uranium, and (c) other means of optimizing the Trust’s portfolio value, (ii) periodic communication with the Manager related to current and forecasted market conditions; and (iii) reasonable support of the Manager’s marketing efforts for the Trust. The initial Technical Advisor shall be WMC Energy B.V.;
- (aaaa) “**Termination Event**” has the meaning ascribed thereto in subsection 13.1(c) hereof;
- (bbbb) “**Trust**” means Sprott Physical Uranium Trust, a trust established under the laws of the Province of Ontario and governed by this Trust Agreement;

- (cccc) “**Trust Agreement**” means this amended and restated trust agreement among the Settlor, the Manager and the Trustee made and entered into as of the day and year first above written, as the same may be further amended, restated, supplemented or replaced from time to time;
- (dddd) “**Trust Property**” at any time, means any and all securities, cash (including free credit balances), property and assets, real and personal, tangible and intangible, transferred, conveyed or paid to the Trust including, without limitation:
- (i) all funds realized from the sale of Units;
 - (ii) Uranium held, directly or indirectly through one or more Subsidiaries, for the account of the Trust;
 - (iii) the securities of each of the Subsidiaries;
 - (iv) all investments, sums or property of any type or description (other than Uranium) from time to time delivered to and received by the Trust or held for its account, directly or indirectly, as directed by the Manager and accepted by the Trustee on behalf of the Trust in accordance with the Trust Agreement;
 - (v) any proceeds of disposition of any of the foregoing property and assets; and
 - (vi) all income, interest, profit, gains and accretions and additional rights arising from or accruing to such foregoing property or such proceeds of disposition;
- (eeee) “**Trustee**” means ●, acting as the trustee of the Trust, or any successor trustee appointed in accordance with this Trust Agreement;
- (ffff) “**TSX**” means the Toronto Stock Exchange;
- (gggg) “**Unit**” means a unit of beneficial interest, in any class or series of a class of the Trust, as presently constituted pursuant to Section 3.1 hereof as the same may from time to time hereinafter be constituted, and collectively referred to as the “**Units**”, and for greater certainty, excludes the Special Voting Unit;
- (hhhh) “**Unit Certificate**” means a certificate evidencing ownership by a Unitholder in such form as is approved by the Manager;
- (iiii) “**Unitholders**” means Persons whose name appears on the Register as a registered holder of one or more Units or fractions thereof and “**Unitholder**” means any one of them;
- (jjjj) “**UPC**” means Uranium Participation Corp., a corporation existing under the laws of the Province of Ontario;
- (kkkk) “**Uranium**” has the meaning set out in the Recitals hereto;
- (llll) “**Valuation Agent**” means the service provider to the Trust appointed pursuant to Section 16.4 hereof and the Valuation Services Agreement to provide certain valuation services for the Trust. The initial Valuation Agent shall be ●;

- (mmmm) **“Valuation Date”** means each Business Day, unless the Manager determines that the assets of the Trust should be valued less frequently, either generally or in respect of one or more specific instances, in which event **“Valuation Date”** shall mean such Business Day or Business Days as the Manager determines;
- (nnnn) **“Valuation Services Agreement”** means the valuation services agreement between the Manager and the Valuation Agent to be dated on or about the date hereof, as the same may be amended, restated or supplemented from time to time;
- (oooo) **“Valuation Time”** means 4:00 p.m. (Toronto time) on a Valuation Date or such other time on a Valuation Date as the Manager deems appropriate;
- (pppp) **“Voting Materials”** means all proxies, proxy solicitation materials and other communications received by the Manager relating to the securities forming part of the Trust Property that call for voting;
- (qqqq) **“Voting Unitholders”** means, collectively, the Unitholders and the Special Voting Unitholder, if any; and
- (rrrr) **“Voting Units”** means collectively, the Units and the Special Voting Unit.

1.2 Article and Section Headings

Article and section headings have been inserted for convenience only and are not to affect the construction or interpretation of this Trust Agreement.

1.3 Statute References

In this Trust Agreement, any reference herein to a statute, rule, regulation, policy statement, ruling, notice, order or other instrument promulgated thereunder or provision therein shall be deemed to be a reference to such statute, rule, regulation, policy statement, ruling, notice, order or other instrument promulgated thereunder or provision therein as amended, re-enacted or replaced from time to time and references to specific parts, paragraphs or sections thereof shall include all amendments, re-enactments or replacements thereof.

1.4 Business Day

Unless otherwise specified, if under this Trust Agreement any payment or calculation is to be made, or any other action is to be taken, on or as of a day which is not a Business Day, that payment or calculation is to be made, and that other action is to be taken, as applicable, on or as of the next day that is a Business Day.

1.5 Number, Gender

Unless elsewhere otherwise expressly provided in this Trust Agreement or unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing the masculine gender include the feminine and neuter gender.

1.6 References to “Agreement” etc.

Unless otherwise specified, references in this Trust Agreement to sections and schedules are to sections of, and schedules to, this Trust Agreement. References in this Trust Agreement to **“Agreement”**, **“herein”**, **“hereafter”**, **“hereby”**, **“hereto”**, **“hereof”** and **“hereunder”** and similar

expressions shall be deemed to refer to this Trust Agreement and shall not be limited to the particular article or section in which such words appear.

1.7 Time of Day

Unless otherwise specified, references to time of day or date mean the local time or date in the City of Toronto, Province of Ontario, Canada.

1.8 Currency

Unless otherwise specified herein or where required by Applicable Laws, all references herein to currency shall be references to currency of the United States of America.

1.9 Exercise of Discretion

The term “**power**”, as used in this section, shall be deemed to mean and include those things which a party hereto may or will in the future do or refrain from doing in the management, supervision and carrying out of the Trust created by this Trust Agreement in accordance with the terms hereof and Applicable Laws. Every power in this Trust Agreement or by law conferred on a party hereto shall be an absolute and uncontrolled power and no such party shall be held liable for any loss or damage occurring as a result of such party concurring or failing to concur in the exercise of any such power. The parties hereto shall be entitled to exercise their powers in their sole and absolute discretion, whenever, and as often, from time to time, as they deem advisable without application for approval by any court or governmental official, and as to which their judgment shall be final and binding upon all parties interested or potentially interested in the Trust.

ARTICLE 2 ESTABLISHMENT OF THE FUND

2.1 Establishment of the Trust

The Trustee confirms that to constitute and settle the Trust the Settlor has given to the Trustee the sum of Ten Dollars (\$10.00) for the Trust and has thereby established for the benefit of the holders of its Units from time to time, a trust for the Trust and has been issued one Unit (the “**Initial Unit**”).

2.2 Appointment of the Trustee

The Trustee agrees to act as the trustee of the assets, monies and investments from time to time of the Trust and shall hold the same upon and subject to the provisions of this Trust Agreement.

2.3 Constituency of the Trust

The Trust shall, in addition to those assets already under administration, consist of monies from time to time delivered to the Trustee for investment and such investments and other assets as may from time to time be acquired by the Trustee through the application of such monies, together with accretions thereto, less amounts paid out by the Trustee from time to time in accordance herewith.

2.4 Name of the Trust

The Trust hereby created shall be known as the “Sprott Physical Uranium Trust” or such other name as the Manager may from time to time designate and the Trust may at any time adopt a French version of its name at the sole discretion of the Manager. Any mention of the name of the Trust herein shall refer to both the English and, if applicable, French forms of the name of the Trust, and insofar as may

be practical, legal and convenient, the affairs of the Trust shall be conducted and transacted under that name, it being the intention that such name shall refer to the Trust and shall not refer to the Trustee or to the Unitholders.

2.5 Head Office; Situs

The head office and the principal office and situs of the administration of the Trust shall be in Toronto, Ontario, Canada at the address of the Manager or at such other location as shall be designated by the Manager, but may only be changed to another location in Ontario designated by the Manager.

2.6 Purpose of the Trust

The Trust will, for the benefit of its Unitholders, engage in making investments in accordance with the Investment Policy set out in Article 22 hereof. Some or all of the Trust's assets may from time to time be invested in cash and interest-bearing accounts, short-term government debt or short-term investment grade corporate debt for working capital purposes as the Manager may deem prudent in the circumstances. The business of the Trust shall include all things necessary or advisable to give effect to the Trust's Investment Policy.

2.7 Investment by the Trust

The Trustee shall from time to time settle any or all of the investments of the Trust (other than Uranium **[and the securities of the Subsidiaries]**) and reinvest the proceeds thereof or exchange any or all of such investments of the Trust for other investments, always only in accordance with the direction of the Manager, a duly appointed Technical Advisor or a duly appointed Investment Manager. The Trust, the Trustee, the Manager or any Investment Manager shall not, in carrying out investment activities, be in any way restricted by the provisions of the laws of any jurisdiction limiting or purporting to limit investments which may be made by trustees (and in particular shall not be limited by sections 27 and 27.1 of the *Trustee Act* (Ontario)), but shall be limited by the Investment Policy contained herein and Applicable Laws to which the Trust is subject. It shall be the responsibility of the Manager to ensure that all investments of the Trust Property held by the Trustee and at the Facilities are made in such a way as to comply with any statement made in any current Disclosure Documents or like offering document of the Trust as to the Investment Policy applicable to the Trust and so as to comply with this Trust Agreement and Applicable Laws.

2.8 Nature of the Trust

- (a) An interest in the Trust is represented by Units. The Trust, its Units and its property shall be governed by the general law of trusts, except as such general law of trusts has been or is from time to time modified, altered or abridged for unit trusts and for the Trust by Applicable Laws or requirements imposed by applicable Securities Authorities or other regulatory authorities or by the terms, conditions and trusts set forth in this Trust Agreement.
- (b) Except as provided in Section 2.9 hereof with respect to the U.S. federal income tax classification of the Trust, the Trust is not, is not intended to be, shall not be deemed to be, and shall not be treated as, a general partnership, limited partnership, syndicate, association, joint venture, agency, corporation or joint stock company nor shall the Trustee or the Unitholders or any of them for any purpose be, or be deemed to be, treated in any way whatsoever to be liable or responsible hereunder as partners or joint ventures. The Unitholders shall be beneficiaries and their relationship to the Trustee shall be solely in that capacity in accordance with the rights conferred and

obligations imposed upon them hereunder. The Trustee shall not be, or be deemed to be, the agent of the Unitholders.

- (c) The beneficial interest of a Unitholder shall be limited to the right to participate in distributions when and as declared by the Manager as contemplated by Article 4, and distributions upon the termination of the Trust as contemplated in Article 21. The ownership of the Trust Property is vested in the Trustee and the right to conduct the affairs of the Trust is vested in the Trustee, the Manager, and, to the extent delegated by the Manager, a Technical Advisor, in each case, subject to the provisions of this Trust Agreement and the Management Agreement and the Unitholders shall have no interest in the assets of the Trust or right to intervene in the conduct of the affairs of the Trust except as expressly provided herein. In purchasing Units, a Unitholder assumes no personal liability whatsoever to any Person in connection with the assets or affairs of the Trust. In the event a Unitholder should be required to satisfy any obligation of the Trust, such Unitholder shall be entitled to reimbursement from any available assets of the Trust in accordance with Section 14.1 hereof.
- (d) Prior to April 22, 2042, the Trust shall take such steps as necessary or advisable so that the Trust may qualify as a “unit trust” for purposes of the Tax Act, as determined by the Manager in its discretion.

2.9 U.S. Federal Income Tax Classification

The Manager, on behalf of the Trust, shall file an affirmative election with the U.S. Internal Revenue Service under U.S. Treasury Regulations Section 301.7701-3 for the Trust to be classified as an association taxable as a corporation for U.S. federal income tax purposes. Such election shall be filed before the Arrangement Effective Date and shall be effective as of the date of establishment of the Trust. The Manager, on behalf of the Trust, shall not take any action inconsistent with the treatment of the Trust as an association taxable as a corporation for U.S. federal income tax purposes and shall not elect to treat the Trust as an entity other than as an association taxable as a corporation for such purposes.

2.10 Term

This Trust Agreement shall continue in full force and effect unless otherwise terminated in accordance with its provisions.

ARTICLE 3 STRUCTURE OF THE FUND

3.1 Division of the Trust into Units and Special Voting Unit

Subject to Article 20, the Manager shall have sole discretion in determining whether the capital of the Trust is divided into one or more classes of Units and into one or more series of each such class of Units, the attributes that shall attach to each class or series of Units and whether any class or series of Units should be redesignated as a different class or series of from time to time. The class or classes of Units and the series of each such class of Units created and authorized for the Trust, including any redesignation of any class or any series of a class of Units, shall be as shown from time to time in the Register kept for the Trust. Until changed in accordance with this Trust Agreement, the beneficial interests in the Trust shall be divided into interests of two classes, described and designated as “Units” and the “Special Voting Unit”, which shall be entitled to the rights and subject to the limitations, restrictions and conditions set out herein and each class or series of a class of Units or the Special Voting Unit shall have the following attributes, as applicable:

- (a) each Unit and the Special Voting Unit shall be without nominal or par value;
- (b) each whole Unit of a particular class or a series of a class shall entitle the holder thereof to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders where all classes and series of Units and/or the Special Voting Unit vote together and to one vote at all meetings of Unitholders or in respect of any written resolution of Unitholders where that particular class or series of a class of Units votes separately as a class or series;
- (c) each Unit of a particular class or series of a class shall entitle the holder thereof to participate pro rata, in accordance with the provisions hereof, with respect to all distributions made to that class or series of a class and, upon liquidation of the Trust, to participate pro rata with other Unitholders of that same class or series of a class in the Net Asset Value of the Trust remaining after the satisfaction of outstanding liabilities of the Trust and the class or series of a class as provided in Article 21 hereof;
- (d) the Special Voting Unit has no economic entitlement in the Trust. The Special Voting Unit may only be issued in connection with or in relation to Exchangeable Shares for the purpose of, effectively, providing voting rights with respect to the Trust to the holders of Exchangeable Shares;
- (e) the Special Voting Unit shall only be issued to the trustee under the voting and exchange trust agreement to be entered into in connection with the issuance of the Exchangeable Shares and shall only be issued at the time of issue of such Exchangeable Shares. The Special Voting Unit shall entitle the holder of record thereof to a number of votes at all meetings of Voting Unitholders or in respect of any written resolution of Voting Unitholders equal to the number of Units into which the outstanding Exchangeable Shares (other than those held by the Trust or its Affiliates) are exchangeable, exercisable or convertible. The Special Voting Unit shall be redeemable by the Trust, provided that there are no outstanding Exchangeable Shares (other than those held by the Trust or its Affiliates). In the event of an offer by any person to purchase Exchangeable Shares which is made on identical terms to the holders of all outstanding Units, the Special Voting Unit may be transferred pursuant to such offer without permission of the Trustee. The Special Voting Unitholder shall not be entitled to a certificate representing or evidencing such Special Voting Unit and shall only be entitled to be entered on the Register as the Special Voting Unitholder and the Register shall be conclusive as to the Special Voting Unitholder and the voting entitlement of the Special Voting Unitholder;
- (f) concurrently with the issuance of any Exchangeable Shares, the Manager on behalf of the Trust shall enter into such agreements as may be necessary or desirable to properly provide for the terms of the Exchangeable Shares, the voting rights attached to the Special Voting Unit and the, direct or indirect, conversion, exercise, redemption or exchange of such Exchangeable Shares for Units including, without limitation, consolidation and subdivision provisions that provide for concurrent consolidation or subdivision, as the case may be, upon the consolidation or subdivision of the Units, and the conditional and automatic conversion, exercise, redemption or exchange of such Exchangeable Shares in the event of a take-over bid for the Units;
- (g) distributions shall be allocated among the classes or series of a class of Units in such manner as the Manager considers appropriate and equitable and in accordance with the specific attributes of such classes or series of a class of Units;

- (h) there shall be no pre-emptive rights attaching to the Units;
- (i) there shall be no cancellation or surrender provisions attaching to the Units except as set out herein;
- (j) once the Net Asset Value per Unit for the applicable class or series of a class, determined in accordance with Section 3.6 hereof, at the time of issuance has been paid, the Units shall be non-assessable so that there shall be no liability for future calls or assessments with respect to the Units;
- (k) all Units shall be transferable, but only as contemplated herein;
- (l) subject to limitations and requirements determined from time to time by the Manager and disclosed in the Disclosure Documents, each Unit of a particular class or series of a class of the Trust may be redesignated by the Manager as a Unit of another class or series of the Trust based on the respective Net Asset Value per Unit for each such class or series of Units on the date of the redesignation;
- (m) the number of Units and the classes and series of Units of the Trust that may be issued is unlimited;
- (n) there shall only be one Special Voting Unit; and
- (o) fractional Units of a class or series of a class may be issued and shall be proportionately entitled to all the same rights as whole Units of that same class or series, except voting rights (however fractional Units held by a single Unitholder may be combined).

Each class and series of a class of Units shall also have the features and characteristics disclosed from time to time in the Disclosure Documents or such other offering documents of the Trust. The Trustee and the Manager may be Unitholders.

3.2 Repurchase of Initial Unit

In connection with, and on the completion of, the Arrangement, the Trust will purchase and the Settlor will sell the Initial Unit for a purchase price of \$10.00. Upon completion of such purchase and sale, the Initial Unit will be cancelled and will no longer be outstanding for any of the purposes of this Trust Agreement.

3.3 Voting

Subject to Section 3.1 hereof, (i) each Unitholder shall be entitled to one vote for each whole Unit held by such Unitholder and (ii) the Special Voting Unitholder shall be entitled to one vote for each whole Exchangeable Share outstanding (other than Exchangeable Shares that are owned by the Trust or an Affiliate thereof).

3.4 Consolidation and Subdivision

Units may be consolidated or subdivided by the Manager upon the Manager giving at least 21 days' prior written notice to the Trustee and to each Unitholder of its intention to do so. Notwithstanding the foregoing, Units may be consolidated without notice to Unitholders in connection with a distribution to Unitholders pursuant to Section 4.3 hereof.

3.5 Calculation of Net Asset Value of the Trust and Net Asset Value per Unit

The calculation of the Net Asset Value of the Trust shall be the responsibility of the Manager, who may consult with the Valuation Agent, any Investment Manager, any Technical Advisor, the Facilities, the Custodian and/or the Auditors. The Net Asset Value of the Trust shall be determined for the purposes of subscriptions as at the Valuation Time on each Valuation Date in United States dollars. The Net Asset Value of the Trust determined on the last Valuation Date of each year shall include all income, Common Expenses, Class Expenses or any other items to be accrued to December 31st of each year and since the last calculation of the Net Asset Value per Unit or the Class Net Asset Value per Unit for the purpose of the distribution of Net Income and Net Realized Capital Gains of the Trust to Unitholders. The **"Net Asset Value of the Trust"** as at the Valuation Time on each Valuation Date shall be the amount obtained by deducting from the aggregate fair market value of the assets of the Trust as of such Valuation Date an amount equal to the fair value of the liabilities of the Trust (excluding all liabilities represented by outstanding Units) as of such Valuation Date. The **"Net Asset Value per Unit"** shall be determined by dividing the Net Asset Value of the Trust on a Valuation Date by the total number of Units then outstanding assuming for these purposes that all Exchangeable Shares have been exchanged for Units in accordance with their terms on such Valuation Date. The Net Asset Value of the Trust as at the Valuation Time on a Valuation Date shall be determined in accordance with the following:

- (a) The assets of the Trust shall be deemed to include the following property:
 - (i) all Uranium owned by or contracted for the Trust;
 - (ii) all cash on hand or on deposit, including any interest accrued thereon adjusted for accruals deriving from trades executed but not yet settled;
 - (iii) all bills, notes and accounts receivable;
 - (iv) all interest accrued on any interest-bearing securities owned by the Trust other than interest, the payment of which is in default;
 - (v) prepaid expenses; and
 - (vi) any of the foregoing property held by a Subsidiary.
- (b) The market value of the assets of the Trust (whether held directly or indirectly through one or more Subsidiaries) shall be determined as follows:
 - (i) the value of Uranium shall be its market value based on the prices of such Uranium provided by a widely recognized pricing service or an average of such services (the **"Pricing Services"**) as directed by the Manager or a Technical Advisor and, if such service is not available, such Uranium shall be valued at prices provided by another pricing service as determined by the Manager or a Technical Advisor in consultation with the Valuation Agent;
 - (ii) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, and interest accrued and not yet received, shall be deemed to be the full amount thereof unless the Manager shall have determined that any such deposit, bill, demand note, account receivable, prepaid expense or interest is not worth the full amount thereof, in which event the value thereof shall be deemed to be such value as the Manager shall determine to be the fair value thereof;

- (iii) short-term investments including notes and money market instruments shall be valued at cost plus accrued interest;
 - (iv) the value of any security or other property for which no price quotations are available or, in the opinion of the Manager, to which the above valuation principles cannot or should not be applied, shall be the fair value thereof determined from time to time in such manner as the Manager shall from time to time provide; and
 - (v) the value of all assets and liabilities of the Trust valued in terms of a currency other than the currency used to calculate the Net Asset Value of the Trust shall be converted to the currency used to calculate the Net Asset Value of the Trust by applying the rate of exchange obtained from the best available sources to the Valuation Agent as agreed upon by the Manager including, but not limited to, the Trustee or any of its Affiliates.
- (c) The liabilities of the Trust shall be calculated on a fair value basis and shall be deemed to include the following:
 - (i) all bills, notes and accounts payable;
 - (ii) all fees (including Management Fees) and administrative and operating expenses and applicable taxes payable and/or accrued by the Trust;
 - (iii) all contractual obligations for the payment of money or property, including distributions of Net Income and Net Realized Capital Gains, if any, declared, accrued or credited to the Unitholders and holders of Exchangeable Shares but not yet paid on the day before the Valuation Date as of which the Net Asset Value of the Trust is being determined;
 - (iv) all allowances authorized or approved by the Manager or the Trustee for taxes or contingencies;
 - (v) all other liabilities of the Trust of whatsoever kind and nature, except liabilities represented by outstanding Units; and
 - (vi) any of the above liabilities of the Subsidiaries.
- (d) For the purposes of determining the market value of any security or property pursuant to subsection 3.5(b) to which, in the opinion of the Valuation Agent in consultation with the Manager, the above valuation principles cannot be applied (because no price or yield equivalent quotations are available as provided above, or the current pricing option is not appropriate, or for any other reason), shall be the fair value as determined in such manner by the Valuation Agent in consultation with the Manager and generally adopted by the marketplace from time to time, provided that any change to the standard pricing principles as set out above shall require prior consultation and written agreement with the Manager. For greater certainty, fair valuing an investment comprising the Trust Property may be appropriate if: (i) market quotations do not accurately reflect the fair value of an investment; (ii) an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded; (iii) a trading halt closes an exchange or market early; or (iv) other events result in an exchange or market delaying its normal close.

- (e) For the purposes of determining the value of Uranium, the Manager relies solely on the Pricing Services. The Manager, any Technical Advisor, the Trustee or the Valuation Agent shall not be required to make any investigation or inquiry as to the accuracy or validity of such Pricing Services.
- (f) Portfolio transactions (investment purchases and sales) will be reflected in the first computation of the Net Asset Value of the Trust made after the date on which the transaction becomes binding.
- (g) The Net Asset Value of the Trust and Net Asset Value per Unit on the first Business Day following a Valuation Date shall be deemed to be equal to the Net Asset Value of the Trust (or the Net Asset Value per Unit, as the case may be) on such Valuation Date after payment of all fees and applicable taxes, including Management Fees, and after processing of all subscriptions of Units in respect of such Valuation Date.
- (h) The Net Asset Value of the Trust and the Net Asset Value per Unit determined by the Manager in accordance with the provisions of this section shall be conclusive and binding on all Unitholders and holders of Exchangeable Shares.
- (i) The Manager, any Technical Advisor and any Investment Manager may determine such other rules, not in conflict with this Section 3.5, regarding the calculation of the Net Asset Value of the Trust and the Net Asset Value per Unit which they deem necessary from time to time, which rules may deviate from IFRS.

3.6 Calculation of Class Net Asset Value and Class Net Asset Value per Unit

- (a) The Net Asset Value for a particular class or series of a class of Units (the “**Class Net Asset Value**”) as at the Valuation Time on a Valuation Date shall be determined for the purposes of subscriptions in accordance with the following calculation:
 - (i) the Class Net Asset Value last calculated for that class or series of a class; plus
 - (ii) the increase in the assets attributable to that class or series of a class as a result of the issue of Units of that class or series of a class or the redesignation of Units into that class or series of a class since the last calculation; minus
 - (iii) the decrease in the assets attributable to that class or series of a class as a result of the redesignation of Units out of that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - (iv) the Proportionate Share of the Net Change in Non-Portfolio Assets attributable to that class or series of a class since the last calculation; plus (in the case of an increase) or minus (in the case of a decrease)
 - (v) the Proportionate Share of market appreciation or depreciation of the portfolio assets attributable to that class or series of a class since the last calculation; minus
 - (vi) the Proportionate Share of the Common Expenses and applicable taxes allocated to that class or series of a class since the last calculation; minus

- (vii) any Class Expenses and applicable taxes allocated to that class or series of a class since the last calculation.
- (b) A Unit of a class or series of a class being issued or a Unit that has been redesignated as a part of that class or series of a class shall be deemed to become outstanding as of the next calculation of the applicable Class Net Asset Value immediately following the Valuation Date at which the applicable Class Net Asset Value per Unit that is the issue price or redesignation basis of such Unit is determined and the issue price received or receivable for the issuance of the Unit shall then be deemed to be an asset of the Trust attributable to the applicable class or series of a class.
- (c) A Unit of a class or series of a class that has been redesignated as no longer being a part of that class or series of a class shall be deemed to remain outstanding as part of that class or series of a class until immediately following the Valuation Date as of which the applicable Class Net Asset Value per Unit that is the redesignation basis of such Unit is determined; thereafter, the Unit which has been redesignated will be deemed to be outstanding as a part of the class or series of a class into which it has been redesignated.
- (d) On any Valuation Date that a distribution is paid to Unitholders of a class or series of a class, a second Class Net Asset Value shall be calculated for that class or series of a class, which shall be equal to the first Class Net Asset Value calculated on that Valuation Date minus the amount of the distribution. For greater certainty, the second Class Net Asset Value shall be used for determining the Class Net Asset Value per Unit on such Valuation Date for purposes of determining the issue price for Units on such Valuation Date, as well as the redesignation basis for Units being redesignated into or out of such class or series of a class, and Units redesignated out of that class or series of a class as at such Valuation Date shall participate in such distribution while Units subscribed for or redesignated into such class or series of a class as at such Valuation Date shall not.
- (e) The Class Net Asset Value per Unit of a particular class or series of a class of Units as at any Valuation Date is the quotient obtained by dividing the applicable Class Net Asset Value as at such Valuation Date by the total number of Units of that class or series of a class outstanding at such Valuation Date. This calculation shall be made without taking into account any issuance or redesignation of Units of that class or series of a class to be processed by the Trust immediately after the Valuation Time of such calculation on that Valuation Date. The Class Net Asset Value per Unit for each class or series of a class of Units for the purpose of the issue of Units shall be calculated on each Valuation Date by or under the authority of the Manager as at the Valuation Time on every Valuation Date as shall be fixed from time to time by the Manager and the Class Net Asset Value per Unit so determined for each class or series of a class shall remain in effect until the Valuation Time as of which the Class Net Asset Value per Unit for that class or series of a class is next determined.

3.7 Delegation by the Manager

The Manager shall be entitled to delegate any of its powers and obligations with respect to determining the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit for each class or series of a class of Units to a service provider including, but not limited to, the Valuation Agent or any of its Affiliates, by entering into the Valuation Services Agreement relating to, among other things, the calculation of the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit

for each class or series of a class of Units as at the Valuation Time on each Valuation Date. For greater certainty, the calculation of the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit for each class or series of a class of Units as at the Valuation Time on each Valuation Date pursuant to this Article 3 is for the purposes of determining subscription prices of Units and not for the purposes of accounting in accordance with IFRS.

ARTICLE 4

NET INCOME AND NET REALIZED CAPITAL GAINS

4.1 Valuation on Distribution Date

As at the Valuation Time on the last Valuation Date in each Fiscal Year or such other date as the Manager may, in its sole discretion, determine (a **“Distribution Date”**), the Manager shall, in the manner hereinafter provided, determine the amount of the Net Income and the Net Realized Capital Gains of the Trust for the period since the immediately preceding Distribution Date (or in the case of the first Distribution Date, from the inception date of the Trust).

4.2 Computation of Net Income and Net Realized Capital Gains

The Net Income and the Net Realized Capital Gains of the Trust shall be computed as of the Valuation Time on each Distribution Date in accordance with the following:

- (a) **“Net Income”** for any taxation year of the Trust shall be the net income for the year determined pursuant to the provisions of the Tax Act having regard to the provisions thereof that relate to the calculation of income of a trust, other than subsection 104(6), and taking into account such adjustments thereto as are determined by the Manager; provided, however, that capital gains and capital losses shall be excluded from the computation of net income.
- (b) **“Net Realized Capital Gains”** of the Trust for any taxation year of the Trust shall be determined as the amount, if any, by which the aggregate of the capital gains of the Trust in the taxation year exceeds:
 - (i) the aggregate of the capital losses of the Trust in the taxation year; and
 - (ii) the amount determined by the Manager in respect of any unapplied net capital losses for prior taxation years which the Trust is permitted by the Tax Act to deduct in computing the taxable income of the Trust for the applicable taxation year and provided that, in the sole discretion of the Manager, the Net Realized Capital Gains of the Trust for a taxation year may be calculated without subtracting the full amount of the net capital losses of the Trust carried forward from previous taxation years.

4.3 Distribution of Net Income and Net Realized Capital Gains to Unitholders

- (a) Commencing with the Fiscal Year ending December 31, 2021, the Manager intends to cause the Trust to make annual distributions to Unitholders of Net Income, if any, for each year calculated in accordance with Section 4.2. Commencing with the Fiscal Year ending December 31, 2021, the Manager also intends to cause the Trust to make annual distributions to Unitholders of such portion of Net Realized Capital Gains, if any, for each year as determined in accordance with Section 4.2 hereof. All such distributions to Unitholders, including the amount of Net Income and Net Realized

Capital Gains, as applicable, allocated to each Unitholder, are in the discretion of the Trustee, acting on the direction of the Manager.

- (b) Having regard to the present intention of the Manager to allocate, distribute and make payable to Unitholders all Net Income or Net Realized Capital Gains so that the Trust will not have any liability for tax under Part I of the Tax Act in any taxation year, it is the intention of the Manager that the total amount due and payable pursuant to this Section 4.3 on the last Distribution Date in any year shall not be less than the amount necessary to ensure that the Trust will not be liable for income tax under Part I of the Tax Act for such year after taking into account the Trust's entitlement to a capital gains refund, if any.
- (c) The Manager may direct that such distribution or payment shall be due and payable by the Trust in cash or in additional Units. Where distributions are payable in additional Units, the Registrar and Transfer Agent, acting on the direction of the Manager, may round up or round down the number of Units in order to avoid the Trust issuing fractional Units. Any additional Units that are issued in this manner shall be of the same class or series of a class at a price equal to the Net Asset Value per Unit as at the Valuation Time on the applicable Distribution Date and the Units shall be immediately consolidated so that the number of outstanding Units following the distribution shall equal the number of Units outstanding prior to the distribution, and the Manager is hereby irrevocably constituted attorney for each Unitholder to so apply such distributions on behalf of each Unitholder on the relevant Distribution Date. Notwithstanding the foregoing, where Canadian tax is required to be withheld in respect of a Unitholder's share of a distribution paid in Units, the consolidation will result in such Unitholder holding that number of Units equal to the product of (i) the sum of the number of Units held by such Unitholder prior to the distribution and the number of Units received by such Unitholder in connection with the distribution (net of the total of the number of whole or fractional Units withheld by the Trust to satisfy the Trust's withholding obligations and the number of whole or fractional Units withheld pursuant to Section 4.5 on account of the reasonable expenses incurred in respect of the sale of such Units withheld on account of withholding taxes), and (ii) a quotient, the numerator of which is the aggregate number of Units outstanding prior to the distribution, and the denominator of which is the aggregate number of Units that would be outstanding following distribution and before the consolidation if no withholding were required in respect of any part of the distribution payable to any Unitholders. Such Unitholder will be required to surrender the Unit Certificates, if any, representing such Unitholder's original Units in exchange for a Unit Certificate representing such Unitholder's post-consolidation Units.
- (d) Distributions, if any, of Net Income or Net Realized Capital Gains will generally be made to Unitholders who were Unitholders of record as of 5:00 p.m. (Toronto time) on the last Business Day prior to any relevant Distribution Date. The amounts to be paid to a Unitholder shall be the amount of Net Income or Net Realized Capital Gains determined as described in Section 4.2 divided by the total number of Units outstanding on the Distribution Date multiplied by the number of Units held by such Unitholder on the applicable Distribution Date.
- (e) All distributions, if declared and paid, shall be calculated and, if a cash distribution, paid in United States currency.

4.4 Additional Distributions, Designations, Determinations, Allocations and Elections

In addition to any distributions made to Unitholders as described under Section 4.3 hereof, on the direction of the Manager, the Trust shall at such times and in such manner as directed by the Manager make such additional distributions of monies or properties of the Trust including, without restriction, returns of capital, in such amounts per Unit, payable at such time or times and to Unitholders of record on such Distribution Date, as from time to time may be determined by the Manager, and also make such designations, determinations, allocations and elections for tax purposes of amounts or portions of amounts which it has received, paid, declared payable or allocated to Unitholders and of expenses incurred by the Trust and of tax deductions of which the Trust may be entitled, as the Manager may, in its sole discretion, determine.

4.5 Withholding Taxes

The Manager shall deduct or withhold from distributions payable to any Unitholder all amounts required by Applicable Law to be withheld from such distributions, whether such distributions are in the form of cash, additional Units or otherwise. In the event of a distribution in the form of additional Units, subject to applicable Securities Legislation, the Manager may sell Units of such Unitholder to pay such withholding taxes and to pay all reasonable expenses in respect of such sale and the Manager shall have the power of attorney of such Unitholder to do so. Any such sale shall be made in compliance with applicable Securities Legislation on any stock exchange on which the Units are then listed and upon such sale, the affected Unitholder shall cease to be the holder of such Units. In the event that the net proceeds of any such sale of a Unitholder's Units exceed the statutory withholding required and the reasonable expenses incurred in respect of such sale, the Manager shall remit such excess to the Unitholder.

4.6 Income Tax Statements

- (a) On or before March 31 in each year, or in the case of a leap year on or before March 30 in such year, if applicable, or as otherwise required by the Tax Act, the Manager shall prepare and deliver or make available electronically, or cause to be prepared and delivered or made available electronically, to Unitholders information pertaining to the Trust, including all distributions, designations, determinations, allocations and elections, which is required or permitted by the Tax Act or which is necessary to permit Unitholders to complete their individual income tax returns for the preceding year. For greater certainty, the Manager may fulfill its obligations under this Section 4.6(a) by making or causing to be made available electronically via CDS all such information to the CDS Participants who hold Units on behalf of Unitholders.
- (b) It is the Manager's intention to claim the maximum amount of deduction available to the Trust under paragraph 104(6)(b) of the Tax Act for each relevant Fiscal Year of the Trust. In the event that amounts that were allocated, distributed or paid to Unitholders as capital gains or as non-taxable payments are, for any reason, subsequently determined (including as a result of an assessment or reassessment by any taxation authorities) to have been fully includible in the taxable income of the Trust for the relevant Fiscal Year, then the Manager shall have the discretion to increase its claim under paragraph 104(6)(b) of the Tax Act for that Fiscal Year, which shall include the discretion to issue new or amended tax reporting slips to the relevant Unitholders or former Unitholders and to declare that all or part of such amounts shall be retroactively deemed to have been allocated, distributed and paid to Unitholders out of the income of the Trust.

4.7 Qualified Electing Trust Election and Reporting

Within 60 days from the end of each taxable year of the Trust, the Manager shall provide or cause to be provided to Unitholders all information necessary to enable Unitholders or beneficial owners of Units, as applicable, to elect to treat the Trust as a “qualified electing fund” within the meaning of Section 1295 of the Code (a “**QEF**”) for U.S. federal income tax purposes and to comply with any reporting or other requirements incident to such election including, but not limited to, providing or causing to be provided to Unitholders or beneficial owners of Units, as applicable, a completed “PFIC Annual Information Statement” as required by U.S. Treasury Regulations Section 1.1295-1(g). The Manager shall comply and cause the Trust to comply with all applicable requirements of the U.S. Treasury Regulations necessary to enable Unitholders or beneficial owners of Units, as applicable, to elect to treat the Trust as a QEF.

4.8 Tax Definitions

Unless the context otherwise requires, any term in this Article 4 which is defined for the purposes of the Tax Act shall have for the purposes of this Article 4 the meaning that it has for the purposes of the Tax Act.

ARTICLE 5 SALE AND TRANSFER OF UNITS

5.1 Allotment and Issue

- (a) Within the limitations of this Article 5, the Registrar and Transfer Agent, on the direction of the Manager, shall allot and issue Units at such time or times at such price and in such manner, and to such Person or Persons as the Manager in its sole discretion shall determine, having regard to such matters as would be considered by the board of directors of a CBCA Corporation when issuing shares in comparable circumstances.
- (b) Notwithstanding subsection 5.1(a), the Trust's initial distribution of Units shall be made on the Arrangement Effective Date in accordance with the terms of the Arrangement. The Manager shall not direct the Registrar and Transfer Agent to allot and issue Units of the same class subsequent to the Arrangement Effective Date, except: (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Net Asset Value per Unit prior to, or upon, the determination of the pricing of such issuance; or (ii) by way of Unit distribution in connection with an income distribution. In connection with any such allotment and issuance of Units, the Manager shall also give due consideration to the expected costs and benefits associated with any planned future acquisition of Uranium, where applicable, that is to be funded with the net proceeds of such allotment and issuance of Units. Immediately after a pro rata distribution of Units to all Unitholders in satisfaction of any non-cash distribution, the number of outstanding Units will be consolidated as described in Section 4.3 hereof such that each Unitholder will hold, after the consolidation, the same number of Units as the Unitholder held before the non-cash distribution, subject to any reduction contemplated in Section 4.5 where withholding is required. Subject to the foregoing, the Trust may also allot and issue additional classes of Units or series of Units within each class at such time or times, and in such manner, as the Manager in its sole discretion shall determine.
- (c) Pursuant to Section 2.1, the Initial Unit shall be issued to the Settlor as fully paid in respect of the initial contribution to the Trust by the Settlor in order to settle the Trust as a trust. Subscriptions for Units to be issued in any offering subsequent to the

Arrangement Effective Date will be subject to rejection or allotment by the Manager in whole or in part. If the Manager has not approved the subscription, the Manager shall so advise the subscriber within two days of the receipt of the subscription and forthwith return to the subscriber the amount tendered by the subscriber with his, her or its subscription without interest.

5.2 CDS Non-Certificated Inventory System and DTC Book-Entry Only System

It is anticipated that CDS will record the CDS Participants who hold Units on behalf of Unitholders and any sale or transfer of such Units in accordance with the Non-Certificated Inventory System. The record of CDS will reflect the books and records maintained by the Trust in respect of all Units purchased or transferred through the Non-Certificated Inventory System by CDS Participants. It is acknowledged and agreed by each of the Unitholders that there may be time delays in the recording of information by CDS in the Non-Certificated Inventory System and the recording of information in the books and records of the Trust. However, the Registrar and Transfer Agent will ensure that, as at the last day of December for each year that the Trust is in existence, the books and records of the Trust are accurate and complete and that the record maintained by CDS reflects the books and records of the Trust maintained in respect of Units purchased or transferred through the Non-Certificated Inventory System by CDS Participants. If CDS notifies CDS Participants that it is unwilling or unable to continue in connection with the Non-Certificated Inventory System in respect of the Trust, or if at any time CDS or its successor ceases to be a clearing agency or otherwise ceases to be eligible as a depository, or if at any time the Manager determines in its sole discretion to withdraw the Units from the Non-Certificated Inventory System, Unit Certificates will be issued to Unitholders in the amounts of their respective holdings of Units as of the effective date of such termination unless the applicable CDS Participants make alternative arrangements.

It is anticipated that DTC will record the DTC Participants who hold Units on behalf of Unitholders and any sale or transfer of such Units in accordance with the book-entry only system. The record of DTC will reflect the books and records maintained by the Trust in respect of all Units purchased or transferred through the book-entry only system by DTC Participants. It is acknowledged and agreed by each of the Unitholders that there may be time delays in the recording of information by DTC in the book-entry only system and the recording of information in the books and records of the Trust. However, the Registrar and Transfer Agent will ensure that, as at the last day of December for each year that the Trust is in existence, the books and records of the Trust are accurate and complete and that the record maintained by DTC reflects the books and records of the Trust maintained in respect of Units purchased or transferred through the book-entry only system by DTC Participants. If DTC notifies DTC Participants that it is unwilling or unable to continue in connection with the book-entry only system in respect of the Trust, or if at any time DTC or its successor ceases to be a clearing agency or otherwise ceases to be eligible as a depository, or if at any time the Manager determines in its sole discretion to withdraw the Units from the book-entry only system, Unit Certificates will be issued to Unitholders in the amounts of their respective holdings of Units as of the effective date of such termination unless the applicable DTC Participants make alternative arrangements.

5.3 Transfer of Units and Special Voting Unit

- (a) Units shall be, for all purposes of the Trust and this Trust Agreement, personal and moveable property, and subject to Section 5.2 and subsections 5.3(b) and 5.3(c) shall be transferable at any time and from time to time by endorsement and delivery of such evidence or instrument of transfer as the Manager or the Registrar and Transfer Agent may accept. If Unit Certificates are issued to Unitholders, transfers shall be recorded on the Register and shall only become effective when so recorded.

- (b) The Units are freely transferable and the Manager shall not impose any restriction on the transfer of Units unless such restriction is necessary, in the opinion of Counsel to the Trust, as a condition to obtain, maintain or renew any licences, rights, status or powers pursuant to any other Applicable Laws or comply with Securities Legislation. If any such restriction is or becomes necessary, the Manager shall have the power to restrict the transfer of Units on the books of the Trust and shall promptly direct the Registrar and Transfer Agent, with notice to the Trustee.
- (c) The Special Voting Unit shall only be transferable with the prior written consent of the Manager. No transfer of the Special Voting Unit shall be effective as against the Trust or the Trustee or shall be in any way binding upon the Trust or the Trustee until the transfer has been recorded on the Register or one of the branch transfer registers maintained by the Trustee, the Trust or the Registrar and Transfer Agent. The Special Voting Unit shall be transferable on the Register or one of the branch transfer registers only by the holders of record thereof or their executors, administrators or other legal representatives or by their agents or attorneys duly authorized in writing, and only upon delivery to the Trust or to the Registrar and Transfer Agent of all necessary transfer or other taxes imposed by law, together with such evidence of the genuineness of such authorization and other matters that may reasonably be required by the Trustee or the Registrar and Transfer Agent. Upon such delivery the transfer shall be recorded on the Register or branch transfer registers.

5.4 Successors in Interest of Unitholders

Any Person becoming entitled to any Units as a consequence of the death, bankruptcy, insolvency or incompetence of any Unitholder, or otherwise by operation of law, shall be recorded as the holder of such Units in the Register maintained in accordance with Section 16.2, upon production of evidence thereof, satisfactory to the Registrar and Transfer Agent in accordance with Section 5.7, but until such record is made, the Unitholder of record shall continue to be and be deemed to be the legal and beneficial holder of such Units for all purposes whether or not the Trust, the Manager, or the Registrar and Transfer Agent shall have actual or other notice of such death, bankruptcy, insolvency, incompetence or other event.

5.5 Units held Jointly or in Fiduciary Capacity

The Manager or the Registrar and Transfer Agent may treat two or more Persons holding any Unit as joint tenants of the entire interest therein unless their ownership is expressly otherwise recorded on the Register, but no entry shall be made in the Register that any Person is in any other manner entitled to any future, limited or contingent interest in any Unit; provided, however, that any Person recorded as a holder of any Unit may, subject to the provisions herein contained, be described in the Register or on any certificate as a fiduciary of any kind and any customary words may be added to the description of the holder to identify the nature of such fiduciary relationship.

5.6 Purchases for Cancellation

The Trust may at any time and from time to time purchase Units for cancellation at prices not exceeding the Net Asset Value per Unit on the Valuation Date immediately prior to such purchase, subject to compliance with applicable Securities Legislation and stock exchange requirements.

5.7 Death, Bankruptcy, Insolvency or Incompetence of a Unitholder

Neither the Trust nor the Manager shall be affected by any notice of death, bankruptcy, insolvency, incompetence or other event affecting a Unitholder but they may, nonetheless, upon becoming aware

of any such event, take such action as they may deem appropriate to ensure compliance with Applicable Laws to the extent each is obliged hereunder to ensure such compliance and they shall not become liable to a Unitholder for so doing. Any Person becoming entitled to any Units in consequence of the death, bankruptcy, insolvency, incompetence or other event of any Unitholder, the transfer of Units, or otherwise by operation of law, shall be recorded as the holder of such Units upon production to the Registrar and Transfer Agent of the proper evidence thereof. Until such production is made, the Unitholder of record shall be deemed to be the holder of such Units for all purposes hereof and the Registrar and Transfer Agent, the Manager, the Trustee and the Trust shall not be affected by any notice of such death, bankruptcy, insolvency, incompetence or other event and, in particular, shall not be affected by reason that a transfer of Units is processed on the day when the actual transfer of Units occurs and not on the day when notice of death, bankruptcy, insolvency, incompetence or other event is received by the Registrar and Transfer Agent or the Manager. Notwithstanding the foregoing, upon receipt from a Unitholder of notice that his or her Units have been pledged or otherwise encumbered, the Manager or the Registrar and Transfer Agent may, but need not, place such restrictions on transfer of the affected Units as are deemed appropriate by the Manager in its discretion.

5.8 Death of a Unitholder

The death of a Unitholder during the continuance of the Trust shall not terminate the Trust or any of the mutual or respective rights and obligations created by or arising hereunder nor give such Unitholder's legal representatives a right to an accounting or to take any action in the Courts or otherwise against other Unitholders or the Manager, or the Trust Property, but shall merely entitle the personal representative of the deceased Unitholder to be registered as the holder of such Units pursuant to the provisions of Sections 5.4 and 5.7 in place of the deceased Unitholder and upon acceptance thereof such personal representative shall succeed to all rights of the deceased Unitholder hereunder.

5.9 Lost Unit Certificates

If Unit Certificates are issued to Unitholders and any Unit Certificate is lost, stolen, destroyed or mutilated, the Manager may authorize the issuance of a new Unit Certificate for the same number of Units in lieu thereof. The Manager may in its discretion, before the issuance of such new Unit Certificate, require the holder of the lost, stolen, destroyed or mutilated Unit Certificate, to make an affidavit or statutory declaration setting forth such facts as to the loss, theft, destruction or mutilation as the Manager may deem necessary and may require the subscriber to supply to the Trust a "lost certificate bond" or a similar bond in such reasonable sum as the Manager may direct indemnifying the Manager and the Registrar and Transfer Agent for so doing. The Manager or the Registrar and Transfer Agent shall have the power to acquire from an insurer or insurers a blanket lost security bond or bonds in respect of the replacement of lost, stolen, destroyed or mutilated Unit Certificate. The Trust shall pay all premiums and other sums of money payable for such purpose out of the Trust Property with such contribution, if any, by those insured as may be determined by the Manager. If such blanket lost security bond is acquired, the Manager may authorize and direct (upon such terms and conditions as the Manager may from time to time impose) the Registrar and Transfer Agent to whom the indemnity of such bond extends to take such action to replace any lost, stolen, destroyed or mutilated Unit Certificate without further action or approval by the Manager.

5.10 Declaration as to Beneficial Owner

The Manager may require any Unitholder as shown on the Register to provide a declaration, in the form prescribed by the Manager, as to the beneficial owner of Units registered in such Unitholder's name and as to the jurisdiction in which such beneficial owner is resident.

5.11 Performance of Trusts

The Manager, the Trustee, the Unitholders, the Registrar and Transfer Agent, the Valuation Agent or other agent of the Trust shall not be bound to recognize or see to the performance of any trust, express, implied or constructive, or of any charge, pledge or equity to which any of the Units or any interests therein are or may be subject, or to ascertain or inquire whether any sale or transfer of any such Units or interests therein by any such Unitholder or his or her personal representatives is authorized by such trust, charge, pledge or equity, or to recognize any Person as having any interest therein, except for the Person recorded as a Unitholder on the Register.

ARTICLE 6 POWERS AND DUTIES OF THE TRUSTEE

6.1 General Powers

The Trustee, subject only to the specific limitations contained in this Trust Agreement, shall have full, absolute, and exclusive power, control and authority over the Trust Property to do all such acts and things as it, in its sole judgment and discretion deems necessary or incidental to, or desirable for, the carrying out of any of the purposes of the Trust or conducting the business of the Trust, including varying the investments of the Trust in accordance with the Investment Policy. In construing the provisions of this Trust Agreement, presumption shall be in favour of the granted powers and authority to the Trustee.

6.2 Specific Powers

The enumeration of specific powers and authorities herein are in addition to the general powers granted in Section 6.1 or by statute and shall not be construed as limiting the general powers or authority or any other specific power or authority conferred herein on the Trustee.

Subject to the specific limitations contained in this Trust Agreement, including the Investment Policy, and without any action or consent by the Unitholders or the Special Voting Unitholder, the Trustee shall have and may exercise, at any time and from time to time, the following powers and authorities which may or may not be exercised by it in its sole judgment and discretion, and in such manner and upon such terms and conditions as it may from time to time deem proper:

- (a) to hold the Trust Property other than Uranium that it may acquire hereunder exercising the same degree of care which it gives to its own property of a similar kind under its own custody;
- (b) to deliver any cash at any time held by it as directed by the Manager or any Technical Advisor to purchase, or otherwise acquire, on behalf of the Trust, Uranium and to retain the same in trust hereunder in its capacity as Trustee; provided, however, that the Trustee shall have no responsibility for the custody, authenticity or validity of title of any Trust Property consisting of such Uranium held at the Facilities;
- (c) subject to subsection 7.1(b) and subclause 10.2(b)(iii)(G) hereof, with any cash at any time held by it to purchase, or otherwise acquire, and to sell, on behalf of the Trust, any securities, currencies, assets or other such Trust Property (other than Uranium) of a kind permitted pursuant to the Investment Policy and to hold and retain the same in trust hereunder in its capacity as Trustee;
- (d) to enter into and settle foreign exchange transactions on behalf of the Trust for purposes of facilitating settlement of trades of such Trust Property held by it at any

time and any such transactions may be entered into with such counterparties as the Trustee may choose, in its sole discretion, including its Affiliates;

- (e) to sell, convey, exchange for other securities or other property, convert, transfer, assign, pledge, encumber or otherwise dispose of any such Trust Property held by it at any time, by any means considered reasonable by the Trustee and to receive the consideration and grant discharges therefor;
- (f) to commence, defend, adjust or settle suits or legal proceedings in connection with the Trust and to represent the Trust in any such suits or legal proceedings and to keep the Manager informed; provided, however, that the Trustee shall not be obliged or required to do so unless it has been indemnified to its satisfaction against all expenses and liabilities sustained or anticipated by the Trustee by reason thereof;
- (g) subject to applicable Securities Legislation, to lend money whether secured or unsecured;
- (h) to exercise any Corporate Action in connection with any such Trust Property at any time held by the Trustee, and to make any payments incidental thereto; to consent to, or otherwise participate in or dissent from, the reorganization, consolidation, amalgamation or merger of any corporation, company or association, or to the sale, mortgage, pledge or lease of the property of any corporation, company or association, or of any of the securities of which may at any time be held by it, and to do any act with reference thereto, including the delegation of discretionary powers, the exercise of options, the making of agreements or subscriptions and the payment of expenses, assessments or subscriptions which it may deem necessary or advisable in connection therewith; to hold any such Trust Property which it may so acquire and generally to exercise any of the powers of any owner with respect to such Trust Property, provided that where direction from the Manager is not provided within the time frame specified by the Trustee in any notice provided in accordance with subsection 6.3(a), the Trustee shall take no action;
- (i) to vote personally, or by general or by limited proxy, any such Trust Property which may be held by it at any time, and similarly to exercise personally or by general or by limited power of attorney any right appurtenant to any Trust Property held by it at any time, provided that where direction is not provided by the Manager within the time frame as set out in the Voting Materials forwarded to it in accordance with subsection 6.3(b), the Trustee shall take no action;
- (j) to incur and pay out of such Trust Property held by it at any time any charges or expenses and disburse any assets of the Trust, which charges, expenses or disbursements are, in the opinion of the Trustee, the Manager or any Technical Advisor, as the case may be, necessary or incidental to or desirable for the carrying out of any of the purposes of the Trust or conducting the business of the Trust including, without limitation, the Management Fee, fees payable to the Facilities, the Custodian, the Valuation Agent and the Registrar and Transfer Agent, custodian settlement fees, any expenses related to the implementation and on-going operation of the Independent Review Committee, brokerage fees and commissions, federal and provincial income taxes, goods and services taxes and withholding taxes, or other governmental levies, charges and assessments of whatever kind or nature, imposed upon or against the Trustee in connection with the Trust or such Trust Property or upon or against such Trust Property or any part thereof and for any of the purposes herein;

- (k) to renew or extend or participate in the renewal or extension of any such Trust Property held by it at any time, upon such terms as it may deem advisable, and to agree to a reduction in the rate of interest on any such Trust Property or of any guarantee pertaining thereto, in any manner and to any extent that it may deem advisable; to waive any default whether in the performance of any covenant or condition of any such Trust Property, or in the performance of any guarantee, or to enforce rights in respect of any such default in such manner and to such extent as it may deem advisable; to exercise and enforce any and all rights of foreclosure, to bid on property on sale or foreclosure with or without paying a consideration therefore and in connection therewith to release the obligation on the covenant secured by such security and to exercise and enforce in any action, suit or proceeding at law or in equity any rights or remedies in respect of any such security or guarantee pertaining thereto;
- (l) to make, execute, acknowledge and deliver any and all deeds, leases, mortgages, conveyances, contracts, waivers, releases of other documents of transfer and any and all other instruments in writing that may be necessary or proper for the accomplishment of any of the powers herein granted, whether for a term extending beyond the office of the Trustee or beyond the possible termination of the Trust or for a lesser term;
- (m) in its sole discretion, to advance monies to the Trust for the purposes of settlement of transactions and overdrafts against such Trust Property held by it at any time, on such terms and conditions as the Trustee may, in its sole discretion, determine, provided that, in order to secure the obligations of the Trust to repay such borrowings, the principal of and interest charged on such borrowing shall be paid out of the Trust Property and shall constitute a charge against the Trust Property until paid;
- (n) to purchase, hold, sell or exercise call or put options on securities, indices of shares or other securities, financial and stock index futures contracts, securities or currency futures or forward contracts or other financial or derivative instruments, all whether or not any such options, indices, contracts or instruments are traded on a regular exchange and in connection therewith to deposit such Trust Property held by it at any time with the counterparty as margin and to grant security interest therein;
- (o) to deposit any such Trust Property, including securities and documents of title held by it hereunder, with the Custodian, including the Trustee, any of its Affiliates, a sub-custodian appointed by the Trustee or a Depository;
- (p) to employ in respect of the Trust such Counsel, auditors, advisors, agents or other Person as the Trustee may deem necessary from time to time for the purpose of discharging its duties hereunder and to pay out of the Trust their reasonable expenses and compensation;
- (q) to issue Units for consideration as set forth herein;
- (r) to dispose of any Trust Property for the purpose of paying obligations of the Trust or for repaying any loan authorized hereby and the Trustee shall give prompt notice to the Manager and any Technical Advisor of any such disposition;
- (s) to hold such portion of the such Trust Property held by it at any time that is uninvested in cash and, from time to time, to retain such cash balances on deposit with the Trustee or any of its Affiliates or with a chartered bank or other Depository, in such account as the Trustee, in its sole discretion determines, whether or not such deposits will earn interest;

- (t) to delegate any of the powers and duties of the Trustee to any one or more agents, representatives, officers, employees, independent contractors or other Persons without liability to the Trustee except as specifically provided in this Trust Agreement; and
- (u) to do all such acts, to take all such proceedings and to exercise all such rights and privileges, although not specifically mentioned herein, as the Trustee may deem necessary to administer the Trust, and to carry out the purposes of the Trust established hereunder.

The exercise of any one or more of the foregoing powers or any combination thereof from time to time shall not be deemed to exhaust the rights of the Trustee to exercise such power or powers or combination of them thereafter from time to time.

The following enumerated powers shall only be exercised by the Trustee on the direction of the Manager or any Investment Manager: subsections 6.2(c), (e), (f), (g), (h), (i), (j) as applicable, (k), (l), (n) and (q), and with respect to subsection 6.2(n), to the extent that the Trustee is required to execute any documents relating to such investments which the Trustee did not negotiate or in respect to which the Trustee is not responsible hereunder, upon an indemnity being provided from the Manager acceptable to the Trustee in the circumstances.

6.3 Forwarding Materials

- (a) With respect to the Corporate Actions referred to in subsection 6.2(h), the Trustee shall promptly forward to the Manager (or on direction from the Manager, to an Investment Manager), a notice:
 - (i) that contains a summary of any information or materials which are actually received by the Trustee; and
 - (ii) which requests directions from the Manager with respect to such Corporate Action, where required.
- (b) With respect to Voting Materials (including all proxies, proxy solicitation materials and other communications received by the Trustee relating to securities forming part of the Trust Property), the Trustee shall promptly forward, or arrange to have promptly forwarded, to the Manager (or to such Investment Manager which the Manager has designated as having responsibility for a security which forms part of the Trust Property) such materials.
- (c) Other than as described in subsections 6.3(a) and 6.3(b) hereto, the Trustee shall not be obligated to forward or summarize any securityholder communications, including securityholder mailings, notices or reports.
- (d) The Trustee shall have no responsibility or liability for ensuring the accuracy or adequacy of such third party information contained in any summary of Corporate Action materials or information described in subsection 6.3(a) hereto or Voting Materials described in subsection 6.3(b) hereto.

6.4 Dealing with Others and Self

Subject to the foregoing, the Trustee may, and is hereby expressly authorized from time to time, in its sole discretion, to appoint, employ, invest in, contract or deal with any individual, firm, partnership,

association, trust or body corporate with which it may be directly or indirectly affiliated or in which it may be directly or indirectly interested, whether on its own account or for the account of another (in a fiduciary capacity or otherwise) and, without limiting the generality of the foregoing, the Trustee may:

- (a) purchase, hold, sell, invest in or otherwise deal with securities or other property of the same class and nature as may be held by the Trust, whether on the Trustee's own account or for the account of another (in a fiduciary capacity or otherwise);
- (b) use in other capacities, knowledge gained in its capacity as Trustee hereunder; provided that such use does not adversely affect the interests of the Trust and provided further that the Trustee may not make use of any specific confidential information for its own benefit or advantage that, if generally known, might be expected to affect materially the value of the Trust Property or the Units;
- (c) retain cash balances from time to time on hand in the Trust and pay interest to the Trust on such balances and the Trustee may, in its sole discretion:
 - (i) hold the same on a pooled basis and pay interest thereon at the rate from time to time established by the Trustee and paid with respect to cash balances so held for similar accounts; or
 - (ii) hold such cash balances on deposit with a Canadian chartered bank or such other deposit-taking institution in any jurisdiction, including itself or its Affiliates, in such interest bearing account as the Trustee, in its sole discretion, may determine; and
- (d) provide financial, investment or brokerage services related to any securities which form part of the Trust Property or to the issuer of any securities forming part of the Trust Property, invest in the securities or other property of any body corporate with which the Trustee may be directly or indirectly associated, affiliated or interested, or earn profits from any of the activities listed herein,

all without being liable to account therefor and without being in breach of the trust established hereunder.

ARTICLE 7 POWERS AND DUTIES OF THE MANAGER

7.1 Powers of the Manager

- (a) The Manager hereby reserves and retains full authority and exclusive power to manage and direct the business and affairs of the Trust including, without limitation, to provide the Trust with all necessary investment management services to the Trust Property and all clerical, administrative and operational services to the Trust as set forth in this Article 7 or elsewhere in this Trust Agreement or in the Management Agreement, including the power to further delegate certain investment management, clerical, administrative and operational services of the Trust (including without limitation to a Technical Advisor and/or Investment Manager), where in the sole discretion of the Manager, it would be in the best interests of the Trust.
- (b) For greater certainty, it is hereby confirmed that the Trustee shall have no responsibility for the investment management of the Trust Property or for any investment decisions

in respect of the Trust save and except for carrying out the instructions given to it pursuant to this Trust Agreement.

7.2 Duties of the Manager

- (a) Except as otherwise expressly provided herein, the Manager shall have the following duties with respect to the Trust and shall, subject to the provisions of this Trust Agreement, be able to delegate such duties to one or more Technical Advisors, at the Manager's sole discretion:
 - (i) to determine the investment objectives and strategies, including any restrictions on investments, which it deems advisable to implement the Investment Policy, as may be amended from time to time in accordance with Article 20;
 - (ii) to ensure that the Trust complies with Applicable Laws including those relating to the investment of the Trust Property, the distribution of the Units and applicable stock exchange listing requirements;
 - (iii) to comply with Applicable Laws in connection with its duties and actions as manager of the Trust, including applicable anti-bribery and anti-corruption laws;
 - (iv) to oversee the direct and indirect administration of the Subsidiaries;
 - (v) to monitor the performance of the Uranium and other Trust Property;
 - (vi) to provide investor relations, sales and marketing support for the Trust, as well as client service support;
 - (vii) to arrange for, and complete, through industry-standard tenders or through direct negotiations in off-market transactions, the purchase and sale of Uranium at the best prices available over a prudent period of time, and to enter into any contracts or commitments related thereto;
 - (viii) obtain brokerage and other services (including without limitation from a Technical Advisor) with respect to the purchase and sale of Uranium, as well as other services aimed at optimizing the value of the Trust's portfolio;
 - (ix) to provide services in respect of the Trust's daily operations, including the processing of and determination of procedures applicable to subscriptions of Units (including the acceptance and rejection of subscriptions) and to submit such subscriptions to the Registrar and Transfer Agent for processing, and any other services not otherwise specifically contemplated by this Trust Agreement;
 - (x) to offer Units for sale to prospective purchasers including the power and authority to enter into arrangements regarding the distribution and sale of Units and other arrangements relating to the right to charge fees of any nature or kind (including, without limitation, sales commissions, distribution fees and transfer fees) in connection with the distribution or sale of Units. Any such fees may be deducted from the amount of a subscription or a distribution if not paid separately by a Unitholder;

- (xi) to determine from time to time the form of Unit Certificates;
- (xii) to conduct or cause to be conducted the day-to-day correspondence and administration of the Trust;
- (xiii) to provide to the Trust, adequate for carrying on the undertaking and business of the Trust, all requisite office accommodation, office facilities and personnel, telephone and telecommunication services, stationery, office supplies, statistical and research services, record-keeping services, bookkeeping and internal accounting and audit services in respect of the operations of the Trust and other usual and ordinary office services that may be required to properly and efficiently carry out its duties set forth in this Trust Agreement and the Management Agreement;
- (xiv) to provide for the Trust all other administrative and other services and facilities required by the Trust in relation to the Unitholders and be responsible for all aspects of the Trust's relationship with Unitholders, including the preparation for and holding of meetings of Unitholders, and other services for the provision of information to Unitholders;
- (xv) to establish general matters of policy and governance of the Trust subject, where specifically provided in this Trust Agreement, to the approval of the Trustee;
- (xvi) to establish the Trust's operating expense budgets and to authorize the payment of actual operating expenses incurred;
- (xvii) to appoint the Auditors and to change the Auditors (with the prior consent of the Trustee and the Independent Review Committee, and after providing notice to the Unitholders pursuant to Section 16.3);
- (xviii) to maintain the accounting records for the Trust and to cause the financial statements of the Trust to be audited for each Fiscal Year;
- (xix) to appoint an advisor, Technical Advisor, consultant, or other service provider to provide certain services to the Trust, pursuant to an advisory, consultant or other agreement in respect of matters relating to the Trust's holding, purchases and sales of Uranium;
- (xx) to appoint the bankers of the Trust and to establish banking procedures to be implemented by the Trustee;
- (xxi) to appoint a Facility or Facilities and obtain commercial services with respect to the movement and safe storage of Uranium and appoint the Custodian to hold the Trust Property other than Uranium, all of which appointments shall be subject to the approval of any applicable Securities Authorities having jurisdiction over the Trust, and for greater certainty, the appointment of the Custodian shall also be subject to the approval of the Trustee;
- (xxii) provide for the Trust delivery and payment particulars in respect of each purchase and sale of Uranium and arrange with the Facilities for the storage of Uranium held by or for the account of the Trust, including arrangements

regarding indemnities or insurance for the loss of such Uranium in accordance with industry practices;

- (xxiii) monitor relationships with the Facilities (and any other service providers) that have been appointed to hold and store the Uranium that is owned by the Trust;
- (xxiv) to calculate the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value and the Class Net Asset Value per Unit in accordance with Sections 3.5, 3.6 and 3.7 hereof, as applicable, to appoint the Valuation Agent and to review the valuation of the Trust Property as calculated by such Valuation Agent on each Valuation Date and, from time to time, consider the appropriateness of the valuation policies adopted by the Trust;
- (xxv) to appoint a Registrar and Transfer Agent and distribution agent (which may be the Registrar and Transfer Agent or an Affiliate thereof) to make distributions of Net Income and Net Realized Capital Gains and other distributions in accordance with Article 4;
- (xxvi) to authorize, negotiate, enter into and execute all agreements, instruments or other documents relating to the affairs of the Trust including, without limitation, any loan agreement, granting of a security interest and supporting documentation, or to perform any act or deed which the Manager deems necessary or advisable in the best interests of the Trust;
- (xxvii) to apply for listing of the Units on the TSX, to apply for listing of the Units on the NYSE Arca or similar U.S. exchange and to prepare, execute and file with the appropriate Securities Authorities or stock exchanges any other documents that are required or appropriate under relevant Securities Legislation or stock exchange rules and regulations in respect of the Trust;
- (xxviii) to prepare, execute and file with the appropriate Securities Authorities the Disclosure Documents, annual information forms, management reports of fund performance or such other continuous disclosure documents relating to the Trust, and any amendments thereto, as may be required under applicable Securities Legislation;
- (xxix) to prepare, certify, execute and distribute to Unitholders and file with the Securities Authorities and applicable tax authorities all such documents as may be necessary or desirable in connection with the issue, sale and distribution of Units, including such interim financial statements, audited annual financial statements, reports to Unitholders and other disclosure as may be required under applicable Securities Legislation, and to make all designations, elections, determinations, allocations and applications under the Tax Act as the Manager considers to be reasonable in the circumstances;
- (xxx) to determine and compute for distribution purposes the Net Income and Net Realized Capital Gains of the Trust and, subject to Sections 4.3, 4.4 and 4.5, determine when, to what extent, and in what manner distributions shall be made payable to Unitholders, as well as determine whether distributions are payable out of the income, dividends received from taxable Canadian corporations, capital gains, capital or otherwise of the Trust;

- (xxxi) to authorize the issuance of additional Units pursuant to Section 4.3(c) and the consolidation of the Units outstanding after such a distribution;
 - (xxxii) to direct the Registrar and Transfer Agent regarding the allotment and issue of Units in accordance with Section 5.1;
 - (xxxiii) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, to prepare and deliver to Unitholders the information pertaining to the Trust, including all distributions and allocations which is required by the Tax Act or which is necessary to permit Unitholders to complete their individual tax returns for the preceding year;
 - (xxxiv) on or before March 31 in each year, other than a leap year in which case on or before March 30 in such year, and such other date(s) in each year, to prepare and deliver to the appropriate taxation authorities in Canada and the United States, all relevant tax filings and/or returns for the Trust that are required by Applicable Laws;
 - (xxxv) as set forth in full in Section 4.7 hereof, within 45 days from the end of each taxable year of the Trust, to provide Unitholders with all information necessary to enable Unitholders or beneficial owners of Units, as applicable to elect to treat the Trust as a QEF for U.S. federal income tax purposes, including a completed "PFIC Annual Information Statement";
 - (xxxvi) to keep proper records relating to the performance of its duties as Manager hereunder, which records shall be accessible for inspection by the Trustee, its agents, or the Manager's agents, including the Investment Manager, the Technical Advisor and the Auditors, at any time, upon reasonable notice, during ordinary business hours;
 - (xxxvii) on or before 90 days following December 31 in each year, to provide the Trustee with a certificate of compliance ("**Annual Certificate of Compliance**") substantially in the form attached as Schedule A hereto and a copy of the audited annual financial statements of the Trust, together with the report of the Auditors thereon;
 - (xxxviii) on or before 90 days following June 30 in each year, to provide the Trustee with an interim certificate of compliance ("**Interim Certificate of Compliance**") substantially in the form attached as Schedule B hereto; and
 - (xxxix) to do all such other acts and things as are incidental to the foregoing, and to exercise all powers which are necessary or useful to carry on the business of the Trust, to promote any of the purposes for which the Trust is formed and to carry out the provisions of this Trust Agreement and the Management Agreement.
- (b) The Manager may act as the Investment Manager to the Trust with responsibility for implementing the Investment Policy, including providing investment advisory and portfolio management services to the Trust, or arrange for the implementation of such Investment Policy or portfolio management services by appointing, on behalf of the Trust, one or more Investment Managers, and delegating any of its investment advisory responsibilities to such Investment Managers. The Manager, on behalf of the Trust, shall enter, in its sole discretion, into an investment management agreement

with any such Investment Manager to act for all or part of the portfolio investments of the Trust and shall advise the Trustee of such appointment. The appointment of any such Investment Manager shall be deemed to be effective upon the later of the date of receipt by the Trustee of a direction notifying the Trustee of such appointment or the effective date specified therein and such appointment shall continue in force until receipt by the Trustee of a direction containing notice to the contrary. Any instructions from an Investment Manager shall be deemed to be instructions of the Manager pursuant to the provisions hereof. The Trustee shall also be entitled to rely conclusively on and shall be fully protected in acting in accordance with the direction of the Investment Manager in the exercise of powers conferred by this Trust Agreement. The Investment Manager will be a Person or Persons who, if required by Applicable Laws, will be duly registered and qualified as a portfolio manager under applicable Securities Legislation and will determine, in its sole discretion, which portfolio securities and other assets of the Trust shall be purchased, held or sold and shall execute or cause the execution of purchase and sale orders in respect such determinations. The Manager shall ensure that any Investment Manager appointed hereunder shall act in accordance with the Investment Policy and Applicable Laws.

- (c) Any Investment Manager shall have the right to resign as Investment Manager of the Trust by giving notice in writing to the Manager and the Trustee not less than 60 days prior to the date on which such resignation is to take effect. The Manager may at any time terminate the appointment of any Investment Manager of the Trust by giving notice in writing to the Trustee and the Investment Manager not less than 60 days prior to the date on which such resignation is to take effect. The Manager, in its sole discretion, may appoint a successor investment manager of the Trust. If prior to the effective date of the Investment Manager's resignation, a successor investment manager is not appointed, the Manager shall assume the duties and responsibilities of such investment manager until such time as a successor shall be appointed and/or approved, as the case may be.
- (d) The Manager may from time to time employ or retain any other person or entity where the Manager has determined, in its sole discretion, that it would be in the best interests of the Trust to do so (including without limitation any Technical Advisor or Investment Manager), to perform any of the duties of the Manager set out in this Trust Agreement (including without limitation any Technical Advisor or Investment Manager).

7.3 Portfolio Execution

Subject to the Investment Policy, the Manager may open accounts, including margin accounts, for the Trust with any brokerage firms, banks or others and may invest assets of the Trust in, and may conduct, maintain and operate these accounts for, the purchase, sale and exchange of stocks, bonds and other securities, and in connection therewith, may borrow money or securities on behalf of the Trust to complete trades, obtain guarantees, pledge securities and engage in all other activities necessary or incidental to conducting, maintaining and operating such accounts in connection with the performance of investment advisory and portfolio management services for the Trust.

7.4 Soft Dollar Transactions

Subject to the Investment Policy, the Manager may, to the fullest extent now or hereafter permitted by applicable Securities Legislation regarding soft dollar transactions, cause the Trust to enter into soft dollar arrangements and to effect transactions pursuant to such soft dollar arrangements.

7.5 Distributors

The Manager shall make or cause to be made such arrangements as are expedient for the distribution of Units, having regard to the requirements of Applicable Laws and applicable stock exchange rules and regulations respecting such distribution of Units in the jurisdiction or jurisdictions in which they are to be distributed.

ARTICLE 8 INDEPENDENT REVIEW COMMITTEE

8.1 Independent Review Committee

- (a) Pursuant to the requirements contained in NI 81-107, the Manager shall establish an Independent Review Committee for the Trust. The Independent Review Committee shall consist of at least three members, each of whom shall be independent of the Manager and its Affiliates, and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of an Independent Review Committee member's judgement. The Independent Review Committee for the Trust may also act as the independent review committee for other investment funds managed by the Manager or any of its Affiliates.
- (b) The Manager shall refer all conflict of interest matters to the Independent Review Committee for its review and/or approval. The Manager shall establish a written charter for the Independent Review Committee which shall include its mandate, responsibilities and functions, and the written policies and procedures it will follow when performing its functions, including dealing with conflict of interest matters. The Manager shall maintain records in respect of these matters and shall provide assistance to the Independent Review Committee in carrying out its functions. The Independent Review Committee shall conduct regular assessments and provide reports, at least annually, to the Trust and to Unitholders in respect of its functions. The report prepared by the Independent Review Committee shall be made available on the Trust's website (sprottphysicalbullion.com) or, at a Unitholder's request, sent to the Unitholder at no cost.
- (c) The Independent Review Committee shall:
 - (i) review and provide input on the Manager's written policies and procedures that deal with conflict of interest matters;
 - (ii) review conflict of interest matters referred to it by the Manager and make recommendations to the Manager regarding whether the Manager's proposed actions in connection with the conflict of interest matter achieve a fair and reasonable result for the Trust;
 - (iii) consider and, if deemed appropriate, approve the Manager's decision on a conflict of interest matter that the Manager refers to the Independent Review Committee for approval; and
 - (iv) perform such other duties as may be required of the Independent Review Committee under applicable Securities Legislation.
- (d) All fees and expenses of the Independent Review Committee incurred in connection with its duties with respect to the Trust shall be paid by the Trust and the Independent

Review Committee shall have the authority to retain, at the expense of the Trust, independent counsel or other advisors if the Independent Review Committee deems it appropriate to do so. The members of the Independent Review Committee shall be indemnified by the Trust, except in cases of wilful misconduct, bad faith, negligence or breach of their standard of care.

ARTICLE 9 FEES, COMPENSATION AND EXPENSES

9.1 Trustee's Fee

The Trustee shall be entitled to such compensation as may be agreed upon, from time to time but not less than annually, by the Trustee and the Manager by written agreement (the “**Fee Agreement**”). Such compensation, as well as all other disbursements made and expenses incurred (including out-of-pocket expenses) by the Trustee in the performance of its duties and obligations hereunder shall be paid by the Trust out of its Trust Property, unless such compensation, disbursements or expenses have been first paid by the Manager pursuant to the Fee Agreement. Unless other arrangements are agreed upon by the Manager, the Trustee shall receive no other compensation for its services as trustee hereunder but nothing herein shall prevent the Trustee from receiving additional compensation in connection with other services that may be performed by the Trustee for the Trust, including services performed for and dealings with the Trust by the Trustee other than in its capacity as trustee of the Trust including, but not limited to, as the Custodian of the Trust Property other than Uranium and as the Valuation Agent.

9.2 Manager's Fee

As compensation for providing management, administrative and investment management services to the Trust pursuant to this Trust Agreement and the Management Agreement, the Manager shall be entitled to receive a monthly management fee (the “**Management Fee**”) plus any applicable federal and provincial taxes, which shall be paid by the Trust at such times and in the amount specified in the Management Agreement. The Trust shall also pay the Manager any commissions on the purchase and sale of Uranium and certain other transactional related fees (including in connection with loans, swaps, relocations and other similar transactions involving Uranium) as set out in the Management Agreement.

9.3 Technical Advisor's Fee

As compensation for providing advisory services and technical advice with respect to the holding, buying and selling of Uranium and/or to execute or cause the execution of purchase and sale orders in respect of such determinations, any Technical Advisor appointed by the Manager from time to time shall be entitled to receive fees (whether in respect of each class or series of a class of Units or in respect of the Trust as a whole) calculated in such manner and payable at such times as the Manager and the Technical Advisor may agree upon from time to time pursuant to a written agreement and subject to the requirements of applicable Securities Legislation, such fees shall be paid by the Manager from the Management Fee and/or other fees received by the Manager from the Trust. As at the date hereof, the Manager intends to appoint WMC Energy B.V. as a Technical Advisor for the Trust.

9.4 Investment Manager's Fee

As compensation for providing investment management services to all or any portion of the Trust Property, any Investment Manager appointed by the Manager from time to time shall be entitled to receive management fees in respect of each class or series of a class of Units calculated in such

manner and payable at such times as the Manager and the Investment Manager may agree upon from time to time pursuant to a written agreement and subject to the requirements of applicable Securities Legislation, such fees shall be paid by the Manager from the Management Fee and/or other fees received by the Manager from the Trust. As at the date hereof, the Manager does not intend to appoint an Investment Manager for the Trust.

9.5 Custodian's Fees

As compensation for custodial services rendered to the Trust with respect to Trust Property other than Uranium, the Custodian shall be entitled to receive such fees as the Manager may approve from time to time pursuant to a separate written agreement with the Custodian. If the Trustee also acts as the Custodian of the Trust Property other than Uranium then the fees of the Custodian shall be set forth in the Fee Agreement between the Manager and the Trustee.

9.6 Expenses of the Trust

- (a) In connection with the Arrangement, the Trust will be responsible for paying the filing and listing fees of the applicable Securities Authorities and stock exchanges, the fees and expenses payable to the Registrar and Transfer Agent. All other costs and expenses in connection with the Arrangement, including the costs of creating and organizing the Trust, the costs of printing and preparing the Disclosure Documents, legal expenses, marketing and advertising expenses and other incidental expenses will be paid by the Manager.
- (b) Except as otherwise provided herein and subject to the Management Agreement, including in respect of third party brokerage fees, commissions and service charges and other similar fees relating to all Uranium transactions that are to be paid by the Manager, the Trust shall be responsible for all costs and expenses incurred in connection with the on-going operation and administration of the Trust and each of its Subsidiaries including, but not limited to: the fees and expenses payable to and incurred by the Trustee, the fees and expenses of the Manager (including any expenses that may be payable to any Technical Advisor by the Manager, but excluding the fees of the Technical Advisor that are to be paid by the Manager from the Management Fee and other fees received by the Manager from the Trust), the expenses of any other Investment Manager (but excluding the fees of the Investment Manager that are to be paid by the Manager from the Management Fee and other fees received by the Manager from the Trust), the Facilities, the Custodian, any sub-custodians, the Registrar and Transfer Agent, and the Valuation Agent; transaction and handling costs for Uranium; storage fees for Uranium; custodian settlement fees; legal, audit, accounting, bookkeeping and record-keeping fees and expenses; costs and expenses of reporting to Unitholders and conducting Unitholder meetings; printing and mailing costs; filing and listing fees payable to applicable Securities Authorities and stock exchanges; other administrative expenses and costs incurred in connection with the Trust's continuous disclosure public filing requirements and investor relations; any applicable Canadian taxes payable by the Trust or to which the Trust may be subject including federal and provincial income taxes, goods and services tax, and withholding taxes; interest expenses and borrowing costs, if any; brokerage expenses and commissions; costs and expenses relating to the issuance of Units; costs and expenses of preparing financial and other reports; any expenses associated with the implementation and on-going operation of the Independent Review Committee; costs and expenses arising as a result of complying with all Applicable Laws; and any expenditures incurred upon the termination of the Trust.

- (c) The Trust will be responsible for the fees and expenses of any action, suit or other proceedings in which, or in relation to which, the Trustee, the Manager, any Technical Advisor, any Investment Manager, the Custodian, any sub-custodians, the Registrar and Transfer Agent or the Valuation Agent and/or any of their respective officers, directors, employees, consultants or agents is entitled to indemnity by the Trust.

9.7 Right to Withhold Services Pending Payment

Notwithstanding any other provision of this Trust Agreement, the Trustee, acting reasonably, shall not be obliged to act upon directions (including the delivery of any Trust Property other than Uranium to any person) until all Obligations due and owing have been paid in full. The Trustee shall give the Manager, any Technical Advisor and/or any Investment Manager notice of its decision pursuant to the foregoing sentence not to act as soon as practicable thereafter.

9.8 Security Interest to Secure Obligations

The Manager on behalf of the Trust hereby assigns, conveys, mortgages, pledges, hypothecates, and charges in favour of, and grants a security interest (such assignment, conveyance, mortgage, pledge, hypothecation, charge and security interest, collectively referred to herein as the “**Security Interest**”) to the Trustee in all of the Trust’s right, title and interest in and to all Trust Property now owned or hereafter acquired by the Trust and held in custody by the Trustee pursuant to this Trust Agreement and all proceeds thereof, as continuing collateral security for the due payment and performance of all of the Obligations.

It is acknowledged, agreed and understood by the parties hereto that the Security Interest secures the due performance and payment of any and all Obligations from time to time outstanding, whenever and however arising, regardless of the capacity in which the Trustee was acting (whether as principal, agent or custodian) when such Obligations arose or the agreement under which such Obligations were incurred.

The Manager and the Trustee agree that it is their intention that the Security Interest hereby created shall attach immediately to any Trust Property in which the Trust has any interest on the date hereof, and, with respect to after-acquired Trust Property, forthwith at the time the Trust acquires an interest therein, all in accordance with the terms hereof.

The Manager acknowledges and agrees that to the extent that the Trustee is the Trust’s securities intermediary with respect to any Trust Property in the custody of the Trustee hereunder, pursuant to the STA and the PPSA, the Trustee’s Security Interest therein shall have priority over any other security interest therein granted by the Trust, and the Trustee shall be under no obligation to waive, subordinate or discharge such Security Interest except upon the indefeasible payment and satisfaction in full of the Obligations.

9.9 Claim Against Property for Amounts Owing

Without prejudice to any power or right that the Trustee may otherwise have under any Applicable Law, the Trustee may, in its discretion (upon reasonable prior written notice in the circumstances to the Manager), unless prior payment has been made by the Manager:

- (i) deduct any cash portion of the Trust Property in its custody (which, for the purposes of this Section shall include any account with any third party with whom cash has been deposited by the Trustee on behalf of the Trust) to satisfy any Obligations due and owing; and/or

- (ii) sell, as agent for the Trust, any Trust Property in its custody on such terms as it thinks fit in its discretion and set-off against and deduct from such proceeds of sale to satisfy any Obligations due and owing, and credit any surplus remaining thereafter to the Trust;

it being understood and agreed by the Manager that the exercise of the Trustee's right under this Section 9.9 shall not be construed as an exercise of a right of realization in respect of the security interest created under Section 9.7 hereof, but a separate right of set-off.

ARTICLE 10

TRUSTEE LIABILITY AND INDEMNIFICATION

10.1 Standard of Care

The Trustee shall exercise the powers and discharge the duties of its office honestly and in good faith and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent Canadian trust company would exercise in comparable circumstances.

10.2 Reliance

- (a) The Manager shall from time to time furnish the Trustee with a certificate of authorized signing authorities ("**Certificate of Authorized Signing Authorities**") substantially in the form attached hereto as Schedule C, signed by its authorized officers setting out the name(s) and title(s) of the authorized officer(s) of the Manager and of any other Person(s) or representative(s), including any Investment Manager or Technical Advisor appointed by the Manager, and authorized to act on behalf of the Manager at the time specified in such certificate, together with specimen signatures of all such officers, Persons or representatives, and the Trustee shall be entitled to rely upon the identification of such Persons as specified in such certificate as the Person(s) entitled to act on behalf of the Manager for the purposes of this Trust Agreement until a later certificate respecting the same is delivered to the Trustee.
- (b) The Trustee shall:
 - (i) be fully protected in acting upon any instrument, certificate or other writing believed by it to be genuine and to be signed or presented by the proper Person or Persons;
 - (ii) be under no duty to make any investigation or inquiry as to any statement contained in any such writing but may accept the same as conclusive evidence of the truth and accuracy of the statements therein contained;
 - (iii) not be responsible for or liable except as provided in accordance with this Trust Agreement for:
 - (A) the proper application by any Unitholder of any part of its interests in the Trust if payments are made in accordance with written directions of such Unitholder as herein provided;
 - (B) the adequacy of the Trust to meet and discharge any and all payments and liabilities in respect of a Unitholder;

- (C) the compliance by any Unitholder with the rules under the Tax Act or any Applicable Laws including limits on investments in non-Canadian securities;
 - (D) the validity of title to any Trust Property which the Trustee did not arrange itself to have registered;
 - (E) any act or omission (other than an act or omission related solely to the Trustee) required or demanded by any governmental, taxing regulatory or other competent authority in any country in which all or part of the Trust Property is held or which has jurisdiction over the Trustee, the Manager or the Trust;
 - (F) any loss or damage of any nature whatsoever resulting from official action, war or threat of war, insurrection or civil disturbance, interruption in postal, telephone, telegraph, telex or other electromechanical communication systems or power supply, or any other factor beyond the Trustee's control which obstructs, affects, prohibits or delays the Trustee, its directors, officers, employees or agents in carrying out the responsibilities provided for herein, in whole or in part;
 - (G) any ongoing monitoring of the Investment Policy of the Trust as set out in Article 22 hereof or any risk factor whatsoever related thereto;
 - (H) any Trust Property which it does not hold or which is not directly controlled by it, its Affiliates or its appointed agents (including any sub-custodians), including any assets pledged or loaned to a third party or Uranium held by a Facility; or
 - (I) any compliance, reporting or filings in accordance with applicable Securities Legislation or United States tax laws, regulations, rules or policies that apply to the Trust, including for greater certainty the Additional Trustee Duties.
- (c) The Trustee may rely and act upon any statement, report or opinion prepared by or any advice received from the Auditors, Counsel or other professional advisors of the Trust and shall not be responsible nor held liable for any loss or damage resulting from so relying or acting if the advice was within the area of professional competence of the Person from whom it was received, the Trustee acted in good faith in relying thereon and the professional advisor was aware that the Trustee was receiving the advice in its capacity as trustee of the Trust and the Trustee acted in good faith in relying thereon.
- (d) The Trustee shall in no way be responsible for, nor incur any liability based on, the action or failure to act or for acting pursuant to or in reliance on instructions of the Manager, any Investment Manager, any Technical Advisor, a Facility, the Custodian (if not the Trustee), the Valuation Agent (if not the Trustee), the Registrar and Transfer Agent (if not the Trustee), or any Person or organization to whom its responsibilities are delegated pursuant to this Trust Agreement.

10.3 General Disclaimer of Liability

- (a) The Trustee shall not be liable to the Trust or to any Unitholder for any loss or damage relating to any matter regarding the Trust, including any loss or diminution in the Net Asset Value of the Trust or to any particular asset of the Trust, except to the extent that the Trustee does not meet its standard of care set out in Section 10.1 hereof. In no event shall the Trustee be liable for indirect, consequential or special damages including, but not limited to, loss of reputation, good will or business.
- (b) The Trustee shall not be liable to the Trust or to any Unitholder for the acts, omissions, receipts, neglects or defaults of any Person, firm or corporation employed or engaged by it as permitted hereunder, or for joining in any receipt or act of conformity, or for any loss, damage or expense caused to the Trust through the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Trust shall be paid out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any Person, firm or corporation with whom or which any monies or Trust Property shall be lodged or deposited, or for any loss occasioned by error in judgment or oversight on the part of the Trustee, or for any other loss, damage or misfortune which may happen in the execution by the Trustee of its duties hereunder, except to the extent that the Trustee does not meet its standard of care set out in Section 10.1 hereof.
- (c) For greater certainty, the Trustee shall not be liable to the Trust or to any Unitholder for the acts, omissions, receipts, neglect or default of a Facility, a Technical Advisor or the Registrar and Transfer Agent (unless the Trustee is the Registrar and Transfer Agent and it has breached its standard of care set out in Section 10.1 in respect thereof).
- (d) For greater certainty, the Trustee, in incurring any debts, liabilities or obligations, or in taking or omitting any other actions for or in connection with the affairs of the Trust is, and will be conclusively deemed to be, acting for and on behalf of the Trust, and not in its own personal capacity.

10.4 Indemnification of the Trustee

- (a) Without limiting any protection or indemnity of the Trustee under any other provision hereof, or otherwise at law, the Trustee, its Affiliates, nominees and agents and each of their respective directors, officers and employees shall at all times be indemnified and held harmless by the Trust and to the extent that the Trust Property is insufficient for such purpose, by the Manager, from and against:
 - (i) all claims whatsoever (including costs, losses, damages, penalties, actions, suits, judgments, charges and expenses, including legal fees in connection therewith) brought, commenced or prosecuted against any of them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of the Trustee's duties as Trustee, and
 - (ii) all other liabilities, costs, charges and expenses which any of them sustains or incurs in or about or in relation to the affairs of the Trust.
- (b) For greater certainty, the commencement of formal legal proceedings shall not be a precondition for indemnification hereunder. Further, none of the provisions of this Trust

Agreement shall require the Trustee to expend or risk its own funds, appear in, prosecute or defend proceedings, or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder, unless the Trustee is first indemnified to its satisfaction, acting reasonably. This provision shall survive the resignation or removal of the Trustee, or the termination of this Trust Agreement.

10.5 Additional Indemnification of the Trustee

With respect to any references in this Trust Agreement to (i) distributions being at the discretion of the Trustee acting on the direction of the Manager or (ii) the Trustee having the power to vary the investments of the Trust in accordance with the Investment Policy together with any duties, obligations or responsibilities related thereto (the “**Additional Trustee Duties**”), the Manager agrees that:

- (a) the Trustee shall not have any liability with respect to such Additional Trustee Duties; and
- (b) in addition to the indemnity provided to the Trustee under Section 10.4 hereof, the Manager agrees to indemnify the Trustee and its directors, officers, employees and agents for:
 - (i) all claims whatsoever (including costs, losses, damages, penalties, actions, suits, judgments, charges and expenses, including legal fees in connection therewith) brought, commenced or prosecuted against any of them for or in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the Additional Trustee Duties; and
 - (ii) all other liabilities, costs, charges and expenses which any of them sustains or incurs in or about or in relation to such Additional Trustee Duties,

that arise or result from any conflict between such Additional Trustee Duties and the Trustee’s defined duties, obligations and responsibilities as set out in this Trust Agreement (excluding such Additional Trustee Duties) and agreed upon by the Manager.

10.6 Exception

Section 10.4 and, subject to subsection 10.2(b)(iii)(I), Section 10.5 do not apply to the extent that any such claim, cost, charge or expense has been directly caused by the negligence, wilful misconduct or dishonesty on the part of the Trustee, its Affiliates, nominees or agents and any of their respective directors, officers and employees or the Trustee’s failure to meet its standard of care set out in Section 10.1 hereof.

ARTICLE 11 MANAGER LIABILITY AND INDEMNIFICATION

11.1 Standard of Care

- (a) The Manager shall exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Trust and in connection therewith shall exercise the degree of care, diligence and skill that a reasonably prudent professional manager would exercise in comparable circumstances.

- (b) The Manager agrees that any information supplied to the Trust and/or the Trustee will be accurate and complete and will contain no misrepresentations; provided that, respecting information derived by the Manager from a Person other than the Manager, the Manager's obligation hereunder shall be subject to its standard of care and no liability shall be incurred by the Trust or the Trustee as a result of any error in such information.

11.2 Reliance

- (a) The Manager may employ or engage, and rely and act on information or advice received from any Technical Advisor, any Investment Manager, Auditors, other distributors, Brokers, Depositories, a Facility, the Custodian, electronic data processors, advisers, Counsel and others and shall not be responsible or liable for the acts or omissions of such Persons or for any other matter, including any loss or depreciation in the Net Asset Value of the Trust or any particular asset of the Trust, provided that the Manager acted in good faith in accordance with its standard of care set out in Section 11.1(a) in relying on such information or advice.
- (b) The Manager shall be entitled to assume that any information received from the Trustee, any Technical Advisor, a Facility, the Custodian or any sub-custodian, or their respective authorized representatives associated with the day-to-day operation of the Trust is accurate and complete and no liability shall be incurred by the Manager as a result of any error in such information or any failure to receive any notices required to be delivered pursuant to this Trust Agreement, except to the extent that any such information provided to, or failure to receive any notices by, the Manager arises or results from the Manager's failure to comply with the terms of this Trust Agreement or the Management Agreement in providing any required directions or information related thereto.

11.3 Engaging in Competition

- (a) In the event that the Manager, its partners, employees, associates and Affiliates or any of them now or hereafter carry on activities competitive with those of the Trust or buy, sell or trade in assets and portfolio securities of the Trust or of other investment funds, none of them shall be under any liability to the Trust or to the Unitholders for so acting.
- (b) It is agreed and understood that the Manager shall not be required to devote its efforts exclusively to or for the benefit of the Trust and may engage in other business interests and may engage in other activities similar or in addition to those relating to the activities to be performed for the Trust.

11.4 Indemnification of the Manager

- (a) The Manager, its Affiliates and agents, and their respective directors, partners, officers and employees shall at all times be indemnified and held harmless by the Trust from and against all legal fees, judgments and amounts paid in settlement, actually and reasonably incurred by them in connection with the Manager's services provided to the Trust pursuant to this Trust Agreement and the Management Agreement, provided that the Trust has reasonable grounds to believe that the action or inaction that caused the payment of the legal fees, judgments and amounts paid in settlement was in the best interests of the Trust and provided that such Person(s) shall not be indemnified by the Trust where:

- (i) there has been negligence, wilful misconduct, wilful neglect, default, bad faith or dishonesty on the part of the Manager or such other Person;
- (ii) a claim is made as a result of a misrepresentation contained in any current Disclosure Documents or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of the Units or under applicable Securities Legislation; or
- (iii) the Manager has failed to fulfill its standard of care set out in Section 11.1 or its other obligations in accordance with Applicable Laws or the provisions set forth in this Trust Agreement and the Management Agreement,

unless in an action brought against the Manager or such Persons they have achieved complete or substantial success as a defendant.

- (b) In order for the Trust, acting through the Trustee, to satisfy itself as to whether the indemnification provided for in subsection 11.4(a) is in the best interests of the Trust, before paying out any such indemnity hereunder, the Trust, acting through the Trustee, may obtain a satisfactory legal opinion that the Trust has reasonable grounds to believe that the indemnification is in the best interests of the Trust, and instead of or in addition to the obtainment of such a legal opinion, the Trustee in its sole discretion and at the expense of the Trust, may call a meeting of the Unitholders pursuant to this Trust Agreement to direct the Trustee as to any such payments out of the Trust.

11.5 Liability for Investment Decisions

All investments of the Trust made by or upon the direction of the Manager, any Technical Advisor or any Investment Manager shall be for the benefit of the Unitholders and at the sole risk of the Trust. Notwithstanding any other provision of this Trust Agreement but subject to the Manager's standard of care set out in Section 11.1(a), the Manager or any Technical Advisor may dispose of assets of the Trust or cause such assets to be disposed of in order to discharge any borrowing authorized under this Trust Agreement, any charge against the Trust as set out in this Trust Agreement or any other obligation of the Trust.

ARTICLE 12 CHANGE OF TRUSTEE

12.1 Resignation of Trustee

The Trustee or any successor trustee may resign as Trustee of the Trust created by this Trust Agreement by giving notice to the Unitholders and to the Manager not less than 90 days prior to the date when such resignation shall take effect. Such resignation shall take effect on the date specified in such notice unless at or prior to such date a successor trustee is appointed by the Manager in which case such resignation shall take effect immediately upon the appointment of such successor trustee.

12.2 Removal of Trustee

The Trustee may be removed by the Manager at any time by notice to the Trustee and the Unitholders not less than 90 days prior to the date that such removal is to take effect; provided a successor trustee is appointed or the Trust is terminated and dissolved in accordance with Article 21 hereof.

12.3 Appointment of Successor

In the event that the Trustee resigns or is removed or becomes incapable of acting or if for any cause a vacancy shall occur in the office of the Trustee, a successor trustee shall forthwith be appointed by the Manager to fill such vacancy. Forthwith following such appointment of a successor trustee, the Trustee shall execute and deliver such documents as the Manager may reasonably require for the conveyance of any Trust Property (other than Uranium) held in the Trustee's name to the successor trustee and, shall account to the Manager for all of the Trust Property which the Trustee retains as trustee and shall thereupon be discharged as trustee.

12.4 Termination Upon Failure to Appoint Successor

In the event that the Manager shall fail to appoint a successor to the Trustee, the Trust shall be terminated and dissolved upon the effective date of the resignation or removal of the Trustee (which shall be considered to be the effective date on which the Trust is to be terminated for the purposes of Article 21) under Sections 12.1 and 12.2 hereof, as the case may be, and, after providing for all liabilities of the Trust, the Trust Property shall be distributed to the Unitholders in accordance with the termination provisions set out in Article 21 hereof and the Trustee shall continue to act as trustee of the Trust until such Trust Property has been so distributed. Fees and expenses of the Trustee shall be a charge, to the extent permitted by Applicable Law, on the Trust Property or the interests of the Unitholders to secure payment thereof.

ARTICLE 13 TERMINATION OF THE MANAGER

13.1 Resignation, Insolvency or Bankruptcy of the Manager

- (a) The Manager shall have the right to resign as Manager of the Trust by giving notice in writing to the Trustee and the Unitholders not less than 90 days prior to the date on which such resignation is to take effect. Such resignation shall take effect on the date specified in such notice. Notwithstanding the foregoing, no approval of, or notice to, Unitholders is required to effect a Manager Reorganization. The Manager shall appoint a successor manager of the Trust, and, unless the successor manager is an Affiliate of the Manager, such appointment must be approved by the Unitholders by an Ordinary Resolution.
- (b) If, prior to the effective date of the Manager's resignation, a successor manager is not appointed or the Unitholders do not approve of the appointment of the successor manager as required hereunder, the Trust shall be terminated and dissolved upon the effective date of the resignation of the Manager (which shall be considered to be the effective date on which the Trust is to be terminated for the purposes of Article 21) and, after providing for all liabilities of the Trust, the Trust Property shall be distributed to the Unitholders in accordance with the provisions of Article 21, and the Trustee and the Manager shall continue to act as trustee and manager, respectively, of the Trust until such Trust Property has been so distributed.
- (c) The Trust shall be terminated immediately following the occurrence of a Termination Event. On such termination, the Trust Property shall be distributed to Unitholders in accordance with the provisions of Section 21.3. For the purposes of this Article 13 and Section 21.1 of this Trust Agreement, each of the following events shall be a **"Termination Event"**:

- (i) the Manager is, in the opinion of the Trustee, in material default of its obligations under this Trust Agreement and such default continues for 120 days from the date that the Manager receives notice of such default from the Trustee and no successor manager has been appointed by the Unitholders;
- (ii) the Manager has been declared bankrupt or insolvent or has entered into liquidation or winding-up, whether compulsory or voluntary (and not merely a voluntary liquidation for the purposes of amalgamation or reconstruction) and no successor manager has been appointed by the Unitholders;
- (iii) the Manager makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency and no successor manager has been appointed by the Unitholders; or
- (iv) the assets of the Manager have become subject to seizure or confiscation by any public or governmental authority and no successor manager has been appointed by the Unitholders.

13.2 Successor Manager

Any successor manager, by accepting its appointment as such, shall automatically become a party to this Trust Agreement and be bound by the terms hereof as if the successor manager had been an original signatory thereof provided that such successor manager shall not be responsible or liable for any act or omission of the Manager preceding its appointment as successor manager of the Trust.

ARTICLE 14 CONCERNING THE UNITHOLDERS

14.1 Liability of Unitholders

No Unitholder or Special Voting Unitholder shall be held to have any personal liability as such and no resort shall be had to the Unitholder's or Special Voting Unitholder's private property for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of any of the Trust, the Manager or the Trustee or any obligation which a Unitholder would otherwise have to indemnify the Trustee for any personal liability incurred by the Trustee as such, but rather, only the Trust Property is intended to be liable and subject to levy or execution for such satisfaction. If the Trust acquires any investments subject to existing contractual obligations, the Manager, or the Trustee on the direction of the Manager, as the case may be, shall use its best efforts to have any obligations modified so as to achieve disavowal of contractual liability. Further, the Manager shall cause the operations of the Trust to be conducted, with the advice of Counsel, in such a way and in such jurisdictions as to avoid, as far as possible, any material risk of liability on the Unitholders or the Special Voting Unitholder of claims against the Trust and shall, to the extent it determines to be possible and reasonable, including the cost of premiums, cause the Trust to carry insurance for the benefit of the Unitholders or the Special Voting Unitholder in such amounts as it considers adequate to cover any such foreseeable non-contractual or non-excluded contractual liability.

14.2 Indemnification of the Trust by the Manager

The Trust shall be indemnified and held harmless by the Manager against any costs, charges, claims, expenses, actions, suits or proceedings arising from a claim made as a result of a misrepresentation contained in any current Disclosure Document or continuous disclosure documents of the Trust distributed or filed in connection with the issuance of the Units or under applicable Securities Legislation.

ARTICLE 15

MEETINGS OF VOTING UNITHOLDERS

15.1 Time of Meetings

Meetings of the Voting Unitholders shall be held by the Manager or the Trustee at such time and on such day as the Manager or the Trustee may from time to time determine for the purpose of considering the matters required to be placed before such meetings in accordance with this Trust Agreement or Applicable Laws and for the transaction of such other related matters as the Manager or the Trustee determines. Voting Unitholders holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units) may requisition a meeting of Voting Unitholders by giving a written notice to the Manager or the Trustee setting out in detail the reason(s) for calling and holding such a meeting. The Trustee shall, upon the written request of the Manager or the Voting Unitholders holding Voting Units representing in aggregate not less than 50% of the Net Asset Value of the Trust (and for this purpose only, the Special Voting Unit shall be deemed to represent the Net Asset Value of the Trust assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units), requisition a meeting of Voting Unitholders, provided that in the event of a request to call a meeting of Voting Unitholders made by such Voting Unitholders, the Trustee shall not be obligated to call any such meeting until it has been satisfactorily indemnified by such Voting Unitholders against all costs of calling and holding such meeting. Unless otherwise required under Applicable Laws or stock exchange rules, the Trust need only to hold meetings of Voting Unitholders as described above and is not required to hold annual or other periodic meetings.

15.2 Place of Meeting

Subject to Section 15.4 hereof, meetings of Voting Unitholders shall be held at the principal office of the Trust or elsewhere in the municipality in which the office is located or, if the Manager shall so determine, at any other place in Canada.

15.3 Notice of Meeting

Subject to Section 15.4 hereof, notice of the time and place of each meeting of Voting Unitholders shall be given not less than 21 days before the day on which the meeting is to be held to each Voting Unitholder of record at 4:00 p.m. (Toronto time) on the day on which the notice is given. Notice of a meeting of Voting Unitholders shall state the general nature of the matters to be considered by the meeting. The Trustee, the Auditors, any Technical Advisor and any Investment Manager of the Trust are entitled to receive all notices and other communications relating to any meeting of Voting Unitholders that any Voting Unitholder is entitled to receive and shall be entitled to attend at any meeting of Voting Unitholders.

15.4 Meetings Without Notice

A meeting of Voting Unitholders may be held at any time and place without notice if all the Voting Unitholders entitled to vote thereat are present in person or represented by proxy or, if those not present or represented by proxy waive notice of, or otherwise consent to, such meeting being held.

15.5 Quorum

A quorum for the transaction of business at any meeting of Voting Unitholders shall be at least two Voting Unitholders holding not less than 5% of the outstanding Voting Units (and for this purpose only,

the Special Voting Unit shall be deemed to represent the Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units) on such date present in person or represented by proxy and entitled to vote thereat. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened on the requisition of Voting Unitholders, shall be cancelled but in any other case shall be adjourned to such place and time on a date fixed by the chairman of the meeting not later than 14 days thereafter (which for greater certainty can be at a later time on the date of the originally scheduled meeting) at which adjourned meeting the Voting Unitholders present in person or represented by proxy shall be deemed to constitute a quorum.

15.6 Chairman, Secretary and Scrutineers

A Person designated by the Manager shall be the chairman of any meeting of Voting Unitholders. If such Person is not present within 15 minutes after the time fixed for holding the meeting or if the Manager has not appointed a chairman, the Persons present and entitled to vote shall choose any of their number to be chairman. The chairman of the meeting shall appoint a Person, who need not be a Voting Unitholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be Voting Unitholders, may be appointed by a resolution or by the chairman with the consent of the meeting.

15.7 Persons Entitled to be Present

The only Persons entitled to attend a meeting of Voting Unitholders shall be those entitled to vote thereat, the Trustee, the Manager, any Technical Advisor, any Investment Manager and the Auditors. Any other Person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

15.8 Right to Vote

At any meeting of Voting Unitholders, every Person shall be entitled to vote who, as at the end of the Business Day immediately preceding the date of the meeting, is entered in the Register maintained in accordance with Section 16.2 hereof, unless in the notice of meeting and accompanying materials sent to Voting Unitholders in respect of the meeting a record date is established for Persons entitled to vote thereat.

15.9 Votes to Govern

At any meeting of Voting Unitholders, every question shall, unless otherwise required by this Trust Agreement or Applicable Laws, be determined by an Ordinary Resolution on the question.

15.10 Show of Hands

Subject to the provisions of this Trust Agreement or Applicable Laws, any question at a meeting of Voting Unitholders shall be decided by a show of hands unless a poll thereon is required or demanded as hereinafter provided. Upon a show of hands every Person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a poll thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima face evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Voting Unitholders upon the said question.

15.11 Polls

If demanded by any Voting Unitholder at a meeting of Voting Unitholders or required by Applicable Laws, any question at such meeting shall be decided by a poll. A poll so demanded shall be taken in such manner as the chairman shall direct. Upon a poll each Person present shall be entitled, in respect of the Voting Units which the Voting Unitholder is entitled to vote at the meeting upon the question, to one vote for each Voting Unit held and the result of the poll so taken shall be the decision of the Voting Unitholders upon the said question.

15.12 Adjournment

The chairman at a meeting of Voting Unitholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place.

15.13 Resolutions in Writing

Notwithstanding Section 15.10 hereof, a resolution in writing forwarded to all Voting Unitholders entitled to vote on such resolution at a meeting of Voting Unitholders and signed by the requisite number of Voting Unitholders required to obtain approval of the matter addressed in such resolution is as valid as if it had been passed at a meeting of Voting Unitholders in accordance with this Article 15.

15.14 Record Dates

For the purpose of determining the Voting Unitholders who are entitled to receive notice of and to vote at any meeting, or any adjournment thereof, or for the purpose of any action other than as provided in Article 4 hereof, the Manager may fix a date not more than 60 days nor fewer than 30 days prior to the date of any meeting of Voting Unitholders, or other action, as a record date for the determination of Voting Unitholders entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to receive such distributions, or to be treated as Voting Unitholders of record for purposes of such other action, and any Voting Unitholder who was a Voting Unitholder at the time so fixed shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Voting Unitholder of record for purposes of such other action, even though the Voting Unitholder has since that date disposed of the Voting Unitholder's Voting Units and no Voting Unitholder becoming such after that date shall be entitled to receive notice of and vote at such meeting, or any adjournment thereof, or to be treated as a Voting Unitholder of record for purposes of such other action.

15.15 Proxies

At any meeting of Voting Unitholders, any Voting Unitholder entitled to vote thereat may vote by proxy and a proxy need not be a Voting Unitholder, provided that no proxy shall be voted at any meeting unless it shall have been placed on file with the Manager, or with such other agent of the Trust as the Manager may direct, prior to the commencement of such meeting. If approved by the Manager, proxies may be solicited naming the Manager as proxy and the cost of such solicitation shall be paid out of the Trust Property. When any Voting Unit is held jointly by several Persons, any one of them may vote at any meeting in person or by proxy in respect of such Voting Unit, but if more than one of them shall be present at such meeting in person or by proxy, and such joint owners or their proxies so present disagree as to any vote to be cast, such vote shall not be received in respect of such Voting Unit. The instrument appointing any proxy shall be in such form and executed in such manner as the Manager may from time to time determine.

15.16 Validity of Proxies

An instrument appointing a proxy purporting to be executed by or on behalf of a Voting Unitholder shall be valid unless challenged at the time of, or prior to, its exercise and the person challenging such instrument shall have the burden of proving to the satisfaction of the chair of the meeting of Voting Unitholders at which such instrument is proposed to be used that such instrument is invalid. Any decision of the chair of the meeting in respect of the validity of such instrument shall be final. Proxies shall be valid only at the meeting with respect to which they were solicited, or any adjournment thereof, but in any event shall cease to be valid one year from their date.

15.17 Revocation of Proxy

A vote cast in accordance with the terms of a proxy shall be valid notwithstanding the previous death, incapacity, insolvency or bankruptcy of the Voting Unitholder giving the proxy or the revocation of the proxy unless written notice of such death, incapacity, insolvency, bankruptcy or revocation shall have been received by the chair of the meeting prior to the time such vote is cast.

15.18 Solicitation of Proxies

No Person shall solicit proxies in respect of a meeting of Voting Unitholders unless the Person making the solicitation, concurrently with or prior thereto, delivers or sends an information circular to each Voting Unitholder whose proxy is solicited. **"Solicit"** or **"solicitation"** includes any request for a proxy whether or not accompanied by or included in a form of proxy, any request to execute or not to execute a form of proxy or to revoke a proxy, and the sending or delivery of a form of proxy or other communication to a Voting Unitholder under circumstances reasonably intended or calculated to result in the procurement, withholding or revocation of a proxy but does not include the sending or delivery of a form of proxy to a Voting Unitholder in response to an unsolicited request made by him or her on his or her behalf or the performance by any Person of ministerial acts or professional services on behalf of a person or company soliciting a proxy. Subject to the provisions of this Trust Agreement and to Applicable Laws, the information circular required hereunder shall conform, insofar as is applicable, to the form and content prescribed for information circulars by or pursuant to applicable Securities Legislation; for such purposes, "management" shall mean Sprott Asset Management LP in its capacity as Manager; **"company"** or **"corporation"** shall mean the Trust; **"director"** or **"senior officer"** shall mean a director or senior officer of the Manager; **"equity share"**, **"voting security"** or **"share"** shall mean a Voting Unit; and **"shareholder"** shall mean a Voting Unitholder.

15.19 Form of Proxy Solicitation

Where there is a solicitation of proxies (other than with respect to the exception set forth in Section 15.18):

- (a) the form of proxy sent to a Voting Unitholder by a Person soliciting proxies shall indicate in bold-faced type by whom the proxy is being solicited and the form of proxy or the information circular shall state the name, address and principal occupation or employment within the preceding five years of each Person soliciting proxies and shall disclose the beneficial ownership of Voting Units of each such Person;
- (b) the form of proxy shall provide means whereby the Voting Unitholder whose proxy is solicited is afforded an opportunity to specify that his or her votes shall be cast by the nominees in favour of or against, in accordance with such Voting Unitholder's choice, each matter or group of related matters identified therein or in the information circular as intended to be acted upon;

- (c) no proxy shall confer authority to vote at any meeting other than the meeting specified in the notice of meeting or any adjournment thereof;
- (d) the information circular or form of proxy shall state that the votes represented by the proxy shall be cast and that, where the Voting Unitholder whose proxy is solicited specifies a choice with respect to any matter to be acted upon pursuant to paragraph (b) above, the votes shall be cast in accordance with the specifications so made; and
- (e) the information circular or form of proxy shall indicate in bold-faced type that the Voting Unitholder has the right to appoint a person, who need not be a Voting Unitholder, to attend and act for him or her and on his or her behalf at the meeting other than the person, if any, designated in the form of proxy, and shall contain instructions as to the manner in which the Voting Unitholder may exercise such right.

15.20 Resolutions Binding

Any resolution passed in accordance with the provisions hereof shall be binding on all Voting Unitholders and their respective heirs, executors, administrators, other legal representatives, successors and assigns, whether or not such Voting Unitholder was present or represented by proxy at the meeting at which such resolution was passed and whether or not such Voting Unitholder voted against such resolution.

15.21 Minutes of Meetings

Minutes of the meeting shall be made by the corporate secretary of the Manager (who shall act as secretary of the meeting) and duly entered in minute books to be kept by the Manager. Any such minutes signed by the chair of the meeting shall be conclusive evidence of the matters therein stated, and until the contrary is proved, every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed thereat to have been duly passed.

ARTICLE 16 SPECIAL FUNCTIONS

16.1 Registrar and Transfer Agent

- (a) The Manager shall appoint one or more chartered banks or banking institutions, trust companies, or other Persons, to act as the registrar and transfer agent (the “**Registrar and Transfer Agent**”) for the Voting Units and may provide for the transfer of Voting Units in one or more places within or outside Canada (provided that if such appointments are made there shall be a Registrar and Transfer Agent within the Province of Ontario). Such Registrar and Transfer Agent shall perform those functions and duties usually performed by a registrar and transfer agent of shares of corporations having share capital, including maintaining the Register as provided for in Section 16.2 and all other necessary or appropriate books (which may be kept on a computer or similar device) for recording original issuances of Voting Units and registering and transferring the Voting Units. In the case of an original issuance of Voting Units, the Registrar and Transfer Agent may rely and act upon the written instruction of the Manager without inquiry into the receipt by the Trust of, or the sufficiency of, the consideration for such original issuance of Voting Units.

- (b) No holder of a Special Voting Unit shall be entitled to a certificate or other instrument from the Trust evidencing the holder's ownership of such units. Such holder shall only be entitled to be entered on the Register.
- (c) The Manager, on behalf of the Trust, will enter into a written agreement with such Registrar and Transfer Agent which agreement shall provide that any fees required to be paid to the Registrar and Transfer Agent for services rendered, other than in respect of a transfer of Voting Units, shall be the responsibility of the Trust.

16.2 Unit Register

- (a) Subject to the approval or rejection by and direction from the Manager in connection with any purchase or transfer of Voting Units hereunder, the Registrar and Transfer Agent appointed pursuant to Section 16.1 shall maintain records (the "**Register**") for and on behalf of the Trust which shall contain the name and the latest known address of each Voting Unitholder and the number of Units and/or Special Voting Unit of each class and each series of a class from time to time held by the Voting Unitholder, the certificate numbers of the Unit Certificates, if any, and a record of all transfers thereof, and such Register shall be available at the offices of the Registrar and Transfer Agent in Toronto, Ontario or in such other office in Canada as the Manager deems appropriate and to which the Trustee consents.
- (b) As part of the Register, the Registrar and Transfer Agent shall maintain participation records for the Trust, showing with respect to each Voting Unitholder:
 - (i) the date of each issue of Voting Units to such Voting Unitholder, the number of Voting Units issued of each class and each series of a class and the applicable Class Net Asset Value per Unit for which each Voting Unit is issued;
 - (ii) the date of each transfer of Voting Units to and from such Voting Unitholder, and the number of Voting Units of each class and each series of a class transferred;
 - (iii) the date of each redesignation of Voting Units, the number of Voting Units redesignated of each class and each series of a class and the Class Net Asset Value per Voting Unit at which each Unit is redesignated;
 - (iv) the number of Voting Units held immediately after any subdivision or consolidation of Voting Units;
 - (v) the number of Voting Units of each class and each series of a class currently held; and
 - (vi) the date and details of each distribution of the Trust to the Voting Unitholder.
- (c) The Registrar and Transfer Agent shall deliver to the Manager within three Business Days following a Valuation Date, and at such other times as the Manager may request, a certified list of the Voting Unitholders which list shall contain the name, the last known address and the number of Voting Units of each class and each series of a class currently held by each Voting Unitholder.
- (d) The Trust, the Trustee (in its capacity as such, regardless of the fact that the Trustee may be or may have been the Registrar and Transfer Agent) and the Manager shall at

all times be entitled to rely entirely upon the Register maintained by the Registrar and Transfer Agent as a record of ownership of the Trust and the registered Voting Unitholders shall be deemed to be the true owners thereof for all purposes hereof.

- (e) Only Voting Unitholders whose Voting Units are so recorded on the Register shall be entitled to receive distributions and to exercise or enjoy the rights of Voting Unitholders hereunder. The Person registered as a Voting Unitholder on the Register shall be treated as the owner of such Voting Unit for all purposes, including payment of any distributions, giving notice to Voting Unitholders and determining the right to attend and vote at meetings of Voting Unitholders. Accordingly, the Manager shall not be bound to recognize any transfer or attempted transfer, pledge or other disposition of a Voting Unit, or any equitable or other claim with respect thereto, whether or not the Trust or the Manager shall have actual or other notice thereof, until such Voting Unit shall have been transferred on the Register as herein provided.

16.3 Auditors

The Manager hereby confirms that a firm of qualified chartered accountants has been appointed as the auditors of the Trust (the “**Auditors**”). Subject to Section 20.3 hereof, the Manager may from time to time, with the prior consent of the Independent Review Committee, and after providing notice to the Unitholders and the Trustee, appoint another firm of chartered accountants qualified to practice in the Province of Ontario to act as the Auditors. The Auditors shall make a report to the Manager and the Unitholders on the annual financial statements of the Trust and fulfill such other responsibilities as they may properly be called upon to assume. Any such report shall be reviewed by the Manager, and if acceptable to the Manager shall be approved by the Manager (and if required, shall be signed by the Manager to evidence such approval) on behalf of the Trust. The Auditors shall have access to all records relating to the affairs of the Trust including the relevant records of the Manager, the Trustee, any Investment Manager, any Technical Advisor, the Facilities, the Custodian, any sub-custodians, the Registrar and Transfer Agent and the Valuation Agent, subject to any confidentiality and/or privacy requirements that may apply in the circumstances.

16.4 Valuation Agent

The Manager shall appoint a valuation agent for the Trust (the “**Valuation Agent**”). The Valuation Agent shall act in accordance with the terms and conditions of the Valuation Services Agreement including, but not limited to, that the Valuation Agent, in carrying out its duties and obligations as Valuation Agent, shall exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

16.5 Facilities

The Manager hereby confirms that Uranium acquired by, or on behalf of, the Trust (including its Subsidiaries) will be stored in a Facility in accordance with the terms and conditions of a storage agreement or other type of arrangement consistent with industry standard, which shall be entered into by the Manager on behalf of the Trust, which agreement or arrangement will reflect the obligations of the Facility and the Trust.

16.6 Custodian of Trust Property Other Than Uranium

- (a) The Trustee shall be the Custodian of the Trust Property other than the Uranium. In carrying out its duties and obligations as Custodian, the Trustee shall exercise: (i) the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; or (ii) at least the same degree of care as the Trustee

exercises with respect to its own property of a similar kind in the relevant market, if this is a higher degree of care than the degree of care referred to above.

- (b) Notwithstanding any other provision herein, the Trustee shall not be responsible for the holding or control of any Trust Property that is not directly held by the Trustee or its appointed sub-custodians, including any assets pledged or loaned to a third party or Uranium held with the Facilities.
- (c) The Manager, in accordance with Applicable Law and with the consent of the Trustee, shall have the authority to appoint a replacement or an additional custodian of the Trust Property other than the Uranium **[and the Subsidiaries]** and to make contractual arrangements for that purpose. In the event any Person other than the Trustee is appointed Custodian of such Trust Property, the contract with any such custodian may include provisions whereby the Manager may give instructions directly to that custodian concerning the investment of such Trust Property and that custodian may act thereon without approval by the Trustee. The Trustee shall be under no obligation to supervise and shall have no responsibility or liability for acts of omission or commission of any such custodian under such arrangements where the Trustee is not the custodian.
- (d) On the direction of the Manager, the Trustee shall register such Trust Property held by it at any time in its own name as trustee of the Trust or in the name or names of nominees, including any sub-custodians appointed by the Trustee, CDS, DTC or in bearer form. The Trustee is hereby expressly empowered to keep such Trust Property, wholly or partly, in its principal office or in any one or more of its branches in any province of Canada or at the office of any sub-custodian, including itself or its Affiliates, to hold securities constituting such Trust Property through the facilities of CDS or DTC or any other domestic or foreign depository or clearing agency which is duly authorized to operate a book-based system (including a transnational book-based system) in the country, province, state or political subdivision of any country in which such depository or clearing agency is located (provided that such depositories or clearing agencies shall not be deemed to be agents or sub-custodians of the Trustee), all as the Trustee may determine so long as such Trust Property at all times is kept distinct from the assets of the Trustee and those of its sub-custodians, nominees or any other Person in the registers and other books of account kept by the Trustee or such Persons.
- (e) Where such Trust Property is issued in bearer form, such Trust Property shall be designated or segregated by the Trustee or sub-custodian or their respective nominees so as to establish that the beneficial ownership of such Trust Property is vested in the Trustee. Comparable provisions shall be included in any custodianship or sub-custodianship agreements entered into by or under authority of the Custodian. The Trust Property registered in accordance with subsection 16.6(d) or issued in accordance with this subsection 16.6(e) shall be recorded in an account with an account number or other designation in the records of the Trustee or the sub-custodian or their respective nominees sufficient to establish that the beneficial ownership of such Trust Property is vested in the Trust.
- (f) The Trustee may appoint sub-custodians (who may be affiliated with or otherwise related to the Trustee) and enter into sub-custodianship agreements on terms consistent with this Trust Agreement; provided, however, that written consent to such appointment has been provided by the Manager. For the purposes of this Trust Agreement, such consent is deemed to have been obtained in respect of the appointment of those sub-custodians which are part of the Trustee's international

network of sub-custodians. Further, upon notice to the Manager of the appointment of any additional sub-custodians in the Trustee's international network, the Manager will be deemed to have consented to such appointment.

- (g) A sub-custodian appointed by the Trustee shall be permitted to appoint a sub-sub-custodian only upon the prior written consent of the Trustee and the Manager, and further provided that adequate provision is made in the sub-custodianship agreement for the Trust, acting directly or through the sub-custodian, to enforce its rights in respect of such Trust Property which is held by the appointed sub-sub-custodian.
- (h) Any sub-custodian appointed by or under the authority of the Trustee shall meet any guideline for acting as a sub-custodian prescribed by Securities Authorities in Canada from time to time (the “**Sub-Custodian Guidelines**”) and shall execute an agreement in a form that complies with the Sub-Custodian Guidelines. The Trustee shall annually review this Trust Agreement and all sub-custodian agreements to determine if those agreements are in compliance with the Sub-Custodian Guidelines, and shall also make reasonable enquiries as to whether each sub-custodian satisfies the applicable requirements of the Sub-Custodian Guidelines. The Trustee shall make or cause to be made any changes as may be necessary to ensure that this Trust Agreement and the sub-custodian agreements are in compliance with the Sub-Custodian Guidelines, and that all sub-custodians of the Trust satisfy such applicable requirements.
- (i) Where required under Applicable Laws, the Trustee shall, within 60 days following the end of each Fiscal Year of the Trust, advise the Trust in writing of the names and addresses of all sub-custodians of the Trust, whether this Trust Agreement and the sub-custodian agreements are in compliance with the Sub-Custodian Guidelines, and whether, to the best of the knowledge and belief of the Trustee, each sub-custodian satisfies the applicable requirements of the Sub-Custodian Guidelines.
- (j) The Trustee, in its capacity as Custodian, shall account for all such Trust Property received and held by it, shall disburse or retain any income received thereon and/or capital pursuant to directions from the Manager and shall provide monthly statements of the account in such format as may be agreed to by the parties. Additional statements which are required to satisfy the requirements of any regulatory or administrative agencies will also be provided as requested by, and at the expense of, the Manager. The Manager will within 30 days following the issue date of any such statement give the Trustee written notice of any alleged omissions from or additions wrongly made to or inaccurate entries in any such statement. The Manager agrees that at the end of the 30-day period, the Trustee shall be fully released and discharged from any liability or accountability to anyone with respect to acts or transactions disclosed in any such statement except as to any alleged errors of which the Manager has identified by giving written notice to the Trustee.
- (k) If, in order to provide services to the Manager pursuant to this Trust Agreement, the Trustee is required to engage sub-custodians in certain markets which the Trustee has identified as being high risk and has designated as “**Designated Markets**” by listing them in Schedule D attached hereto. A Designated Market is a market where the risks of engaging a sub-custodian are significantly greater than they would be in more established markets. Notwithstanding any other provision of this Trust Agreement, in such Designated Markets where the Trustee is providing custodial services (whether directly or through a sub-custodian) in respect of the Trust, the Trustee may not be able to accept some of the liabilities or responsibilities which are contemplated by the Trust Agreement. Under the Trust Agreement, the Trustee is responsible for the

negligence and wrongful acts of its sub-custodians. However, where the Trustee engages a sub-custodian in a Designated Market, the Manager hereby acknowledges and agrees that the Trustee will not be responsible for the negligence or wrongful acts of such sub-custodians and that such negligence or wrongful acts will not be considered to be a breach by the Trustee of its standard of care or negligence for the purposes of this Trust Agreement. Notwithstanding the aforementioned, the Trustee will continue to accept responsibility for the selection and on-going monitoring of its sub-custodians in all markets, except Designated Markets, in accordance with its standard of care. From time to time, the Trustee may add to or delete markets from the list of Designated Markets attached as Schedule D hereto, and the Trustee will provide the Manager with written notice of such changes. The Manager agrees that it will have 60 days from the date of any such notice to raise concerns regarding any new Designated Market which is added to the list. After this 60-day period, that added market will be deemed to be a Designated Market for the purposes of the Trust Agreement. The Manager acknowledges and agrees that it and any Investment Manager are responsible for apprising themselves of the specific risks to the Trust involved in the investment and reinvestment of such Trust Property in all markets in which such Trust Property is located from time to time.

ARTICLE 17

REPORTS AND EXECUTION OF DOCUMENTS

17.1 Records

The Manager shall maintain or cause to be maintained appropriate accounting records for the Trust. The accounting records for the Trust shall be open for examination by the Trustee, by the Auditors and by Unitholders or holders of Exchangeable Shares or their authorized representatives during normal business hours on any Business Day at the office of the Manager or such other office as the Manager may determine, provided that reasonable notice has been given to the Manager of any such examination.

17.2 Reports to Unitholders

- (a) At the time of investment in Units, a statement shall be issued by the Registrar and Transfer Agent, in such form and on such terms and conditions as the Manager may, in its sole discretion, determine, and such statement will be forwarded to each Unitholder, which statement will indicate the number of Units held by the Unitholder and such other information as may be required by Applicable Laws; provided, however, that the information disclosed on such statements shall always be in accordance with the number of the Unitholder's Units reflected on the Register.
- (b) The Manager shall cause an audit of the financial statements of the Trust for each Fiscal Year to be made by the Auditors. The financial statements of the Trust so audited shall include such statements as are required by Applicable Laws. A copy of such statements, together with the Auditors' report thereon, shall be filed with the appropriate Securities Authorities pursuant to Applicable Laws unless and to the extent an exemption from such filing is available under Applicable Laws.
- (c) The Manager shall approve and forward to Unitholders such audited annual financial statements and unaudited interim financial statements as it is required under Applicable Laws to deliver, within the time limits specified under such laws. The Trustee shall not be required to prepare or approve any audited financial statements of the Trust.

- (d) In the absence of the filing in writing with the Manager or the Trustee of any objection to the statements or reports supplied in accordance with this Section 17.2 within 90 days of their mailing, Unitholders shall be deemed to have approved such statements or reports and the Trustee and the Manager shall be released, relieved and discharged with respect to all matters and things set forth in the statements and reports (except for such matters or things with reference to which any objection in writing has been filed with the Manager and except for any loss or other diminution of the assets of the Trust resulting from the negligence, wilful misconduct or lack of good faith of the Manager in preparing such statements or reports) as if they had been settled by the decree of a court of competent jurisdiction.
- (e) The Manager shall prepare, file and deliver to Unitholders (if required) all management reports of fund performance and other continuous disclosure documents required by applicable Securities Legislation.
- (f) The Manager will make available to Unitholders as soon as practicable on its website an unaudited schedule of Class Net Asset Value per Unit for each class and series of a class of Units as at the Valuation Time on each Valuation Date.
- (g) No Unitholder shall be entitled to any other accounting with respect to the Trust or the Unitholder's holding of Units in the Trust, except as may be required by Applicable Laws.

17.3 Material to be Furnished to the Trustee

The Manager will cause to be furnished to the Trustee from time to time, in addition to any other documents required to be furnished hereunder:

- (a) a copy of each of the Disclosure Documents for investment in Units (other than Disclosure Documents filed in connection with the Arrangement);
- (b) a copy of each continuous disclosure document relating to the Trust filed with, furnished or otherwise provided to, any Securities Authority under applicable Securities Legislation;
- (c) on or before 90 days following December 31 of each year, a copy of the audited annual financial statements of the Trust, together with the report of the Auditors thereon;
- (d) on or before 90 days following December 31 of each year, an Annual Certificate of Compliance, substantially in the form set out in Schedule A attached hereto, with respect to the Trust;
- (e) on or before 90 days following June 30 in each year, an Interim Certificate of Compliance, substantially in the form set out in Schedule B attached hereto, with respect to the Trust; and
- (f) a Certificate of Authorized Signing Authorities, substantially in the form set out in Schedule C attached hereto, specifying the names and titles of those Persons authorized to give approvals, consents or directions on behalf of the Manager including specimen signatures of each such Person.

17.4 Documents Requiring Trustee's Consent

The Manager will provide to the Trustee for its prior written consent draft copies of all agreements, literature, certificates, Disclosure Documents (other than Disclosure Documents filed in connection with the Arrangement), continuous disclosure documents to be filed with Securities Authorities, advertisements, printed matter and other material which contain any reference to the Trustee or which relate to the functions being performed hereunder or which may affect the Trustee, except material which is circulated among or sent to employees, Unitholders and correspondence in the ordinary course of business and which merely reflects in accurate terms, information contained in the then current Disclosure Documents.

17.5 Execution of Documents

The Trustee shall have the authority to sign on behalf of the Trust all documents and any documents so signed shall be binding upon the Trust without any further authorization or formality. The Trustee shall have power from time to time to appoint any Person or Persons on behalf of the Trust either to sign documents generally or to sign specific documents.

17.6 Execution of Documents by the Manager

Any approval, consent, direction, order (including, but not limited to, the signing of any Disclosure Documents or Unit Certificate) or request required or permitted by this Trust Agreement to be given or made by the Manager shall (except where otherwise expressly provided herein) be sufficiently given or made if expressed in writing signed in the name of the Manager by its duly authorized representative(s) designated from time to time in writing. If at any time, the Manager shall fail to give or make any such approval, consent, direction, order or request as required by this Trust Agreement and no express provision is made for the action to be taken by the Trustee, the Trustee may act herein without any such approval, consent, direction, order or request, in its sole discretion.

17.7 Material to be Furnished to Unitholders and Holders of Exchangeable Shares

Subject to Article 20, the Manager will cause to be furnished to the Unitholders and holders of Exchangeable Shares and the Trustee any notice of:

- (a) any change to the Investment Policy of the Trust;
- (b) the Manager's desire to change the Fiscal Year of the Trust;
- (c) any change in the location of the principal office of the Trust;
- (d) any change to the Person designated by the Manager as the Registrar and Transfer Agent or Valuation Agent of the Trust;
- (e) any proposed change to the method of calculation of the Management Fee payable by the Trust;
- (f) any meeting of the Unitholders of the Trust;
- (g) the intention by the Manager to terminate and dissolve or reorganize the Trust; and
- (h) any material amendment to this Trust Agreement, together with a written explanation for the reasons for such amendment.

ARTICLE 18 NOTICE

18.1 Notice to Unitholders

Any notice to be given or any document or instrument in writing to be sent to a Unitholder may be effectively given or sent by mailing it to the Unitholder by pre-paid ordinary mail addressed to the address of the Unitholder appearing on the Register referred to in Section 16.2 and shall be conclusively deemed to have been received by the Unitholder on the fifth Business Day after it was so mailed; provided that accidental failure to give notice to any Unitholder shall not affect any action taken pursuant to such notice.

18.2 Methods of Communication

Any notice to be given or any document or instrument in writing to the Trustee or the Manager (including for greater certainty, all directions and instructions) must be given through one of the following methods of communication:

- (a) personal or courier delivery;
- (b) facsimile (in accordance with the Manager's guidelines);
- (c) S.W.I.F.T.;
- (d) one of the Trustee's secured client access channels;
- (e) directly between electromechanical or electronic terminals (other than the internet or unsecured lines of communication);
- (f) telephone (subject to Sections 18.4, 18.5 and 18.7); or
- (g) internet (subject to Sections 18.6 and 18.7).

Communications should be addressed, as applicable, as follows:

in the case of the Trustee:

●

Attention: ●

Telephone: ●

Facsimile: ●

in the case of the Manager:

Sprott Asset Management LP
Royal Bank Plaza, South Tower
200 Bay Street
Suite 2700, P.O. Box 27
Toronto, Ontario
M5J 2J1

Attention: Chief Compliance Officer

Telephone: (416) 943-6388

Facsimile: (416) 943-6497

or at such other address and number as the party to whom such communication is to be given shall have last notified the party giving the same in the manner provided in this section.

18.3 Deemed Delivery

Pursuant to Section 18.2:

- (a) any communication delivered personally shall be deemed to have been given and received on the day it is so delivered (or if that day is not a Business Day, on the next succeeding Business Day); and
- (b) any communication given by facsimile, S.W.I.F.T., secured client access channels, directly between electromechanical or electronic terminals (other than the internet or unsecured lines of communication) or the internet (subject to Sections 18.6 and 18.7) shall be deemed to have been given and received on the Business Day it is transmitted provided that it was received before 3:00 p.m. (Toronto time) and, if received after 3:00 p.m. (Toronto time), it shall be deemed to have been given and received on the Business Day following the day of transmission provided in each case that confirmation of transmission is available from the party giving the communication.

18.4 Telephone Directions

With respect to telephone directions, the Manager shall endeavor to forward directions (other than by telephone) confirming such telephone directions on the same day that such verbal directions are given to the Trustee. The fact that such confirming directions are not received or that contrary directions are received by the Trustee shall in no way affect the validity of transactions effected by the Trustee on the basis of the telephone directions.

18.5 Telephone Communications

The Manager agrees that some or all telephone conversations between the parties, including directions or communication given by telephone, may be recorded by the Trustee and that, in the event of any disagreement as to the content of any directions or communication given by telephone, such recording shall be conclusive and determinative of the contents of the directions or communication.

18.6 Internet

The Manager agrees and confirms, in connection with the services provided by the Trustee to the Trust, that the Trustee may forward reports and information to the Manager and/or to the Manager's authorized agents, and may receive and act upon communications and instructions (including, without limitation, directions) received from the Manager and/or the Manager's authorized agents through the use of such form of electronic means of communications (including the internet which is not a secure means of communication) as may be agreed to from time to time in writing. Without limiting the terms of this Trust Agreement, the Manager agrees and acknowledges that the Trustee shall bear no responsibility or liability whatsoever for any errors and omissions, or direct, indirect or consequential losses or damages that are attributable to the use of the internet for the purposes set out herein and resulting or arising from viruses or worms, or the interception, tampering or breach of confidentiality of

data or information transmitted which is not encrypted and authenticated in accordance with the Trustee's encryption standards.

18.7 Verification

- (a) All directions and instructions shall be given in one of the methods authorized by Section 18.2 and shall be given by authorized officer(s) of the Manager and of any other Person(s) or representative(s) including any Investment Manager appointed by the Manager and authorized to act on behalf of the Manager.
- (b) Without limiting the provisions of this Trust Agreement and subject to subsection 10.2(a) and Section 18.6 hereof, the Manager also agrees that the Trustee may rely and act upon any instructions or directions received from authorized officer(s) of the Manager and of any other Person(s) or representative(s) including any Investment Manager appointed by the Manager and authorized to act on behalf of the Manager without the Trustee having to take any further actions of any kind to verify or otherwise ascertain the validity of such instructions or directions except to verify such personnel is duly authorized by the Manager in accordance with the Certificate of Authorized Signing Authorities then on file with the Trustee, and any such instructions or directions shall be binding on the Manager on whose behalf the instructions or directions shall have been given. The Trustee shall be entitled to rely solely on such certificate then on file without further inquiry for verification purposes.

ARTICLE 19 ARRANGEMENT WITH UPC

19.1 Arrangement with UPC

Without limitation to any of the rights and powers of the Manager pursuant to Article 7, the Manager shall have the power to take such acts as are determined by the Manager to be necessary or appropriate to give effect to the Arrangement and to execute such instruments as may be necessary and desirable to do so.

ARTICLE 20 AMENDMENTS

20.1 Non-Material Amendments

- (a) Any provision of this Trust Agreement may be amended, deleted, expanded or varied by the Manager, with the approval of the Trustee, upon notice to Unitholders, the Special Voting Unitholder and holders of Exchangeable Shares in accordance with Section 20.4, if the amendment, in the opinion of Counsel for either the Trustee or the Manager, does not constitute a material change and does not relate to any of the matters specified in Section 20.2, but no amendment shall be made under this Section 20.1 which adversely affects the pecuniary value of the interest of any Unitholder or the rights of the Special Voting Unitholder or restricts any protection provided to the Trustee or increases the responsibilities of the Trustee hereunder.
- (b) This Trust Agreement may also be amended by the Manager without the approval of, or notice to, Voting Unitholders for the following purposes:

- (i) to remove any conflicts or other inconsistencies which may exist between any terms of this Trust Agreement and any provisions of any Applicable Law affecting the Trust;
- (ii) to make any change or correction in this Trust Agreement which is of a typographical nature or is required to cure or correct any ambiguity or defective or inconsistent provision, clerical omission, mistake or manifest error contained therein;
- (iii) to bring this Trust Agreement into conformity with Applicable Laws, rules and policies of Securities Authorities, stock exchanges on which the Units are listed or with current practice within the securities industry, provided that any such amendment does not adversely affect the rights, privileges or interests of any Unitholder or the Special Voting Unitholder;
- (iv) to add a redemption feature for any class of Units that is necessary or advisable in connection with the Trust undertaking to list such class of Units on a U.S. stock exchange, or so that the Trust may qualify as a “unit trust” for purposes of the Tax Act, in either case as determined by the Manager in its discretion; or
- (v) to provide added protection or benefit to Voting Unitholders.

20.2 Voting Unitholder Approval

- (a) Subject to subsections 20.2(b), (c), (d) and (f) hereof, notwithstanding the other provisions of this Trust Agreement, certain matters relating to the Trust and this Trust Agreement require approval by the Voting Unitholders. Such approval must be given at a meeting duly called for that purpose or by written resolution pursuant to Article 15. Any provision of this Trust Agreement may be amended, deleted, expanded or varied with the approval of the Voting Unitholders for the following purposes by resolution passed by an Ordinary Resolution, other than Clauses 20.2(a)(i) and (ii) which require approval of Voting Unitholders by an Extraordinary Resolution:
 - (i) a change in the investment objective of the Trust set out in Section 22.1 or the investment strategy set out in Section 22.2;
 - (ii) a change in the investment and operating restrictions of the Trust set out in Section 22.3, unless such change or changes are necessary to ensure compliance with Applicable Laws or other requirements imposed from time to time by Securities Authorities or stock exchanges on which the Units are listed;
 - (iii) any change in the basis of calculating a fee or expense that is charged to the Trust or directly to its Unitholders by the Trust or the Manager in connection with the holding of Units which could result in an increase in charges to the Trust or to its Unitholders;
 - (iv) the introduction of a fee or expense to be charged to the Trust or directly to its Unitholders by the Trust or the Manager in connection with the holding of Units which could result in an increase in charges to the Trust or to its Unitholders;

- (v) a reduction in the frequency of calculating the Net Asset Value of the Trust, the Net Asset Value per Unit, the Class Net Asset Value or the Class Net Asset Value per Unit;
- (vi) a change in the Manager, unless the successor manager is an Affiliate of the current Manager or the successor manager occurs primarily as a result of a Manager Reorganization;
- (vii) the Trust undertakes a reorganization with, or transfers its assets to, another investment fund, if
 - (A) the Trust ceases to continue after the reorganization or transfer of assets, and
 - (B) the transaction results in the Unitholders becoming unitholders in the other investment fund; or
- (viii) the Trust undertakes a reorganization with, or acquires assets from, another investment fund, if
 - (A) the Trust continues after the reorganization or acquisition of assets,
 - (B) the transaction results in the unitholders of the other investment fund becoming Unitholders in the Trust, and
 - (C) the transaction would be a material change to the Trust.
- (b) Despite subsection 20.2(a), the approval of Voting Unitholders is not required to be obtained for a change referred to in Clause 20.2(a)(iii) if
 - (i) the Trust is at arm's length to the Person charging the fee or expense to the Trust which is changed;
 - (ii) the Disclosure Documents disclose that, although the approval of Voting Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change that is to be made which could result in an increase in charges to the Trust; and
 - (iii) the notice referred to in Clause 20.2(b)(ii) is sent 60 days before the effective date of the change.
- (c) Despite subsection 20.2(a), the approval of Voting Unitholders is not required to be obtained for a change referred to in clause 20.2(a)(vii) if
 - (i) the Independent Review Committee has approved the change in accordance with NI 81-107;
 - (ii) the Trust is being reorganized with, or its assets are being transferred to, another investment fund to which NI 81-102 and NI 81-107 apply and that is managed by the Manager or its Affiliate;

- (iii) the reorganization or transfer of assets of the Trust complies with the criteria set forth in NI 81-102;
 - (iv) the Disclosure Documents disclose that, although the approval of Voting Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change; and
 - (v) the notice to Voting Unitholders referred to in Clause 20.2(c)(iv) is sent 60 days before the effective date of the change.
- (d) Any reorganization or transfer of assets pursuant to Clauses 20.2(a)(vii) or (viii) above, including a transaction approved by the Independent Review Committee pursuant to Clause 20.2(c)(i), must satisfy the following criteria:
 - (i) the reorganization of the Trust with another investment fund or the transfer of assets must be accomplished on a tax-deferred rollover basis for Unitholders and for unitholders of the other investment fund and must be a tax-deferred transaction for U.S. federal income tax purposes for U.S. Unitholders and for unitholders of the other investment fund;
 - (ii) the investment fund with which the Trust is reorganized or which receives the Trust's assets: (A) is classified as a corporation for U.S. federal income tax purposes, (B) does not take any action inconsistent with its classification as a corporation for U.S. federal income tax purposes, and (C) does not elect to be treated as an entity other than a corporation for such purposes; and
 - (iii) the investment fund surviving the reorganization or the transfer of assets: (A) within 45 days from the end of each taxable year of the investment fund, determines, or causes to be determined, whether the investment fund was a PFIC in such taxable year, (B) provides or causes to be provided to unitholders of the investment fund all information necessary to enable unitholders or beneficial owners of units of the investment fund, as applicable, to elect to treat the investment fund as a QEF for U.S. federal income tax purposes and to comply with any reporting or other requirements incident to such election, and (C) within 45 days from the end of each taxable year of the investment fund in which the investment fund is a PFIC, provides, or causes to be provided, to unitholders or beneficial owners of units of the investment fund, as applicable, a completed "**PFIC Annual Information Statement**" as required by U.S. Treasury Regulations Section 1.1295-1(g) and otherwise complies with the applicable requirements of the U.S. Treasury Regulations.
- (e) In addition, any material amendment, modification or variation in the provisions of, or rights attaching to, a particular class or series of a class of Voting Units must be approved by an Extraordinary Resolution of the Voting Unitholders of that class or series of a class of Voting Units, as the case may be.
- (f) Despite subsection 20.2(a), the approval of Voting Unitholders of any amendment, deletion, expansion or variation of the Trust Agreement reasonably required or advisable (as determined by the Manager acting in good faith) for, or in connection with, the listing or potential listing of the Units on a U.S. stock exchange shall only require a resolution approved, in person or by proxy, by Unitholders and the Special Voting Unitholder holding Voting Units representing in aggregate not less than 50% of

the Units (and for this purpose only, the Special Voting Unit shall be deemed to represent the Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units) or a written resolution signed by Unitholders holding Units or the Special Voting Unitholder holding the Special Voting Unit representing in aggregate not less than 50% of the Units (and for this purpose only, the Special Voting Unit shall be deemed to represent the Units issuable assuming the exchange of all Exchangeable Shares (other than those held by the Trust or its Affiliates) for Units)

20.3 Change of Auditors

The Auditors appointed by the Manager pursuant to Section 16.3 may not be changed unless:

- (a) the Independent Review Committee has approved the change of Auditors in accordance with NI 81-107;
- (b) the Disclosure Documents disclose that, although the approval of Unitholders will not be obtained before making the change, Voting Unitholders will be sent a written notice at least 60 days before the effective date of the change; and
- (c) the notice to Voting Unitholders referred to in subsection 20.3(b) is sent 60 days before the effective date of the change.

20.4 Notice of Amendment(s)

Notice of any amendment under Section 20.1 shall be given in writing to Unitholders, the Special Voting Unitholder and the holders of Exchangeable Shares and any such amendment shall take effect on a date to be specified therein, which date shall be not less than 60 days after notice of the amendment is given to Unitholders, the Special Voting Unitholder and the holders of Exchangeable Shares, except that the Manager and the Trustee may agree that any amendment pursuant to Section 20.1 shall become effective at an earlier date if, in the opinion of the Manager and the Trustee, an earlier date is desirable, provided such amendment does not adversely affect the rights, privileges or interests of any Unitholder.

20.5 Approval of Trustee

In addition, the approval of the Trustee is also required for any amendment to this Trust Agreement if the amendment restricts any protection provided to the Trustee or impacts the responsibilities of the Trustee hereunder.

ARTICLE 21 TERMINATION OF THE TRUST

21.1 Termination of the Trust

The Trust will be terminated and dissolved in the event of any of the following:

- (a) there are no outstanding Units;
- (b) the Trustee resigns or is removed and no successor trustee is appointed by the Manager within the time limit prescribed in Section 12.4 hereof;

- (c) the Manager resigns and no successor manager is appointed by the Manager and approved by Voting Unitholders within the time limit prescribed in Section 13.1 hereof; or
- (d) a Termination Event occurs.

21.2 Notice of Termination

The Manager may at any time terminate and dissolve the Trust if, in the opinion of the Manager, after consulting with the Independent Review Committee, the Net Asset Value of the Trust has been reduced such that it is no longer economically feasible to continue the Trust and it would be in the best interests of the Unitholders to terminate the Trust, by giving to the Trustee and each then Unitholder written notice of its intention to terminate at least 90 days before the effective date on which the Trust is to be terminated. To the extent such termination of the Trust in the discretion of the Manager may involve a matter that would be a “**conflict of interest**” matter as set forth under NI 81-107, the matter will be referred by the Manager to the Independent Review Committee for its recommendation.

21.3 Effect of Termination

- (a) In the event of the winding-up of the Trust, the Manager or, in the event of subsection 21.1(d), such other Person appointed by the Trustee, the Unitholders or a court of competent jurisdiction, as the case may be, shall make appropriate arrangements for converting the investments of the Trust into cash, and the Trustee shall proceed to wind-up the affairs of the Trust in such manner as seems to it to be appropriate. The assets of the Trust remaining after paying or providing for all obligations and liabilities of the Trust shall be distributed among the Unitholders named in the Register as at 4:00 p.m. (Toronto time) on the effective date on which the Trust is to be terminated in accordance with Article 21 hereof. Distributions of Net Income and Net Realized Capital Gains shall, to the extent not inconsistent with the orderly realization of the assets of the Trust, continue to be made in accordance with this Trust Agreement until the Trust has been wound up.
- (b) Notwithstanding the foregoing, if a notice of termination has been given by the Manager and if authorized by the vote of Unitholders holding Units representing in aggregate not less than 50% of the Net Asset Value of the Units as determined in accordance with this Trust Agreement, the assets of the Trust may be, in the event of the winding-up the Trust, distributed to the Unitholders on the termination of the Trust in specie in whole or in part, and the Trustee shall have complete discretion to determine the assets to be distributed to any Unitholder and their values for distribution purposes.
- (c) If after a period of six months from the effective date on which the Trust was terminated, the Registrar and Transfer Agent is unable to locate the owner of any Units as shown on the Register, such amount as would be distributed to such Unitholder shall be deposited by the Registrar and Transfer Agent in an account in a chartered bank or trust company (including the Trustee) in Canada in the name and to the order of such Unitholder upon presentation by such Unitholder of sufficient information determined by the chartered bank or trust company to be appropriate to verify such Unitholder's entitlement to such amount. Upon such deposit being made, the Units represented thereby shall be cancelled and the Registrar and Transfer Agent, the Manager and the Trustee shall thereupon be released from any and all further liability with respect to such moneys. Thereafter the Unitholder shall have no rights as against

the Registrar and Transfer Agent, the Manager or the Trustee to such moneys or an accounting therefor.

21.4 Termination of Trust Agreement

Upon termination and dissolution of the Trust pursuant to this Article 21, this Trust Agreement shall terminate and all of the assets of the Trust shall be distributed in accordance with Section 21.3 above.

ARTICLE 22 INVESTMENT POLICY

22.1 Investment Objective

The Trust was created to participate in the Arrangement and to subsequently invest and hold substantially all of its assets in Uranium. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding Uranium without the inconvenience that is typical of a direct investment in Uranium. The Trust does not anticipate making regular cash distributions to Unitholders.

22.2 Investment Strategy

The Trust intends to achieve its objective by investing primarily in long-term holdings of Uranium and generally will not speculate with regard to short-term changes in Uranium prices.

22.3 Investment and Operating Restrictions

The investment activities of the Trust are intended to be conducted in accordance with, among other things, the following investment and operating restrictions, and they provide that the Trust:

- (a) will invest in and hold, directly or indirectly, a minimum of 90% of the total net assets of the Trust in Uranium and invest in and hold, directly or indirectly, no more than 10% of the total net assets of the Trust, at the discretion of the Manager, in debt obligations guaranteed by the Government of the United States or a state thereof or by the Government of Canada or a province of Canada, short-term commercial paper obligations of a corporation or other person whose short-term commercial paper is rated R-1 (or its equivalent, or higher) by Dominion Bond Rating Service Limited or its successors or assigns or F1 (or its equivalent, or higher) by Fitch Ratings or its successors or assigns or A-1 (or its equivalent, or higher) by Standard & Poor's or its successors or assigns or P-1 (or its equivalent, or higher) by Moody's Investor Service or its successors or assigns, interest-bearing accounts and short-term certificates of deposit issued or guaranteed by a Canadian chartered bank or trust company, money market mutual funds, short-term government debt or short-term investment grade corporate debt, cash or other short-term debt obligations approved by the Manager from time to time (for the purpose of this paragraph, the term "**short-term**" means having a date of maturity or call for payment not more than 182 days from the date on which the investment is made), except during the 60-day period following the closing of additional offerings or prior to the distribution of the assets of the Trust;
- (b) will have the ability to optimize the value of the Trust through normal nuclear fuel cycle transactions, including loans, swap/exchanges, and similar transactions, so long as these transactions provide value to the Trust and the risk associated with each transaction is minimized to the satisfaction of the Manager;

- (c) will not issue Units following the Arrangement Effective Date except (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Net Asset Value of the Trust per Unit prior to, or upon, the determination of the pricing of such issuance or (ii) by way of Unit distribution in connection with an income distribution;
- (d) will not invest in financial instruments that represent Uranium or that may be exchanged for uranium, other than through forward contracts for the sole purpose of purchasing physical uranium for future delivery;
- (e) will ensure that the storage of physical Uranium is governed by agreements with the Facilities having generally customary terms for agreements of such nature;
- (f) subject to 1(e) above, will ensure that the physical uranium remains unencumbered;
- (g) will not guarantee the securities or obligations of any Person other than the Manager, and then only in respect of the activities of the Trust;
- (h) will not use leverage other than for short-term borrowings to settle trades;²
- (i) in connection with requirements of the Tax Act, will not invest in any security that would be a tax shelter investment within the meaning of section 143.2 of the Tax Act;
- (j) in connection with requirements of the Tax Act, will not invest in the securities of any non-resident corporation, trust or other non-resident entity (or of any partnership that holds such securities) if the Trust (or the partnership) would be required to include any significant amount in income under sections 94, 94.1 or 94.2 of the Tax Act; and
- (k) in connection with requirements of the Tax Act, will not carry on any business and make or hold any investments that would result in the Trust itself being subject to the tax for SIFT trusts as provided for in section 122 of the Tax Act.

22.4 Investment and Reinvestment by the Trust

The Trust and the Manager shall not, in carrying out investment activities, be in any way restricted by the provisions of the laws of any jurisdiction limiting or purporting to limit investments which may be made by trustees, and shall be entitled to vary the investments of the Trust, but shall be limited by any Investment Policy contained herein and the Applicable Laws to which the Trust is subject.

ARTICLE 23 GENERAL

23.1 Compliance with Law and Policy

It shall be the responsibility of the Manager to ensure that this Trust Agreement, the Disclosure Documents and all regulatory filings of the Trust and any distribution of Units comply with all Applicable Laws. To this end, the Manager, on behalf of a Trust, shall take such action and execute such deeds and documents as may be necessary or desirable to be filed with appropriate Securities Authorities on behalf of the Trust.

² Sprott does not contemplate utilizing leverage often, but there may be opportunities to execute profitable short-term carry trades with credit-worthy counterparties whereby the Trust buys and sells Uranium within a short window (usually 1-3 months usually over a fiscal year-end).

23.2 Governing Law

This Trust Agreement and the trust hereby created shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario. The responsibilities of the Trustee shall be principally performed from its office at Toronto, Ontario unless otherwise agreed by the Manager and the Trustee.

23.3 Computation of Time

In computing the date when notice must be given under any provision of this Trust Agreement requiring a specified number of days' notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

23.4 Omissions and Errors

The accidental omission to give any notice to any Unitholder, the Trustee, the Manager or the Auditors or the non-receipt of any notice by any such Person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

23.5 Time

Time shall be of the essence of this Trust Agreement.

23.6 Counterparts and Facsimile

This Trust Agreement may be executed by any party to this Trust Agreement by such party signing a counterpart of this Trust Agreement, and such counterparts together shall constitute a single instrument. This Trust Agreement may be executed for acceptance by facsimile transmission, and the parties agree to exchange original executed copies within five Business Days following such acceptance.

23.7 Complete Agreement

This Trust Agreement and all schedules attached hereto supersede and replace all prior negotiations and agreements made between the parties to this Trust Agreement, whether oral or written and contain the entire understanding between the parties with respect to the subject matter of this Trust Agreement. The parties agree to the correction of any clerical error in this Trust Agreement as clarified by the drafting solicitor acting reasonably.

23.8 Severability

If any provision of this Trust Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect (i) the legality, validity or enforceability of the remaining provisions of this Trust Agreement or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.

23.9 Inspection of Documents

This Trust Agreement shall be open to inspection by Unitholders and any agent, consultant or creditor of the Trust on a need to know basis as determined by the Manager, acting reasonably, and, upon

written request from any Unitholder, the Manager shall as quickly as reasonably possible furnish such Unitholder with a copy hereof.

23.10 Confidentiality, Data Processing and Sharing of Information

(a) Defined Terms

For the purposes of this Section 23.10 the following defined terms shall have the meanings ascribed to them below:

- (i) **“Client Information”** means any and all information and documentation relating to the Manager and the Trust provided to the Trustee by the Manager or any other person on the Manager’s behalf during the course of the relationship with the Trustee, whether provided in person, by mail, email, fax, telephone or any other means. Client Information processed by the Trustee may include, but is not limited to, identification data, contractual and other documentation, and transactional information. It may also include Personal Data, including but not limited to Personal Data relating to the Manager’s employees, directors, officers, legal representatives, beneficial owners, trustees, settlors, signatories, shareholders or otherwise. For the avoidance of doubt, in respect of an investment fund, Client Information shall not include information about investors (i.e. unitholders/shareholders) in such investment fund.
- (ii) **“Confidential Information”** means any information relating to a party or to the affairs, business and strategies, including the investments, of such party, and may include, without limitation, Personal Data, data identifying the relevant party, contractual and other documentation, transactional information, and shall include Client Information. Confidential Information shall not include any information to the extent that it is:
 - (A) already in the possession or otherwise known by the recipient or its affiliates (in the case of the Trustee as recipient, ●) before the date of this Trust Agreement and was at the time not confidential information;
 - (B) lawfully obtained by the recipient on a non-confidential basis;
 - (C) in the public domain or becomes public information, otherwise than by way of a breach of this Trust Agreement;
 - (D) lawfully disclosed to a party by a third party without restriction on disclosure;
 - (E) disclosed by a party to a third party with the written consent of the other party;
 - (F) independently developed by the receiving party without the use of any Confidential Information.
- (iii) **“Permitted Disclosees”** means each party’s affiliates, direct and indirect subsidiaries and parent companies and each of their respective affiliates, directors, officers or employees and, in the case of the Trustee, shall include

without limitation ● and any agents appointed by the Trustee to perform the services under this Trust Agreement.

- (iv) “**Personal Data**” means any information relating to an identified or identifiable individual, and any and all documents relating to or identifying that individual provided to the Trustee by the Manager or any other person on its behalf during the course of the relationship with the Trustee. Such data may include but is not limited to, details about the Manager’s employees, directors, officers, legal representatives, beneficial owners, trustees, settlors and signatories. The Manager will inform and obtain consent from any relevant individual so that data relating to them may be processed as described in this Section 23.10.
- (v) “●” means ●, a ●, and all direct and indirect subsidiaries of ● and all of their affiliates, directors and employees. A reference to subsidiary means, from time to time, any corporation which is under the control of ● either directly or indirectly, or ● directly or indirectly controls at least 50% of the voting rights of such corporation.

(b) Confidentiality

Subject to Sections 6.4(b), 23.10(c), 23.10(d), 23.10(e) and 23.10(f), each party will keep the other party’s Confidential Information confidential and shall not disclose such Confidential Information to any person not authorized to receive the same and each party will use its reasonable endeavours to prevent any such disclosure.

(c) Disclosure of Confidential Information

Each party may disclose Confidential Information to its Permitted Disclosees and as may be required by law or regulation, by order of any court of competent jurisdiction, or by order of any competent regulatory authority.

(d) Permitted Disclosure by Trustee

Without limiting the generality of the foregoing, the Trustee shall be permitted to disclose any Client Information:

- (i) to the entities of ● located in various jurisdictions, including but not limited to Australia, Belgium, Canada, France, Hong Kong, Ireland, Italy, Malaysia, Singapore, Spain, Switzerland and the United Kingdom for the following purposes:
 - (A) to ensure and facilitate compliance with applicable laws and/or regulations,
 - (B) to determine eligibility for products and services;
 - (C) to enable the Trustee to provide existing, new or enhanced services in connection with or arising out of, the Manager’s agreement(s) with the Trustee, or the Manager’s direction;
 - (D) to assess financial and credit risk, and generally in connection with the prudent risk management of the ●;

- (E) to administer and process the Manager's account(s);
- (F) to manage information technology and associated databases, processes, and similar technological requirements, in an efficient manner in order to minimize service interruptions and deliver quality client service;
- (G) to receive services from other entities of the ● in connection with any of the above purposes;
- (H) to protect and enforce any property or other rights of the ●; and
- (I) to manage disputes, litigation or investigations;
- (ii) to companies, entities or persons that provide any services to the Trustee (e.g. sub-custodians, delegates) to enable the Trustee to provide services to the Manager;
- (iii) to any governmental or regulatory authorities, stock exchanges and clearing houses; or
- (iv) as otherwise required in accordance with Applicable Laws.

(e) Additional Disclosure by Trustee

The Manager further consents to the following:

- (i) the Trustee may disclose the Manager's details and information about its securities holdings upon the request of the issuer of the relevant securities; and,
- (ii) the Trustee may process Client Information as aforesaid and the Manager specifically authorises and empowers the Trustee to do so.

(f) Information Held Outside Canada

When Permitted Disclosees are located outside Canada, Client Information that is stored in Canada may be transferred to jurisdictions outside Canada, and may be stored and processed in such jurisdictions, including countries which may not provide the same level of Personal Data protection as is available in Canada, and the measures that the Trustee may use to protect such Client Information in addition to being subject to the laws of Canada, are also subject to legal requirements of the jurisdiction where such Client Information may be transferred, stored and processed. As a result, Client Information may be disclosed to the lawful authorities in such other jurisdictions in order to comply with lawful requests from local or foreign regulators, government agencies, public bodies or other entities who have the lawful authority to issue such requests. The Trustee shall not be liable for any consequences resulting from the disclosure of the Client Information to such authorities. No provision of this Section 23.10 shall prevent any competent authority from having access to and obtaining, upon request, any document or information relating to the parties or the services performed under this Trust Agreement.

(g) Consent

The Manager agrees that the disclosure of Client Information is made in its interest and that such disclosure permits the Trustee to provide it with effective and efficient services. The consent given in sub-sections 23.10(c), 23.10(d), 23.10(e) and 23.10(f) shall remain valid during the life of the contractual relationship between the parties. The Manager hereby waives any pre-existing confidentiality obligations that the Trustee may have towards it in that regard. The consent given under this Section 23.10 supplements any consent the Manager has previously granted to the Trustee.

(h) Data Protection

The Trustee shall implement appropriate technological and organizational security measures to protect data against accidental or unlawful destruction or loss, alteration, unauthorized disclosure or access.

(i) Manager Refusal

The Manager will be able, at any time, to refuse the collecting, processing and sharing of Client Information as otherwise provided in this Section 23.10. Such refusal will affect the existence or continuation of the provision of services under this Trust Agreement and the Trustee shall not be liable for any loss or damage resulting, directly or indirectly, from such refusal by the Manager.

(j) Access to Client Information

The Manager has the right to request access to (and correction of, if necessary) any Client Information relating to it upon reasonable notice to the Trustee and may do so by contacting the Trustee at the contact details set out in the notice section of this Trust Agreement.

IN WITNESS WHEREOF the parties have caused this Trust Agreement to be executed by their respective duly authorized officers effective as of the day and year first above written.

_____ Witness to the signature of:	}	_____ Lara Misner, Settlor
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SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**, in its capacity as the
Manager of the Trust

By: _____
John Ciampaglia
Chief Executive Officer

By: _____
Varinder Bhathal
Chief Financial Officer

We have the authority to bind the Manager.

●, in its capacity as the Trustee of the Trust

By: _____
[Name]
[Title]

By: _____
[Name]
[Title]

We have the authority to bind the Trustee.

SCHEDULE A
ANNUAL CERTIFICATE OF COMPLIANCE

TO: ● (the “**Trustee**”), in its capacity as the trustee of Sprott Physical Uranium Trust

In accordance with the terms of an amended and restated trust agreement dated as of _____, 2021, as the same may be further amended, restated, supplemented or replaced from time to time (the “**Trust Agreement**”), relating to Sprott Physical Uranium Trust (the “**Trust**”), Sprott Asset Management LP (the “**Manager**”) was appointed the manager of the Trust. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Trust Agreement.

With respect to the Manager and the Facilities, as applicable, the Manager hereby certifies and confirms that with respect to the 12 month period ending December 31, 20____, to the best of its knowledge and belief:

- (a) All investments of the Trust are in compliance with the Investment Policy and other investment-related information disclosed in the Trust Agreement and the Disclosure Documents, and are in compliance with any other regulatory restriction or policy applicable to investments by the Trust.
- (b) The Manager has complied with its obligations specifically relating to Uranium as set out in the Trust Agreement including, for greater certainty, the Investment Policy.
- (c) The Facilities have been appointed pursuant to the terms of a storage agreement or other type of arrangement consistent with industry standards.
- (d) All of Uranium owned by the Trust is stored and held by the Facilities verified by the Manager or a Technical Advisor to be appropriate to hold and store Uranium in the relevant markets where Uranium is held.
- (e) The Facilities maintain proper records, procedures and internal controls and safeguards relating to the holding and storage, recording, access to, and release of, Uranium.
- (f) There are no material litigation, claims, fraud or audit issues presently outstanding against the Facilities which have not been previously disclosed to the Trustee.
- (g) The Facilities continue to be financially viable companies in compliance with all Applicable Laws and in good standing with any regulatory authorities and/or governing bodies having jurisdiction over their corporate status, affairs and related services, including the handling and storage of Uranium.
- (h) The Facilities continue to store the Uranium owned by the Trust as of the date hereof.
- (i) All confirmations, quarterly statements, tax receipts, and annual and interim financial statements of the Trust have been delivered to Unitholders as required under Applicable Laws.
- (j) All regulatory filings required to be made by the Trust, such as the annual and interim financial statements of the Trust, have been completed.

- (k) All regulatory filings required to be made by the Manager, including annual renewals of its securities registration under Applicable Laws, have been completed. The Manager is not under investigation by any regulatory authority.
- (l) The Manager has complied with all of its obligations under Applicable Laws applicable to it and its duties and responsibilities under the Trust Agreement.
- (m) There is no litigation pending against the Manager or the Trust which has not already been disclosed to the Trustee.
- (n) The distribution of the Units by the Manager or its selling agents is in compliance with Applicable Laws and regulatory requirements.
- (o) All subscriptions or transfers of Units were accepted by the Manager prior to the Valuation Time.
- (p) The audited annual financial statements and the unaudited interim financial statements of the Trust have been prepared and are complete, accurate and approved as required.
- (q) All documentation required to be forwarded to the Trustee by the Manager has been so forwarded (including, for greater certainty, annual and interim financial statements of the Trust, including auditors report thereon, as applicable, both external and internal, statements of holdings of the Trust and internal control documents).
- (r) The Manager has provided to the Trustee all necessary information to enable the Trustee to accurately complete the tax return(s) of the Trust by March 31 (or March 30 in the case of a leap year) of each year or, alternatively, if the Trustee has not itself prepared and filed the tax return(s) of the Trust, the Manager has provided a copy of such tax return(s) of the Trust to the Trustee.
- (s) Current certified copies of the Manager's signing authorities have been provided to the Trustee and may be relied upon by the Trustee.
- (t) The Manager shall promptly inform the Trustee should the Trust fail to comply with any restrictions and conditions hereto.

DATED this _____ day of _____, _____.

SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**, in its capacity as
the Manager of the Trust

By: _____
John Ciampaglia
Chief Executive Officer

By: _____
Varinder Bhathal
Chief Financial Officer

SCHEDULE B
INTERIM CERTIFICATE OF COMPLIANCE

TO: ● (the “**Trustee**”), in its capacity as the trustee of Sprott Physical Uranium Trust

In accordance with the terms of an amended and restated trust agreement dated as of _____, 2021, as the same may be further amended, restated, supplemented or replaced from time to time (the “**Trust Agreement**”), relating to Sprott Physical Uranium Trust (the “**Trust**”), Sprott Asset Management LP (the “**Manager**”) was appointed the manager of the Trust. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Trust Agreement.

With respect to the Manager and the Facilities, as applicable, the Manager hereby certifies and confirms that with respect to the six month period ending June 30, 20____, to the best of its knowledge and belief:

- (a) The Manager has complied with its obligations specifically relating to Uranium as set out in the Trust Agreement including, for greater certainty, the Investment Policy.
- (b) The Facilities have been appointed pursuant to the terms of a storage agreement or other type of arrangement consistent with industry standards
- (c) All of Uranium owned by the Trust is stored and held by the Facilities verified by the Manager or a Technical Advisor to be appropriate to hold and store Uranium in the relevant markets where Uranium is held.
- (d) The Facilities maintain proper records, procedures and internal controls and safeguards relating to the holding and storage, recording, access to, and release of Uranium.
- (e) There are no material litigation, claims, fraud or audit issues presently outstanding against the Facilities which have not been previously disclosed to the Trustee.
- (f) The Facilities continue to be financially viable companies in compliance with all Applicable Laws and in good standing with any regulatory authorities and/or governing bodies having jurisdiction over their corporate status, affairs and related services, including the handling and storage of Uranium.
- (g) The Facilities continue to store the Uranium owned by the Trust as of the date hereof.

DATED this _____ day of _____, _____.

SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**, in its capacity as
the Manager of the Trust

By: _____
John Ciampaglia
Chief Executive Officer

By: _____
Varinder Bhathal
Chief Financial Officer

SCHEDULE C
CERTIFICATE OF AUTHORIZED SIGNING AUTHORITIES

[To be attached hereto]

SCHEDULE D
DESIGNATED MARKETS

Argentina

Bosnia and Herzegovina

Lebanon

Nigeria

Pakistan

Russia

Serbia

Ukraine

Uruguay

Vietnam

SCHEDULE G
REPRESENTATIONS AND WARRANTIES OF UPC

1. Organization and Qualification.

- (a) Each of UPC and its Subsidiaries is a corporation duly organized and validly existing under the Laws of the jurisdiction of its incorporation and has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted. Each of UPC and its Subsidiaries is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which, to the knowledge of UPC, the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, and has all Authorizations required to own, lease and operate its properties and to carry on its business as now conducted.
- (b) True and complete copies of the Constatting Documents of UPC and its Subsidiaries have been provided to SAM LP and no action has been taken by UPC or its Subsidiaries to amend or supersede such documents.

2. Corporate Authorization. Each of UPC and its Subsidiaries has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution and delivery and performance by UPC of this Agreement and the consummation of the Arrangement and other transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of UPC and no other corporate proceedings on the part of UPC are necessary to authorize this Agreement or the consummation of the Arrangement other than approval by the Board of the Circular and related proxy documents and meeting materials, approval by the Shareholders in the manner required by the Interim Order and Law and approval by the Court.

3. Execution and Binding Obligation. This Agreement has been duly executed and delivered by UPC, and constitutes a legal, valid and binding agreement of UPC enforceable against UPC in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

4. Governmental Authorization. The execution, delivery and performance by UPC of this Agreement and the consummation by UPC of the Arrangement does not require any Authorization or other action by or in respect of, or filing, recording, registering or publication with, or notification to, any Governmental Entity other than: (a) the Interim Order and any approvals required by the Interim Order; (b) the Final Order; (c) filings with the Registrar under the OBCA; (d) the Key Regulatory/Stock Exchange Approvals; (e) compliance with Securities Laws; and (f) such other Authorizations or other actions, filings, recordings, registrations or publications or notifications the failure of which to take or make would not have a Material Adverse Effect in respect of UPC.

5. No Conflict/Non-Contravention. The execution, delivery and performance by UPC of this Agreement and the consummation of the Arrangement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

- (a) contravene, conflict with, or result in any violation or breach of the Constatting Documents of UPC; and

- (b) assuming compliance with the matters referred to in paragraph (4) above, and subject to the receipt of the Key Regulatory/Stock Exchange Approvals, contravene, conflict with or result in a violation or breach of Law.

6. Capitalization.

- (a) The authorized capital of UPC consists of an unlimited number of Common Shares. As of the close of business on the date of this Agreement, there were issued and outstanding 134,939,651 Common Shares. All outstanding Common Shares have been duly authorized and validly issued, are fully paid and non-assessable. No Common Shares have been issued in violation of any Law or any pre-emptive or similar rights applicable to them.
- (b) There are no issued, outstanding or authorized options, warrants, calls, conversion, pre-emptive, redemption, repurchase, stock appreciation or other rights, or any other agreements, arrangements, instruments or commitments of any kind that obligate UPC to, directly or indirectly, issue or sell any securities of UPC, or give any Person a right to subscribe for or acquire, any securities of UPC, or the value of which is based on the value of the securities of UPC.
- (c) Other than in connection with the Arrangement and the transactions contemplated by this Agreement, there are no issued, outstanding or authorized:
 - (a) obligations to repurchase, redeem or otherwise acquire any securities of UPC or qualify securities for public distribution in Canada or elsewhere, or with respect to the voting or disposition of any securities of UPC; or
 - (b) notes, bonds, debentures or other evidences of indebtedness or any other agreements, arrangements, instruments or commitments of any kind that give any Person, directly or indirectly, the right to vote with holders of Common Shares on any matter.
- (d) All dividends or distributions on securities of UPC that have been declared or authorized have been paid in full.

7. Subsidiaries. Except as disclosed in Section 3.1(1)(7) of the Disclosure Letter, UPC has no Subsidiaries and does not own any equity interest in any Person.

8. Securities Law Matters.

- (a) UPC is a “reporting issuer” under Canadian Securities Laws in each of the provinces of Canada. The Common Shares are listed and posted for trading on the TSX. UPC is not in default under Canadian Securities Laws in any material respect.
- (b) UPC has not taken any action to cease to be a reporting issuer in any province or territory nor has UPC received notification from any Governmental Entity under Canadian Securities Laws seeking to revoke the reporting issuer status of UPC. No delisting, suspension of trading or cease trade or other order or restriction with respect to any securities of UPC is pending, in effect, has been threatened, or, to the knowledge of UPC, is expected to be implemented or undertaken, and, to its knowledge, UPC is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction.

- (c) Since February 29, 2020, UPC has timely filed or furnished all forms, reports, schedules, statements and other documents required to be filed or furnished by UPC with any Governmental Entity under Canadian Securities Laws (including “documents affecting the rights of security holders” and “material contracts” required to be filed by Part 12 of NI 51-102). The documents comprising the Filings as filed complied in all material respects with Law and did not, as of the date filed (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, on the date of such filing), contain any Misrepresentation.
- (d) UPC has not filed any confidential material change report (which at the date of this Agreement remains confidential) or any other confidential filings (including redacted filings) filed to or furnished with, as applicable, any Securities Authority. There are no outstanding or unresolved comments in comment letters from any Securities Authority or the TSX with respect to any of the Filings and, to the knowledge of UPC, neither UPC nor any of the Filings is the subject of an ongoing audit, review, comment or investigation by any Securities Authority or the TSX.
9. **Financial Statements.** The audited financial statements and the interim financial statements of UPC (including, in each case, of any of the notes or schedules to and the auditor's report on such financial statements) included in the Filings: (i) were prepared or shall be prepared, as applicable, in accordance with IFRS and Law, (ii) complied or shall comply, as applicable, as to form in all material respects with applicable accounting requirements in Canada, and (iii) fairly present or shall fairly present, as applicable, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position, results of operations or financial performance and cash flows of UPC as of their respective dates and the financial position, results of operations or financial performance and cash flows of UPC for the respective periods covered by such financial statements (except as may be expressly indicated in the notes to such financial statements).
10. **Auditors.** The auditors of UPC are independent public accountants as required by applicable Laws and there is not now, and since March 1, 2019 there has not been, any reportable event (as defined in NI 51-102) with the present or any former auditors of UPC.
11. **Compliance with Laws.** Each of UPC and its Subsidiaries is, and since February 29, 2020, has been, in compliance in all material respects with applicable Law and UPC is not conducting its business so as to violate any such Laws in any material respect.
12. **Brokers and Finders' Fees.** Except for the engagement of the Financial Advisor and Denison, and any underwriter or agent in a financing that is permitted under Section 4.1(2)(b) of the Disclosure Letter, no investment banker, broker, finder, financial adviser or other intermediary has been retained by or is authorized to act on behalf of the UPC or any of its officers or directors, or is entitled to any fee, commission or other payment from UPC or any of its officers or directors, in connection with the Arrangement or any other transaction contemplated or permitted by this Agreement.
13. **Board Approval.** The Board, after consultation with its financial and legal advisors, has unanimously: (a) determined that the Consideration to be received by Shareholders pursuant to the Arrangement and this Agreement is fair to the Shareholders and that the Arrangement is in the best interests of UPC and the Shareholders; (b) resolved to recommend that Shareholders vote in favour of the Arrangement Resolution; and (c) authorized the entering into of this Agreement and the performance by UPC of its obligations under this Agreement, and no action has been taken to amend, or supersede such determinations, resolutions, or authorizations. Each of the directors and officers of UPC has indicated to UPC that he or she

intends to vote any Common Shares owned by him or her in favour of the Arrangement Resolution.

14. **Title to the Assets.** UPC owns (with good title) all of the assets that it purports to own including all the properties and assets reflected as being owned by UPC in its financial books and records. UPC has legal and beneficial ownership of such assets free and clear of all Liens.

15. **Litigation.**

- (a) There is no claim, action, inquiry, proceeding or investigation in effect or ongoing or, to the knowledge of UPC, pending or threatened against or relating to UPC or the business of UPC or affecting any of their respective current or former assets. There is no such claim, action, inquiry, proceeding or investigation that, if determined adverse to the interests of UPC or any of its Subsidiaries, would have, or reasonably could be expected to: (i) have a Material Adverse Effect in respect of UPC or any of its Subsidiaries; (ii) prevent, hinder or delay the consummation of the Arrangement; or (iii) affect the Trust's ability to own or operate the business of UPC or any of its Subsidiaries upon completion of the Arrangement, nor are there any events or circumstances which could reasonably be expected to give rise to any such claim, action, proceeding or investigation.
- (b) There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of UPC, threatened against or relating to UPC or any of its Subsidiaries before any Governmental Entity.
- (c) Neither UPC nor any of its Subsidiaries is subject to any outstanding order, writ, injunction or decree which has had or is reasonably likely to have, a Material Adverse Effect in respect of UPC or its Subsidiaries or which would prevent or delay the consummation of the Arrangement or any other transaction contemplated by this Agreement.

16. **Taxes.**

- (a) To the knowledge of UPC, UPC and its Subsidiaries have paid all Taxes which are due and payable within the time required by Law, and have paid all assessments and reassessments it has received in respect of Taxes. UPC and its Subsidiaries have made full and adequate provision in the books and records of UPC and interim financial statements for all Taxes which are not yet due and payable but which relate to periods ending on or before the Effective Date. UPC and its Subsidiaries have not received any refund of Taxes to which they are not entitled.
- (b) To the knowledge of UPC, all income Tax Returns and other material Tax Returns required to be filed by UPC and each of its Subsidiaries prior to the date hereof have been filed and such Tax Returns were true, complete and correct in all material respects.
- (c) As of the date of this Agreement, there are no claims, actions, suits, audits, proceedings, investigations or other action pending or threatened against UPC and its Subsidiaries in respect of Taxes and, to the knowledge of UPC, there is no reason to expect that any such claim, action, suit, audit, proceeding, investigation or other action may be asserted against UPC or any of its Subsidiaries by a Governmental Entity for any period ending on or prior to the Effective Date.

17. **Bank Accounts and Powers of Attorney.** Section 3.1(1)(17) of the Disclosure Letter is a correct and complete list showing: (a) the name of each bank in which UPC and its Subsidiaries have an account or safe deposit box and the names of all Persons authorized to draw on the account or to have access to the safety deposit box; and (b) the names of all Persons holding powers of attorney from UPC. Copies of the powers of attorney have been provided to SAM LP.
18. **Money Laundering.** The operations of UPC and its Subsidiaries are, and have been conducted at all times, in compliance in all material respects with applicable Money Laundering Laws and, to the knowledge of UPC, no action, suit or proceeding by or before any court or Governmental Entity involving UPC or any of its Subsidiaries with respect to the Money Laundering Laws is pending or threatened.
19. **Anti-Corruption.** Neither UPC, its Subsidiaries nor to the knowledge of UPC, any of its directors, Employees, representatives or agents has: (a) used or is using any corporate funds for any illegal contributions, gifts, entertainment or other expenses relating to political activity that would be illegal; (b) used or is using any corporate funds for any direct or indirect illegal payments to any foreign or domestic governmental officials or employees; (c) violated or is violating any provision of the United States Foreign Corrupt Practices Act of 1977, as amended or the Corruption of Foreign Public Officials Act (Canada), or any applicable Law of similar effect; (d) has established or maintained, or is maintaining, any illegal fund of corporate monies or other properties; or (e) made any bribe, illegal rebate, illegal payoff, influence payment, kickback or other illegal payment of any nature.
20. **Purchase and Storage of Uranium.**
- (a) All Uranium legally or beneficially owned by UPC, including all Uranium acquired, stored, or otherwise handled by Denison on behalf of UPC, is stored at a licensed uranium conversion facility operated by a duly licensed operator in the case of U3O8 or a duly licensed uranium enrichment facility in the case of UF6 (either one, to the extent Uranium legally or beneficially owned by UPC or its Subsidiaries is stored at such location, a “**Facility**”, and collectively “**Facilities**”).
 - (b) The ownership interest of UPC in the Uranium stored with each Facility is evidenced in an account maintained by the Facility for UPC or for Denison acting on behalf of UPC, and for the applicable period ended more than 10 business days prior to the date of this Agreement, the Facility has provided a written settlement statement indicating the amount of Uranium owned by UPC.
 - (a) To UPC’s knowledge, Denison has complied with all of its obligations under the Management Services Agreement pertaining to Uranium acquired, stored or otherwise handled by Denison on behalf of UPC.
21. **Loss of Uranium.** To UPC’s knowledge, there has been no loss of UPC’s Uranium stored by a Facility, and UPC is not aware of or intending to pursue any indemnity claims against a Facility related to such losses.
22. **Uranium Loaning, Relocation and Sales.**
- (a) Section 3.1(1)(22)(a) of the Disclosure Letter is a correct and complete listing of all Uranium loan, relocation and sale arrangements into which UPC is a party as at the date of this Agreement.

- (b) On each occasion on which the Board has authorized and approved UPC to loan, relocate, or sell Uranium, the terms of such loan, relocation or sale have been reviewed and approved by the Board, and, to the knowledge of UPC, the terms of such arrangements are in accordance with industry standards.

23. **Management Services Agreement.**

- (a) UPC has not made any claim, and is not aware of any potential claim, pertaining to a breach by Denison of its obligations under the Management Services Agreement.
- (b) UPC has provided SAM LP with a true, correct and complete copy of the Management Services Agreement.

24. **Material Contracts.** Neither UPC nor any of its Subsidiaries is a party to any Contract, other than the Management Services Agreement and the assignment of management services between Denison and each of the Subsidiaries, that (i) provides for services similar to the services provided under the Management Services Agreement; (ii) except as disclosed in Section 3.1(1) (24) of the Disclosure Letter, if terminated or modified or if it ceased to be in effect, would have a Material Adverse Effect on UPC; or (iii) except as disclosed in Section 3.1(1) (24) of the Disclosure Letter, is material to UPC and requires the consent of any other party to such Contract to, or may be terminated by any other party to such Contract as a result of, a change of control of UPC or any of its Subsidiaries, the Arrangement or the transactions contemplated by this Agreement.

SCHEDULE H
REPRESENTATIONS AND WARRANTIES OF SAM LP, THE TRUST AND EXCHANGE CO

1. Organization and Qualification.

- (a) SAM LP is a limited partnership, duly formed and validly existing under the laws of the Province of Ontario and has the limited partnership power and authority to own and operate its assets and conduct its business as now owned and conducted. SAM LP is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, and has all Authorizations required to own, lease and operate its properties and to carry on its business as now conducted, except where the failure to be so qualified, licensed, registered, in good standing or to have such Authorizations would not have a Material Adverse Effect in respect of SAM LP.
- (b) Sprott Asset Management GP Inc. is the duly appointed general partner of SAM LP, is a corporation duly incorporated and validly existing under the laws of the Province of Ontario and has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted. Such general partner is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which the character of its or SAM LP's assets and properties, owned, leased, licensed or otherwise held, or the nature of its or SAM LP's activities makes such qualification necessary. Such general partner has all Authorizations required to own, lease and operate its properties and to carry on its business and the business of SAM LP as now conducted, except where the failure to be so qualified, licensed, registered, in good standing or to have such Authorizations would not have a Material Adverse Effect in respect of the general partner.
- (c) Exchangeco is a corporation duly incorporated and validly existing under the laws of the Province of Ontario and has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted. Exchangeco is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, and has all Authorizations required to own, lease and operate its properties and to carry on its business as now conducted, except where the failure to be so qualified, licensed, registered, in good standing or to have such Authorizations would not have a Material Adverse Effect in respect of Exchangeco.
- (d) The Trust is a trust duly settled and validly existing under the laws of Ontario and has the trust power and authority to own and operate its assets and conduct its business as proposed to be owned and conducted following the completion of the Arrangement. The Trust is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, and has all Authorizations required to own, lease and operate its properties and to carry on its business as proposed to be conducted, except where the failure to be so qualified, licensed, registered, in good standing or to have such Authorizations would not have a Material Adverse Effect in respect of the Trust.

2. Organizational Authorization. Each of SAM LP, the Trust and Exchangeco has the requisite organizational power and authority to enter into and perform its obligations under this

Agreement. The execution and delivery and performance by SAM LP, the Trust and Exchangeco of this Agreement and the consummation of the Arrangement have been duly authorized by all necessary organizational action on the part of SAM LP, the Trust and Exchangeco and no other organizational proceedings on the part of SAM LP, the Trust and Exchangeco are necessary to authorize this Agreement.

3. **Execution and Binding Obligation.**

- (a) This Agreement has been duly executed and delivered by SAM LP, the Trust and Exchangeco, and constitutes a legal, valid and binding agreement of SAM LP, the Trust and Exchangeco enforceable against each in accordance with its terms subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (b) Each of the Trust Agreement and the Management Agreement will be prior to the Effective Time duly authorized, executed and delivered by each party thereto, and constitute a legal, valid and binding agreement of each party thereto, enforceable against each such party in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

4. **Governmental Authorization.** The execution, delivery and performance by SAM LP, the Trust and Exchangeco of this Agreement, the execution, delivery and performance by the Trust and SAM LP of the Trust Agreement and the Management Agreement and the consummation by SAM LP, the Trust and Exchangeco of the Arrangement does not require any Authorization or other action by or in respect of, or filing, recording, registering or publication with, or notification to, any Governmental Entity other than: (a) the Interim Order and any approvals required by the Interim Order; (b) the Final Order; (c) filings with the Registrar under the OBCA; (d) the Key Regulatory/Stock Exchange Approvals; (e) compliance with Securities Laws; and (f) such other Authorizations or other actions, filings, recordings, registrations or publications or notifications the failure of which to take or make would not have a Material Adverse Effect in respect of SAM LP, the Trust and Exchangeco.

5. **No Conflict/Non-Contravention.** The execution, delivery and performance by SAM LP, the Trust and Exchangeco of this Agreement, the execution, delivery and performance of the Trust Agreement and the Management Agreement by the Trust and SAM LP, and the consummation of the Arrangement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

- (a) contravene, conflict with, or result in any violation or breach of the Constatng Documents of SAM LP, Exchangeco, the Trust Agreement or the Management Agreement;
- (b) assuming compliance with the matters referred to in paragraph (5) above, and subject to the receipt of the Key Regulatory/Stock Exchange Approvals, contravene, conflict with or result in a violation or breach of Law;
- (c) allow any Person to exercise any rights, require any consent or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which the Trust is entitled (including by triggering any rights of first refusal or first offer,

change in control provision or other restriction or limitation) under any contract or Authorization to which the Trust is a party or by which the Trust is bound; or

- (d) result in the creation or imposition of any Lien upon any of the Trust's assets, with such exceptions as would not be reasonably expected to, individually or in the aggregate, prevent, adversely impair or materially delay the consummation of the Arrangement.

6. **Exchangeco.**

- (a) At the Effective Time, except as contemplated by the Arrangement, the Trust or one or more wholly-owned Subsidiaries of the Trust will own all of the outstanding capital shares of Exchangeco other than the Exchangeable Shares to be issued to Shareholders in the Arrangement or in connection with the Arrangement, and Exchangeco will be a "taxable Canadian corporation" within the meaning of the Tax Act.
- (b) The Exchangeable Shares to be issued in connection with the Arrangement will be duly and validly issued by Exchangeco and fully paid and nonassessable. The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares shall be substantially as set out in the Plan of Arrangement.

7. **Management Agreement.** SAM LP has all registrations required under applicable Canadian Securities Laws or other applicable Laws that are necessary to fulfill its duties and obligations under the Management Agreement.

8. **Trust Matters.**

- (a) The Trust has conducted no operations or business since its date of formation, other than to enter into the Trust Agreement and the Management Agreement prior to the Effective Date and to issue the initial Trust Unit to the Settlor in accordance with the Trust Agreement upon the formation of the Trust and to take such other actions as are necessary in connection with the completion of the Arrangement and the listing of its Trust Units on the TSX.
- (b) Other than under this Agreement, the Trust Agreement or the Management Agreement, the Trust has no assets or liabilities whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than the consideration to be received by the Trust from the Settlor in connection with issue and sale by the Trust to the Settlor of the initial Trust Unit.
- (c) All Trust Units to be issued in connection with the Arrangement shall be duly and validly issued by the Trust as fully-paid and non-assessable Trust Units.

9. **Litigation.**

- (a) There are no claims, actions, inquiries, proceedings or investigations in effect or ongoing or, to the knowledge of SAM LP, the Trust or Exchangeco, pending or threatened against or relating to SAM LP, the Trust or Exchangeco or the business of SAM LP, the Trust or Exchangeco or affecting any of their respective current or former assets that, if determined adverse to the interests of SAM LP, the Trust or Exchangeco, would have, or reasonably could be expected to: (i) have a Material Adverse Effect in respect of the Trust; (ii) prevent, hinder or delay the consummation of the Arrangement; or (iii) effect the ability of SAM LP, the Trust or Exchangeco to own or

operate their respective businesses upon completion of the Arrangement, nor are there any events or circumstances which could reasonably be expected to give rise to any such claim, action, proceeding or investigation.

- (b) Neither SAM LP, the Trust nor Exchangeco is subject to any outstanding order, writ, injunction or decree which has had or is reasonably likely to have, a Material Adverse Effect in respect of SAM LP, the Trust or the Exchangeco or which would prevent or delay the consummation of the Arrangement or any other transaction contemplated by this Agreement.

FIRST AMENDING AGREEMENT

THIS FIRST AMENDING AGREEMENT (this “**Agreement**”) is made as of June 3, 2021

A M O N G:

SPROTT ASSET MANAGEMENT LP (“SAM LP”), a limited partnership formed under the laws of the Province of Ontario

- and –

SPROTT PHYSICAL URANIUM TRUST (the “Trust”), a trust existing under the laws of the Province of Ontario

- and –

2834819 ONTARIO INC. (“Exchangeco”), a corporation existing under the laws of the Province of Ontario

- and –

URANIUM PARTICIPATION CORPORATION (“UPC”), a corporation existing under the laws of the Province of Ontario

WHEREAS, SAM LP, the Trust, Exchangeco and UPC (each, a “**Party**” and, collectively, the “**Parties**” have entered into an arrangement agreement dated as of April 27, 2021 (the “**Arrangement Agreement**”);

AND WHEREAS, Section 8.1 of the Arrangement Agreement provides that the Arrangement Agreement may be amended by mutual written agreement of the Parties

AND WHEREAS, the Parties wish to amend the Arrangement Agreement as provided in this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

Section 1 Definitions

Capitalized terms used in this Agreement that are not otherwise defined herein have the meanings given to them in the Arrangement Agreement:

Section 2 Amendments to the Arrangement Agreement

- (a) The definition of “Consideration” in Section 1.1 of the Arrangement Agreement and Section 1.1 of the Plan of Arrangement attached as Schedule A to the Arrangement Agreement is deleted in its entirety and replaced by the following:

“**Consideration**” means, (a) in the case of a Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline (as defined in the Plan of Arrangement) and is able to provide the Regulation S Confirmations upon such election, one-half (0.5) of an Exchangeable Share for each Common Share, subject to the limits in the

Plan of Arrangement; and (b) in the case of each other Shareholder, one-half (0.5) of a Trust Unit for each Common Share.”

- (b) Section 4.4(2) of the Arrangement Agreement is deleted in its entirety and replaced by the following:

“The Parties acknowledge that the creation and issuance of the Exchangeable Shares pursuant to the Plan of Arrangement is subject to the Common Shares being exchanged under the Plan of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$10.04 per Exchangeable Share). If the foregoing condition is not satisfied, then no Exchangeable Share will be issued pursuant to the Plan of Arrangement and any holders of Common Shares that made an election for Exchangeable Shares in accordance with the Plan of Arrangement will receive instead Trust Units in lieu of such Exchangeable Shares, as specified in their Letter of Transmittal (as defined in the Plan of Arrangement).

- (c) The following new Section 4.7 is added immediately following Section 4.6 of the Plan of Arrangement and immediately before Article 5 of the Plan of Arrangement

Section 4.7 No Fractional Trust Units or Exchangeable Shares

If the aggregate number of Trust Units or Exchangeable Shares to which a Shareholder would otherwise be entitled would include a fractional unit or share, then the number of Trust Units or Exchangeable Shares that such former Shareholder is entitled to receive shall be rounded down to the next whole number and no former Shareholder will be entitled to any compensation in respect of such fractional Trust Unit or Exchangeable Share.

- (d) The following definition of “Tax Election Agent” is added in alphabetical order to Section 1.1. of the Plan of Arrangement:

““**Tax Election Agent**” means such entity as is designated by Exchangeco and the Trust.

- (e) The references to “Depository” in Section 2.5. of the Plan of Arrangement are replaced with “Tax Election Agent”.

Section 3 Reference to and Effect on the Arrangement Agreement

On and after the date of this Agreement, any reference to “this Agreement” in the Arrangement Agreement and any reference to the Arrangement Agreement in any other agreements, exhibits or schedules thereto will mean the Arrangement Agreement as amended by this Agreement. Except as specifically amended by this Agreement, there are no other amendments and all other provisions of the Arrangement Agreement remain in full force and effect.

Section 4 Successors and Assigns

- (a) This Agreement becomes effective only when executed by the Parties. After that time, it will be binding upon and enure to the benefit of the Parties and their respective heirs, administrators, executors, legal representatives, successors and permitted assigns.
- (b) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Parties.

Section 5 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 6 Successors and Assigns

- (a) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (b) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 7 Rules of Construction

The Parties waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8 Rules of Construction

No director or officer of SAM LP, the Trust or Exchangeco shall have any personal liability whatsoever to UPC under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of SAM LP, the Trust or Exchangeco. No director or officer of UPC shall have in their capacity as a director or officer of UPC any personal liability whatsoever to SAM LP, the Trust or Exchangeco under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of UPC.

Section 9 Language

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 10 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by facsimile or similar executed electronic copy) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature page to follow.]

IN WITNESS WHEREOF the Parties have executed this First Amending Agreement.

SPROTT ASSET MANAGEMENT LP, by its
general partner, **SPROTT ASSET
MANAGEMENT GP INC.**

By: (signed) "John Ciampaglia"

Name: John Ciampaglia
Title: Chief Executive Officer

SPROTT PHYSICAL URANIUM TRUST, by its
manager, **SPROTT ASSET MANAGEMENT
LP**, by its general partner, **SPROTT ASSET
MANAGEMENT GP INC.**

By: (signed) "John Ciampaglia"

Name: John Ciampaglia
Title: Director

2834819 ONTARIO INC.

By: (signed) "John Ciampaglia"

Name: John Ciampaglia
Title: Director

URANIUM PARTICIPATION CORPORATION

By: (signed) "Jeff Kennedy"

Name: Jeff Kennedy
Title: Chairman

APPENDIX B
INTERIM ORDER

[Attached]

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) MONDAY, THE 7TH DAY
JUSTICE PATTILLO) OF JUNE, 2021

URANIUM PARTICIPATION CORPORATION

Applicant

**IN THE MATTER OF AN APPLICATION UNDER
SECTION 182 OF THE *BUSINESS CORPORATIONS
ACT*, BEING CHAPTER B.16 OF THE REVISED
STATUTES OF ONTARIO 1990, AS AMENDED**

**AND IN THE MATTER OF A PROPOSED
ARRANGEMENT INVOLVING URANIUM PARTICIPATION
CORPORATION, SPOTT ASSET MANAGEMENT LP,
SPOTT PHYSICAL URANIUM TRUST, AND 2834819
ONTARIO INC.**

INTERIM ORDER

THIS MOTION made by the Applicant, Uranium Participation Corporation ("**UPC**"), for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended, (the "**OBCA**") was heard via Zoom videoconference call.

ON READING the Notice of Motion, the Notice of Application issued on June 2, 2021 and the affidavit of David Cates sworn June 3, 2021 (the "**Supporting Affidavit**"), including the Plan of Arrangement, which is attached as Appendix "D" to the draft management information circular of UPC (the "**Circular**"), which is attached as Exhibit "A" to the Supporting Affidavit, and on hearing the submissions of counsel for UPC and counsel for Sprott Asset Management LP,

(“**SAM LP**”), an affiliate of Sprott Inc. (“**Sprott**”), Sprott Physical Uranium Trust (the “**Trust**”), and 2834819 Ontario Inc. (“**Exchangeco**”),

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that UPC is permitted to call, hold and conduct a special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) in the capital of UPC (the “**Shares**”) to be held via live audio webcast available online on July 7, 2021 at 10:00 a.m. (Toronto time) in order for the Shareholders to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the “**Arrangement Resolution**”).

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the OBCA, the notice of special meeting of Shareholders, which accompanies the Circular (the “**Notice of Meeting**”), and the articles and by-laws of UPC, subject to what may be provided hereafter and subject to further order of this Court.

4. **THIS COURT ORDERS** that the record date (the “**Record Date**”) for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be May 17, 2021.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

- (a) the Shareholders or their respective proxyholders;

- (b) the officers, directors, auditors and advisors of UPC;
- (c) representatives and advisors of SAM LP, Sprott, the Trust and Exchangeco; and
- (d) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that UPC may transact such other business at the Meeting as is contemplated in the Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by UPC and that the quorum at the Meeting shall be not less than persons present in person or represented by proxy, who, in the aggregate, hold at least 25% of the Shares..

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that UPC is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraph 12 hereof, provided same are to correct clerical errors, are non-material, would not if disclosed, reasonably be expected to affect a Shareholder's decision to vote, or are authorized by subsequent Court order, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement made after initial notice is provided as contemplated in in paragraph 12 herein which would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as UPC may determine.

Amendments to the Circular

10. **THIS COURT ORDERS** that UPC is authorized to make such amendments, revisions and/or supplements to the draft Circular as it may determine, and the Circular, as so amended, revised and/or supplemented, shall be the Circular to be distributed in accordance with paragraph 12 hereof.

Adjournments and Postponements

11. **THIS COURT ORDERS** that UPC, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as UPC may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, subject to the extent section 262(4) of the OBCA is applicable, in order to effect notice of the Meeting, UPC shall send the Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal or the voting instruction form, as applicable, along with such amendments or additional documents as UPC may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the “**Meeting Materials**”), as follows:

- (a) to the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending but including the date of the Meeting, by one or more of the following methods:
 - (i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of UPC, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of UPC;
 - (ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or
 - (iii) by facsimile or electronic transmission to any Shareholder, who is identified to the satisfaction of UPC, who requests such transmission in writing and, if required by UPC;

- (b) to non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, and
- (c) to the directors and auditors of UPC, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending but including the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that accidental failure or omission by UPC to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of UPC, or the non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of UPC, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

14. **THIS COURT ORDERS** that UPC is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as UPC may determine in accordance with the terms of the Arrangement Agreement (“**Additional Information**”), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by

press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as UPC may determine.

15. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraph 12 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

16. **THIS COURT ORDERS** that UPC is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Circular, with such amendments and additional information as UPC may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. UPC, SAM LP, and Sprott are authorized, at their expense, to solicit proxies, directly or through their respective officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as they may determine. UPC may waive generally, in its discretion, the time limits set out in the Circular for the deposit or revocation of proxies by Shareholders, if UPC deems it advisable to do so.

17. **THIS COURT ORDERS** that Shareholders shall be entitled to revoke their proxies in accordance with subsection 110(4) of the OBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to clause

110(4)(a) of the OBCA must be: (a) deposited at the office of Computershare Investor Services Inc. ("**Computershare**") at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Attention: Proxy Department, as set out in the Circular, and any such instruments must be received by Computershare no later than 10:00 a.m. (Toronto time) on July 5, 2021 or 48 hours (excluding weekends and statutory holidays in the Province of Ontario) prior to the time of any adjournment(s) or postponement(s) of the Meeting; (b) deposited at the registered office of UPC located at 1100-40 University Avenue, Toronto, Ontario M5J 1T1 at any time up to and including the last Business Day preceding the Meeting (or any adjournment(s) or postponement(s) of the Meeting); or (c) provided to the Chair of the Meeting at the Meeting (or any adjournment(s) or postponement(s) thereof) and prior to the vote in respect of the Arrangement Resolution or in any other way permitted by Law.

Voting

18. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold Shares as of the close of business (Toronto time) on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

19. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

- (a) an affirmative vote of at least two-thirds (66⅔%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders; and
- (b) a simple majority of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Shareholders, other than any other persons described in items (a) through (d) of section 8.1(2) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* of the Canadian Regulatory Authorities and subject to the exemptions noted therein and any exemptions granted thereunder.

Such votes shall be sufficient to authorize UPC to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Court.

20. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting UPC (other than in respect of the Arrangement Resolution), each Shareholder is entitled to one vote for each Share held as of the Record Date.

Dissent Rights

21. **THIS COURT ORDERS** that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 185 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any registered Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to UPC in the form required by section 185 of

the OBCA and the Arrangement Agreement, which written objection must be received by UPC, 1100 - 40 University Avenue, Toronto, Ontario, M5J 1T1 Attention: Corporate Secretary (email: info@uraniumparticipation.com), Attention: Corporate Secretary, not later than 5:00 p.m. (Toronto time) on the last business day that is two (2) business days immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the “court” referred to in section 185 of the OBCA means this Court.

22. **THIS COURT ORDERS** that, notwithstanding section 185(4) of the OBCA, the Trust shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Shares held by Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Circular, all references to the “corporation” and “directors” in subsections 185(4) and 185(15) to 185(24), inclusive, of the OBCA shall be deemed to refer to “the Trust” in place of the “corporation” and the “Manager” in place of the “directors”, and the Trust shall have all of the rights, duties and obligations of the “corporation” under section 185 of the OBCA.

23. **THIS COURT ORDERS** that any Shareholder who duly exercises such Dissent Rights set out in paragraph 21 above and who:

- (i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Shares, shall be deemed to have transferred those Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Trust in consideration for a payment of cash from the Trust equal to such fair value; or

- (ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Shares pursuant to the exercise of the Dissent Rights, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall UPC, the Trust, SAM LP, Exchangeco or any other person be required to recognize such Shareholders as holders of the Shares at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from UPC's register of Shares at that time.

Hearing of Application for Approval of the Arrangement

24. **THIS COURT ORDERS** that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, UPC may apply to this Court for final approval of the Arrangement, at a hearing at which the substantive and procedural fairness of the Arrangement is considered and at which the Shareholders have the right to appear, subject to section 26 hereof, which final order will serve as a basis of a claim for the exemption from the registration requirements of the United States *Securities Act of 1933*, as amended, set forth in Section 3(a)(10) thereof regarding the distribution of securities pursuant to the Arrangement.

25. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Circular, when sent in accordance with paragraph 12, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served, unless a Notice of Appearance is served in accordance with paragraph 26.

26. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for UPC, with a copy to counsel for the Trust,

SAM LP, and Exchangeco, as soon as reasonably practicable, and, in any event, by 4:00 p.m. (Toronto time) on the second last Business Day before the hearing of this Application at the following addresses:

Cassels Brock & Blackwell LLP
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

Lara Jackson
Tel: 416.860.2907
ljackson@cassels.com

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Alexander Rose
Tel: 416.869.5267
arose@stikeman.com

27. **THIS COURT ORDERS** that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

- (i) UPC;
- (ii) SAM LP;
- (iii) the Trust;
- (iv) Exchangeco; and
- (v) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

28. **THIS COURT ORDERS** that any materials to be filed by UPC in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

29. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those

persons who served and filed a Notice of Appearance in accordance with paragraph 26 shall be entitled to be given notice of the adjourned date.

Service and Notice

30. **THIS COURT ORDERS** that the Applicant and its counsel is at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to UPC's Shareholders, creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000 2 175 (SOR/DORS).

Precedence

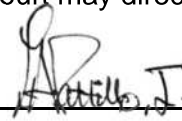
31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Shares, or the articles or by-laws of UPC, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that UPC shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

A handwritten signature, appearing to be "A. R. J.", is written over a solid horizontal line.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

INTERIM ORDER

CASSELS BROCK & BLACKWELL LLP
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

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Stephanie Voudouris LSO#: 65752M
Tel: 416.860.6617
svoudouris@cassels.com

Lawyers for the Applicant

APPENDIX C
NOTICE OF APPLICATION

[Attached]

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

URANIUM PARTICIPATION CORPORATION

Applicant



**IN THE MATTER OF AN APPLICATION UNDER SECTION
182 OF THE *BUSINESS CORPORATIONS ACT*, BEING
CHAPTER B.16 OF THE REVISED STATUTES OF
ONTARIO 1990, AS AMENDED**

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT
INVOLVING URANIUM PARTICIPATION CORPORATION,
SPROTT ASSET MANAGEMENT LP, SPROTT PHYSICAL
URANIUM TRUST, AND 2834819 ONTARIO INC.**

NOTICE OF APPLICATION

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing

- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

at the following location: Details of the virtual hearing will be provided by the Court prior to the return date.

on Friday July 9, 2021 at 9:30 a.m.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with the documents in the application, you or an Ontario lawyer acting for you must prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyers or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyers(s) must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you and your lawyer(s) must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyers or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LEGAL AID OFFICE.

Date: June 2, 2021

Christina
Irwin
Issued by

Local Registrar

Digitally signed by Christina Irwin
DN: cn=Christina Irwin, o=Superior
Court of Justice, ou=Client Services
Representative/Registrar,
email=christina.irwin@ontario.ca, c=CA
Date: 2021.06.02 14:57:23 -04'00'

Address of court office 330 University Avenue , 9th floor
7th floor, Toronto ON M5G 1R7

TO: **ALL HOLDERS OF COMMON SHARES OF URANIUM PARTICIPATION CORPORATION**

AND TO: **THE DIRECTORS OF URANIUM PARTICIPATION CORPORATION**

AND TO: **THE AUDITORS OF URANIUM PARTICIPATION CORPORATION**

AND TO: **STIKEMAN ELLIOTT LLP**
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Alexander Rose LSO#: 49415P
Tel: 416.869.5267
arose@stikeman.com

Zev Smith LSO#: 70756R
Tel: 416.869.5260
zsmith@stikeman.com

Lawyers for Sprott Asset Management LP,
Sprott Physical Uranium Trust and 2834819 Ontario Inc.

APPLICATION

1. THE APPLICANT MAKE APPLICATION FOR:

- (a) an Interim Order for the advice and directions of this Honourable Court pursuant to subsection 182(5) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the “**OBCA**”) with respect to notice and the conduct of a special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Uranium Participation Corporation (“**UPC**”) pertaining to a proposed plan of arrangement involving UPC, Sprott Asset Management LP (“**SAM LP**”), Sprott Physical Uranium Trust (the “**Trust**”) and 2834819 Ontario Inc. (“**Exchangeco**”) (the “**Plan of Arrangement**” or the “**Arrangement**”);
- (b) a Final Order of this Honourable Court pursuant to subsections 182(3) and 182(5) of the OBCA approving the Plan of Arrangement and declaring that the substantive and procedural terms of the Plan of Arrangement are fair and reasonable; and
- (c) such further and other relief as this Honourable Court may deem just.

2. THE GROUNDS FOR THE APPLICATION ARE:

- (a) UPC is a corporation incorporated under the OBCA, with its registered office located in Toronto, Ontario;
- (b) UPC’s primary purpose is to invest in uranium, either directly or through its wholly-owned subsidiaries, such that the common shares of UPC (the “**Shares**”) represent an indirect interest in physical uranium;

- (c) the Shares are listed for trading on the Toronto Stock Exchange (“**TSX**”) under the symbol “U”;
- (d) UPC has no other securities issued and outstanding;
- (e) SAM LP is a subsidiary of Sprott Inc. (“**Sprott**”);
- (f) Sprott is an alternative asset manager and a global leader in precious metal and real asset investments. Through its subsidiaries in Canada, the U.S. and Asia, Sprott provides investors with investment strategies that include exchange listed products, alternative asset management and private resource investments. Sprott also operates merchant banking and brokerage businesses in both Canada and the U.S. At present, Sprott operates four dual-listed physical bullion trusts, with over 200,000 clients and over US\$12 billion under management;
- (g) the Trust is a closed end investment trust established under the laws of Ontario and managed by SAM LP. The Trust was created to participate in the Plan of Arrangement and to subsequently invest and hold substantially all of its assets in physical uranium. The Trust seeks to provide a secure, convenient and exchange-traded investment alternative for investors interested in holding uranium;
- (h) Exchangeco is a corporation existing under the OBCA with its head office in Toronto, and is a wholly-owned subsidiary of the Trust;
- (i) on April 27, 2021, UPC entered into an arrangement agreement with SAM LP, the Trust, and Exchangeco (the “**Arrangement Agreement**”) pursuant to which,

subject to the terms and conditions of the Arrangement Agreement and pursuant to the Plan of Arrangement:

- (i) Shareholders will receive, in exchange for their Shares, consideration consisting of units of the Trust (each, a “**Trust Unit**”) (unless, and subject to certain limits and eligibility, an eligible holder elects to receive redeemable preferred shares of Exchangeco (each, an “**Exchangeable Share**”), which will be exchangeable for Trust Units);
- (ii) UPC will become a subsidiary of the Trust;
- (iii) the management services agreement between Denison Mines Inc. and UPC will be terminated and the ongoing operation of the Trust will be managed by SAM LP, pursuant to a new management agreement with the Trust (the “**Management Agreement**”);
- (iv) SAM LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to 1% of UPC’s net asset value as of March 31, 2021; and
- (v) under the management of SAM LP, the Trust is expected to continue to engage in substantively the same business, in all material respects, as UPC prior to the completion of the Plan of Arrangement;
- (j) pursuant to the terms of the Arrangement Agreement, it is a condition of closing of the Arrangement that conditional approval for the listing of the Trust Units on the TSX shall have been obtained. In the event that such condition of closing is met, in

connection with closing of the Arrangement, it is intended that the Shares will be delisted from the TSX;

- (k) subject to obtaining the requisite approvals and satisfying the conditions under the Arrangement Agreement, the Arrangement is currently anticipated to be completed in the early third quarter of 2021;
- (l) the Arrangement is an “arrangement” within the meaning of subsection 182(1) of the OBCA and is being proposed for a *bona fide* business purpose;
- (m) the substantive and procedural terms of the Arrangement are fair and reasonable;
- (n) all statutory requirements under the OBCA have been or will be fulfilled by the return date of this application for final approval;
- (o) the directions set out and the approvals required pursuant to the Interim Order will be followed and obtained by the return date of this application for final approval;
- (p) notice of this application and their right to appear before the Court will be served on all of the Shareholders at their respective registered addresses as they appear on the books of UPC at the close of business on May 17, 2021 including those persons whose registered addresses are outside the Province of Ontario. Service in these proceedings on persons outside of Ontario will be effected pursuant to Rule 17.02(n) of the Rules of Civil Procedure, R.R.O. 1990, Reg. 194 and the Interim Order. With respect to all other persons and entities having an interest in the affairs of UPC, notice of this application will be given in accordance with the provisions of the Interim Order;
- (q) this application is brought in good faith;

- (r) this application has a material connection to the Toronto Region in that, among other things, UPC is an OBCA corporation, its registered address is located in Toronto and the Shares are listed and posted for trading on the TSX;
- (s) if made, the Final Order approving, among other things, the procedural and substantive fairness of the terms and conditions of the Arrangement, will constitute the basis for reliance on Section 3(a)(10) as an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) in respect of the issuance of the Trust Units or Exchangeable Shares to be issued to Shareholders in exchange for their Shares;
- (t) section 3(a)(10) of the U.S. Securities Act;
- (u) section 182 of the OBCA and rules 14.05, 17.02(n), and 38 of the Rules of Civil Procedure, R.R.O. 1990, Reg. 194; and
- (v) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- (a) an affidavit in support of the Interim Order and the Final Order, to be sworn;
- (b) supplementary affidavit(s) to be filed in respect of the Meeting and compliance with the Interim Order, to be sworn; and
- (c) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

June 2, 2021

CASSELS BROCK & BLACKWELL LLP

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Tel: 416.860.6617
svoudouris@cassels.com

Lawyers for the Applicant

**IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
URANIUM PARTICIPATION CORPORATION**
Applicant

Court File No.: CV-21-00663368-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

NOTICE OF APPLICATION

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Lawyers for the Applicant

APPENDIX D

PLAN OF ARRANGEMENT

[Attached]

**PLAN OF ARRANGEMENT UNDER SECTION 182
OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)**

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings set out below (and grammatical variations of such terms shall have corresponding meanings):

“Arrangement” means an arrangement under section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms thereof and of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“Arrangement Agreement” means the arrangement agreement dated April 27, 2021 among SAM LP, the Trust, Exchangeco and UPC.

“Arrangement Resolution” means the special resolution approving the Arrangement and this Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B.

“Automatic Exchange Right” has the meaning set forth in the Voting and Exchange Trust Agreement.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario.

“Canadian Resident” means either (i) a person who, at the relevant time, is a resident of Canada for purposes of the Tax Act, or (ii) a partnership that is a “Canadian partnership” for purposes of the Tax Act.

“Change of Law” means any amendment to the Tax Act and other applicable provincial income tax Laws that permits Canadian Resident holders of the Exchangeable Shares, who hold the Exchangeable Shares as capital property and deal at arm’s length with and Exchangeco (all for the purposes of the Tax Act and other applicable provincial income tax Laws), to exchange their Exchangeable Shares for Trust Units on a basis that will not require such holders to recognize any gain or loss or any actual or deemed dividend in respect of such exchange for the purposes of the Tax Act or applicable provincial income tax Laws.

“Certificate of Arrangement” means, the certificate of arrangement to be issued by the Director pursuant to subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

“Circular” means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement.

“Common Shares” means the common shares in the authorized share capital of UPC.

“Consideration” means, (i) in the case of a Shareholder who is an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline and is able to provide the Regulation S Confirmations upon such election, one (1) Exchangeable Share for each Common Share, subject to the limits herein; and (ii) in the case of each other Shareholder, one (1) Trust Unit for each Common Share.

“Depository” means Computershare Investor Services Inc. or such other Person as SAM LP and UPC agree in writing.

“Dissent Rights” means the rights of dissent in respect of the Arrangement described in Section 3.1 of this Plan of Arrangement.

“Dissenting Common Share” has the meaning specified in Section 2.3(a).

“Dissenting Shareholder” means any registered Shareholder who has duly and validly exercised its Dissent Rights pursuant this Plan of Arrangement and the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights.

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

“Effective Time” means 12:01 a.m. on the Effective Date, or such other time as SAM LP and UPC agree to in writing before the Effective Date.

“Electing Common Shares” means the Common Shares in respect of which an Eligible Holder has validly elects to receive Exchangeable Shares prior to the Election Deadline and is able to provide the Regulation S Confirmations upon such election.

“Election Deadline” means 5:00 p.m. on Business Day following the date of the Meeting.

“Eligible Holder” means a Shareholder that is: (a) a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act, or (b) a partnership, any member of which is a resident of Canada for purposes of the Tax Act and not exempt from tax under Part I of the Tax Act.

“Exchangeable Share Consideration” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Share Price” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Share Provisions” means the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares, which rights, privileges, restrictions and conditions shall be in substantially the form set out in Annex A to this Plan of Arrangement.

“Exchangeable Share Support Agreement” means an agreement to be made between SAM LP, the Trust and Exchangeco substantially in the form of Schedule C to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Exchangeable Share Voting Event” has the meaning set forth in the Exchangeable Share Provisions.

“Exchangeable Shares” means the redeemable preferred shares in the capital of Exchangeco, having the rights, privileges, restrictions and conditions set forth the Exchangeable Share Provisions.

“Exchangeco” means 2834819 Ontario Inc., a direct or indirect wholly-owned subsidiary of the Trust.

“Exempt Exchangeable Share Voting Event” has the meaning set forth in the Exchangeable Share Provisions.

“Final Order” means the final order of the Court in a form acceptable to SAM LP and UPC, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of SAM LP and UPC, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to SAM LP and UPC, each acting reasonably) on appeal.

“Governmental Entity” means: (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision or authority of any of the above; (c) any quasi- governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange.

“Interim Order” means the interim order of the Court made pursuant to subsection 182(5) of the OBCA in a form acceptable to SAM LP and UPC, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court (which amendment shall be acceptable to SAM LP and UPC, each acting reasonably).

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, by-law, code, rule, regulation, instrument, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

“Letter of Transmittal and Election Form” means the letter of transmittal and election form(s) to be delivered by UPC to Shareholders providing for the Shareholder’s election with respect to the Consideration and for delivery of the certificates representing the Common Shares to the Depositary.

“Lien” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance.

“Liquidation Amount” has the meaning set forth in the Exchangeable Share Provisions.

“Liquidation Call Purchase Price” has the meaning set forth in Section 5.1(a).

“Liquidation Call Right” has the meaning set forth in Section 5.1(a).

“Liquidation Date” has the meaning set forth in the Exchangeable Share Provisions.

“Meeting” means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other

purpose as may be set out in the Circular and agreed to in writing by SAM LP and UPC, each acting reasonably.

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

“**Parties**” means SAM LP, the Trust, Exchangeco, and UPC and “**Party**” means any one of them.

“**Person**” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

“**Plan of Arrangement**” means this plan of arrangement proposed under section 182 of the OBCA, and any amendments or variations made in accordance with Section 6.1 of this plan of arrangement or made at the direction of the Court in the Final Order with the prior written consent of SAM LP and UPC, each acting reasonably.

“**Redemption Call Purchase Price**” has the meaning set forth in Section 5.2(a).

“**Redemption Call Right**” has the meaning set forth in Section 5.2(a).

“**Redemption Date**” has the meaning set forth in the Exchangeable Share Provisions.

“**Regulation S Confirmations**” means the representations provided by an Eligible Holder who validly elects to receive Exchangeable Shares prior to the Election Deadline that: (1) the Eligible Holder is not a Person in the United States and was not offered the Exchangeable Shares in the United States, (2) the Eligible Holder is not in the United States at the time of such election, and (3) the Eligible Holder acknowledges that the Exchangeable Shares may not be delivered to a Person in the United States.

“**Retraction Call Right**” has the meaning set forth in the Exchangeable Share Provisions.

“**SAM LP**” means a limited partnership formed under the laws of the Province of Ontario.

“**Settlor**” means Lara Misner.

“**Settlor Unit**” mean the Trust Unit held prior to the Effective Time by the Settlor, as settlor of the Trust.

“**Shareholder**” means a registered or beneficial holder of Common Shares.

“**Subsidiary**” means a Person that is controlled directly or indirectly by another Person and includes a Subsidiary of a Subsidiary.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Transfer Agent**” has the meaning set forth in the Exchangeable Share Provisions.

“**Trust**” means Sprott Physical Uranium Trust, a trust established under the laws of the Province of Ontario pursuant to the Trust Agreement.

“**Trust Agreement**” means the amended and restated trust agreement dated ●, 2021 among the Settlor, SAM LP and the Trustee.

“Trust Control Transaction” has the meaning set forth in the Exchangeable Share Provisions.

“Trustee” means ●, a trust company organized under the federal laws of Canada, or such other Person as SAM LP and UPC agree in writing.

“Trust Units” means the units of the Trust.

“UPC” means Uranium Participation Corp., a corporation existing under the OBCA.

“U.S. Securities Act” means the *United States Securities Act of 1933*, as amended.

“Voting and Exchange Trust Agreement” means an agreement to be made between SAM LP, the Trust, Exchangeco and the trustee to be chosen by SAM LP, acting reasonably, to act as trustee under the Voting and Exchange Trust Agreement, substantially in the form of Schedule D to the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

- (1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.
- (2) **Currency.** All references to sums of money or to “\$” are references to Canadian dollars.
- (3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (4) **Certain Phrases, etc.** The words: (a) “including”, “includes” and “include” mean “including (or includes or include) without limitation”; (b) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”; and (c) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.
- (5) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.
- (6) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 5:00 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 5:00 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (7) **Time References.** References to time are to local time, Toronto, Ontario, Canada.
- (8) **Governing Law.** This Plan of Arrangement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of

Canada applicable therein. All questions as to the interpretation or application of this Plan of Arrangement and all proceedings in connection with this Plan of Arrangement will be subject to the exclusive jurisdiction of the Court.

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 Effect of Arrangement

- (1) This Plan of Arrangement and the Arrangement, will become effective, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement and be binding on UPC, the Shareholders (including Dissenting Shareholders), SAM LP, the Trust, Exchangeco, the registrar and transfer agent in respect of the Common Shares, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.
- (2) The Articles of Arrangement and the Certificate of Arrangement shall be filed and issued, respectively with respect to the Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions in Section 2.3 has become effective in the sequence and at the times set out therein.

2.3 Arrangement

At the Effective Time, the following shall occur and shall be deemed to occur as set out below without any further authorization, act or formality, in the following sequence:

- (a) subject to Section 3.1, each of the Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn held by Dissenting Shareholders (each a “**Dissenting Common Share**”) shall, and shall be deemed to, be assigned and transferred by the holders thereof to the Trust, without any further act or formality, in exchange for a debt claim against the Trust in the amount equal to the fair value for such Dissenting Common Shares as set out in Section 3.1, and:
 - (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Dissenting Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Dissenting Common Share to the Trust; and
 - (iii) the Trust shall be and shall be deemed to be the holder of all of the outstanding Dissenting Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly;

- (b) each Common Share (other than any Dissenting Common Shares or Electing Common Shares) shall be transferred and assigned, without any further act or formality on its part, to the Trust (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable Consideration, and the Settlor Unit shall be cancelled with any payment in respect thereof, and:
- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Common Share to the Trust;
 - (iii) the Trust shall be and shall be deemed to be the holder of all such Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly; and
 - (iv) the Settlor shall cease to be, and shall be deemed to cease to be, the registered holder of the Settlor Unit and the Settlor's name shall be, and shall be deemed to be, removed from the register of holders of Trust Units as it relates to the Settlor Unit; and
- (c) concurrently with Section 2.3(b), each Electing Common Share shall be transferred and assigned, without any further act or formality on its part, to Exchangeco (free and clear of any liens, charges and encumbrances of any nature whatsoever) in exchange for the applicable Consideration; *provided, however*, that no more than nineteen and ninety one-hundredths of a percent (19.90%) of the issued and outstanding Common Shares (other than Dissenting Common Shares) may be Electing Common Shares (the **"Maximum Electing Common Shares Election"**) and any Common Shares elected to be Electing Common Shares above the Maximum Electing Common Shares Election shall be subject to proration as described in this Section 2.3(c); *provided, further*, that if holders elect for an amount of Electing Common Shares that would exceed the Maximum Electing Common Shares Election, then a portion of such holders' Common Shares shall be subject to Section 2.3(b) such that the amount of shares that will be Electing Common Shares equals the Maximum Electing Common Shares Election, based on the ratio that the number of Common Shares elected to be Electing Common Shares by such holder bears to the total number of Common Shares (other than Dissenting Common Shares) with the number of Exchangeable Shares to be received by each holder of Electing Common Shares to be rounded down to the nearest whole Exchangeable Share and the number of Trust Units to be received by each holder of Electing Common Shares to be rounded up to the nearest whole Trust Unit; *provided, further*, that, solely for illustrative purposes, if there are one hundred Common Shares outstanding (other than Dissenting Common Shares) and twenty-five (25) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are initially elected to be treated as Electing Common Shares, then any holder so electing shall receive nineteen (19) Exchangeable Shares and six (6) Trust Units, with the result that, in the aggregate, nineteen (19) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are exchanged for

Exchangeable Shares and eighty one-hundredths (81) of the issued and outstanding Common Shares (other than Dissenting Common Shares) are exchanged for Trust Units, and:

- (i) the registered holder thereof shall cease to be, and shall be deemed to cease to be, the registered holder of each such Electing Common Share and the name of such registered holder shall be, and shall be deemed to be, removed from the register of Shareholders;
 - (ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Electing Common Share to Exchangeco; and
 - (iii) Exchangeco shall be and shall be deemed to be the holder of all such Electing Common Shares and the share register of UPC shall be, and shall be deemed to be, revised accordingly; and
- (d) concurrently with Section 2.3(c), (i) SAM LP, the Trust and Exchangeco shall execute the Exchangeable Share Support Agreement, and (ii) SAM LP, the Trust, Exchangeco and the Trustee shall execute the Voting and Exchange Trust Agreement,

it being expressly provided that the events provided for in this Section 2.3 will be deemed to occur on the Effective Date, notwithstanding that certain procedures related thereto may not be completed until after the Effective Date.

2.4 Consideration Elections

With respect to the transfer and assignment of Common Shares pursuant to Section 2.3(c):

- (a) each Shareholder who is an Eligible Holder and is able to provide the Regulation S Confirmations may, subject to Section 2.3(c), elect to receive the Consideration to which he, she or it is entitled in the form of Exchangeable Shares in lieu of Trust Units;
- (b) the election and confirmations provided for in Section 2.4(a) shall be made by a Shareholder by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such Shareholder's election and providing the Regulation S Confirmations, together with certificates (if any) representing such Shareholder's Common Shares;
- (c) any Letter of Transmittal and Election Form, once deposited with the Depositary, shall be irrevocable and may not be withdrawn by a Shareholder; and
- (d) any Shareholder who does not deposit with the Depositary a duly completed Letter of Transmittal and Election Form prior to the Election Deadline, or otherwise fails to comply with the requirements of this Section 2.4 or of the Letter of Transmittal and Election Form, shall, subject to Section 3.1, be deemed to have elected to receive Trust Units.

2.5 Tax Election

Each beneficial owner of Common Shares who is an Eligible Holder, and who has validly elected (or for whom the registered holder has validly elected on such beneficial owner's behalf) to receive Exchangeable Shares shall be entitled to make an income tax election pursuant to subsection 85(1) of the Tax Act, or subsection 85(2) of the Tax Act if such beneficial owner is a partnership (and in each case, where applicable, the analogous provisions of provincial income tax law), with respect to the transfer of its Common Shares to Exchangeco and the receipt of Consideration in respect thereof by providing two signed copies of the necessary prescribed election form(s) (or equivalent information through an alternative document or platform, at SAM LP's discretion) to the Depositary within 90 days following the Effective Date, duly completed with the details of the number of Common Shares transferred and the applicable agreed amounts for the purposes of such elections. Thereafter, subject to the election forms being correct and complete and complying with the provisions of the Tax Act (and applicable provincial income tax law), the forms will be signed by Exchangeco and returned to such former beneficial owner of Common Shares within 90 days after the receipt thereof by the Depositary for filing with the Canada Revenue Agency (or the applicable provincial taxing authority) by such former beneficial owner. Exchangeco will not be responsible for the proper completion of any election form and, except for Exchangeco's obligation to return (within 90 days after the receipt thereof by the Depositary) duly completed election forms which are received by the Depositary within 90 days of the Effective Date, Exchangeco will not be responsible for any taxes, interest or penalties resulting from the failure by a former beneficial owner of Common Shares to properly complete or file the election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation).

ARTICLE 3 RIGHTS OF DISSENT

3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights in connection with the Arrangement Resolution ("**Dissent Rights**") pursuant to and in the manner set forth in section 185 of the OBCA, as modified by the Interim Order and this Section 3.1; provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be received by UPC not later than 5:00 p.m. on the second (2nd) Business Day immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Dissenting Common Shares held by them to the Trust as provided in Section 2.3(a) and if they:

- (a) ultimately are entitled to be paid fair value for such Dissenting Common Shares will be entitled to be paid the fair value of such Dissenting Common Shares and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Dissenting Common Shares; or
- (b) ultimately are not entitled, for any reason, to be paid fair value for such Dissenting Common Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Common Shares in accordance with Section 2.3(b).

3.2 Recognition of Dissenting Holders

- (1) In no circumstances shall SAM LP, Exchangeco, the Trust, UPC or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.
- (2) For greater certainty, in no case shall SAM LP, Exchangeco, the Trust, UPC or any other Person be required to recognize Dissenting Shareholders as holders of Dissenting Common Shares after the completion of the transfer under Section 2.3(a), and the names of such Dissenting Shareholders shall be removed from the registers of holders of Common Shares, in respect of which Dissent Rights have been validly exercised at the same time as the applicable event described in Section 2.3(a) occurs. In addition to any other restrictions under section 185 of the OBCA, Shareholders who vote or have instructed a proxyholder to vote any Common Shares in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights (but only in respect of such Common Shares).
- (3) Dissenting Shareholders who validly withdraw their Dissent Rights or who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Common Shares shall be deemed to have participated in the Arrangement pursuant to Section 2.3(b) on the same basis as a non-dissenting holder of Common Shares.

ARTICLE 4 CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

- (1) Prior to filing of the Articles of Arrangement, SAM LP, the Trust or Exchangeco shall deliver or cause to be delivered in escrow with the Depositary sufficient Trust Units and Exchangeable Shares to satisfy the aggregate Consideration payable to Shareholders pursuant to the Plan of Arrangement.
- (2) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares (other than Common Shares in respect of which Dissent Rights have been validly exercised and not withdrawn), that were transferred pursuant to Section 2.3, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary may reasonably require, the holder of Common Shares represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the Consideration which such holder has the right to receive under the Arrangement for such Common Shares, less any amounts withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.
- (3) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Common Shares (other than Common Shares held by SAM LP, Exchangeco or any of their respective affiliates) shall be deemed after the Effective Time to represent only the right to receive upon such surrender, the Consideration as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Common Shares not duly surrendered on or before the day that is one day prior to the fifth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in UPC, SAM LP, Exchangeco, the Trust or any of their respective affiliates. On such date,

any and all Consideration which such former holder was entitled shall be deemed to have been surrendered to the Trust.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were assigned and transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration to which the holder is entitled pursuant to this Plan of Arrangement. When authorizing such issuance in exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration is to be delivered shall as a condition precedent to the delivery of such Consideration, give a bond satisfactory to SAM LP, the Trust, Exchangeco and the Depositary (acting reasonably) in such sum as SAM LP, the Trust, Exchangeco may direct, or otherwise indemnify SAM LP, the Trust, Exchangeco, and UPC against any claim that may be made against SAM LP, the Trust, Exchangeco, or UPC with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

SAM LP, the Trust, Exchangeco, UPC and the Depositary, as applicable, shall be entitled to deduct and withhold, or direct SAM LP, the Trust, Exchangeco, UPC or the Depositary, to deduct and withhold on their behalf, from any Consideration payable or otherwise deliverable to any Shareholders under the Plan of Arrangement such amounts as SAM LP, the Trust, Exchangeco, UPC or the Depositary, as applicable, are required or reasonably believe to be required to deduct and withhold from such Consideration under any provision of any Law in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the Consideration payable pursuant to the Plan of Arrangement and shall be treated for all purposes under this Agreement as having been paid to Shareholders in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

4.4 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Common Shares issued prior to the Effective Time; (b) the rights and obligations of the Shareholders, UPC, SAM LP, the Trust, Exchangeco, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Common Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

4.5 No Liens

Any exchange, assignment, transfer or similar conveyance of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.6 U.S. Securities Laws Exemption

Notwithstanding any provision herein to the contrary, the Parties agree that this Plan of Arrangement will be carried out with the intention that Trust Units and Exchangeable Shares issued on completion of this Plan of Arrangement to the Shareholders will be issued by the Trust and Exchangeco in

reliance on the exemption from the registration requirements of the U.S. Securities Act, as provided by Section 3(a)(10) thereof, and that the Trust Units issued upon exchange of the Exchangeable Shares will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Regulation S Confirmations thereunder.

ARTICLE 5

CERTAIN RIGHTS OF THE TRUST TO ACQUIRE EXCHANGEABLE SHARES

5.1 Liquidation Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Liquidation Call Right**"), in the event of and notwithstanding the proposed liquidation, dissolution or winding-up of Exchangeco or any other distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, pursuant to Section 5 of the Exchangeable Share Provisions, and subject to the sale and purchase contemplated by the Automatic Exchange Right, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Liquidation Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Liquidation Date (the "**Liquidation Call Purchase Price**") in accordance with Section 5.1(c). In the event of the exercise of the Liquidation Call Right by the Trust, each such holder of Exchangeable Shares (other than the Trust and its affiliates) shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Liquidation Date upon payment by the Trust to such holder of the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration) for each such share, and Exchangeco shall have no obligation to pay any Liquidation Amount to the holders of such shares so purchased.
- (b) To exercise the Liquidation Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a voluntary liquidation, dissolution or winding-up of Exchangeco or any other voluntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least 30 days before the Liquidation Date, or (ii) in the case of an involuntary liquidation, dissolution or winding-up of Exchangeco or any other involuntary distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs, at least five Business Days before the Liquidation Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Liquidation Call Right forthwith after the expiry of the period during which the Trust may exercise the Liquidation Call Right. If the Trust exercises the Liquidation Call Right, then on the Liquidation Date, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Liquidation Call Purchase Price (payable in the form of Exchangeable Share Consideration).

- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Liquidation Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Liquidation Date, the Exchangeable Share Consideration representing the aggregate Liquidation Call Purchase Price for all holders of the Exchangeable Shares (other than the Trust and its affiliates), less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Liquidation Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Liquidation Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Liquidation Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If the Trust does not exercise the Liquidation Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Liquidation Date, the Liquidation Amount otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the liquidation, dissolution or winding-up of Exchangeco or any distribution of the assets of Exchangeco among its shareholders for the purpose of winding up its affairs pursuant to Section 5 of the Exchangeable Share Provisions.

5.2 Redemption Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Redemption Call Right**") to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Redemption Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Redemption Date (the "**Redemption Call Purchase Price**") in accordance with Section 5.2(c). In the event of the exercise of the Redemption Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Redemption Date upon payment by the Trust to such holder of the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration), and Exchangeco shall have no obligation to redeem, or to pay the

Redemption Price (as defined in the Exchangeable Share Provisions) in respect of, such shares so purchased.

- (b) To exercise the Redemption Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right (i) in the case of a redemption occurring as a result of a Trust Control Transaction, an Exchangeable Share Voting Event or an Exempt Exchangeable Share Voting Event, on or before the Redemption Date, and (ii) in any other case, at least 30 days before the Redemption Date. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Redemption Call Right forthwith after the expiry of the period during which the Trust may exercise the Redemption Call Right. If the Trust exercises the Redemption Call Right, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, on the Redemption Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Redemption Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Redemption Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Redemption Date, the Exchangeable Share Consideration representing the aggregate Redemption Call Purchase Price less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Redemption Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Redemption Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Redemption Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable, and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive. If the Trust does not exercise the Redemption Call Right in the manner described above, each holder of Exchangeable Shares will be entitled to receive, on the Redemption Date, the redemption price otherwise payable by Exchangeco in respect of the Exchangeable Shares held by such holder in connection with the redemption of the Exchangeable Shares pursuant to Section 7 of the Exchangeable Share Provisions.

5.3 Change of Law Call Right

In addition to the rights contained in the Exchangeable Share Provisions (including, without limitation, the Retraction Call Right), the Trust shall have the following rights in respect of the Exchangeable Shares:

- (a) The Trust shall have the overriding right (the "**Change of Law Call Right**"), in the event of a Change of Law, to purchase from all but not less than all of the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) on the Change of Law Call Date all but not less than all of the Exchangeable Shares held by each such holder upon payment by the Trust to each such holder of the Exchangeable Share Price (payable in the form of the Exchangeable Share Consideration) applicable on the last Business Day prior to the Change of Law Call Date (the "**Change of Law Call Purchase Price**") in accordance with Section 5.3(c). In the event of the exercise of the Change of Law Call Right by the Trust each such holder of Exchangeable Shares shall be obligated to sell all of the Exchangeable Shares held by the holder to the Trust on the Change of Law Call Date upon payment by the Trust to such holder of the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (b) To exercise the Change of Law Call Right, the Trust must notify the Transfer Agent, as agent for the holders of the Exchangeable Shares, and Exchangeco of its intention to exercise such right at least 30 days before the date (the "**Change of Law Call Date**") on which the Trust shall acquire the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right. The Transfer Agent will notify the holders of the Exchangeable Shares as to whether or not the Trust has exercised the Change of Law Call Right forthwith after receiving notice of such exercise from the Trust. If the Trust exercises the Change of Law Call Right, the Trust will purchase and the holders of the Exchangeable Shares (other than any holder of Exchangeable Shares which is the Trust or any of its affiliates) will sell, on the Change of Law Call Date, all of the Exchangeable Shares held by such holders on such date for a price per share equal to the Change of Law Call Purchase Price (payable in the form of Exchangeable Share Consideration).
- (c) For the purposes of completing the purchase and sale of the Exchangeable Shares pursuant to the exercise of the Change of Law Call Right, the Trust shall deposit or cause to be deposited with the Transfer Agent, on or before the Change of Law Call Date, the Exchangeable Share Consideration representing the aggregate Change of Law Call Purchase Price less any amounts withheld pursuant to Section 4.3. Provided that such Exchangeable Share Consideration has been so deposited with the Transfer Agent, the holders of the Exchangeable Shares (other than the Trust and its affiliates) shall cease to be holders of the Exchangeable Shares on and after the Change of Law Call Date and, from and after such date, shall not be entitled to exercise any of the rights of holders in respect thereof (including, without limitation, any rights under the Voting and Exchange Trust Agreement) other than the right to receive their proportionate part of the aggregate Change of Law Call Purchase Price, without interest, upon presentation and surrender by the holder of certificates representing the Exchangeable Shares held by such holder and the holder shall on and after the Change of Law Call Date be considered and deemed for all purposes to be the holder of the Trust Units which such holder is entitled to receive. Upon surrender to the Transfer Agent of a certificate or certificates representing Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of Exchangeable Shares under the OBCA and the articles of Exchangeco, as applicable and such additional documents, instruments and payments as the Transfer Agent may reasonably require, the holder of such surrendered certificate or certificates shall be entitled to receive, in exchange therefor, and the Transfer Agent on behalf of the Trust shall deliver to such holder the Exchangeable Share Consideration such holder is entitled to receive.

ARTICLE 6 AMENDMENTS

6.1 Amendments to Plan of Arrangement

- (1) SAM LP on its behalf or on behalf of the Trust and Exchangeco, or UPC may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must: (i) be set out in writing; (ii) be approved by SAM LP, the Trust and UPC; (iii) filed with the Court and, if made following the Meeting, approved by the Court; and (iv) communicated to Shareholders and others as may be required by the Interim Order in the manner required by the Court (if so required).
- (2) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by SAM LP on its behalf or on behalf of the Trust and Exchangeco or by UPC at any time prior to the Meeting (provided that SAM LP and UPC shall have consented thereto in writing) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting in accordance with the Interim Order, shall become part of this Plan of Arrangement for all purposes.
- (3) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of SAM LP and UPC (in each case, acting reasonably); and (ii) if required by the Court, it is consented to by the Shareholders voting in the manner directed by the Court.
- (4) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.
- (5) Notwithstanding any other provision of this Section 6.1, any amendment, modification or supplement to this Plan of Arrangement may be made by UPC, with the consent of SAM LP (which consent may be withheld, conditioned or delayed in SAM LP's sole discretion), provided that it concerns a matter which, in the reasonable opinion of UPC, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interest of any former Shareholder.

ARTICLE 7 FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of SAM LP, the Trust, Exchangeco and UPC shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX E
SPROTT PHYSICAL URANIUM TRUST
FINANCIAL STATEMENTS

[Attached]



KPMG LLP
Bay Adelaide Centre
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INDEPENDENT AUDITORS' REPORT

To Sprott Asset Management LP, the Initial Trustee and the Unitholder of
Sprott Physical Uranium Trust

Opinion

We have audited the consolidated financial statements of Sprott Physical Uranium Trust (the Trust), which comprise:

- the consolidated statement of financial position as at June 4, 2021
- the consolidated statement of changes in equity for the period from inception on April 23, 2021 to June 4, 2021
- the consolidated statement of cash flows for the period from inception on April 23, 2021 to June 4, 2021
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at June 4, 2021, and its financial performance and its cash flows for the period from inception on April 23, 2021 to June 4, 2021 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.



Page 2

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

June 4, 2021

SPROTT PHYSICAL URANIUM TRUST
CONSOLIDATED FINANCIAL STATEMENTS

Sprott Physical Uranium Trust

Consolidated Statement of Financial Position
(in U.S. dollars)

As at June 4, 2021

Assets

Cash	<u>\$10</u>
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Unitholder's Equity

Unitholder's Equity (Note 1):

Units (1 Unit)	<u>\$10</u>
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The accompanying notes are an integral part of these consolidated financial statements

Sprott Physical Uranium Trust

Consolidated Statement of Changes in Equity *(in U.S. dollars, except unit amounts)*

**Period from inception on April 23, 2021
to June 4, 2021**

	<u>Number</u>	<u>Amount (\$)</u>
Unitholder's equity – beginning of period April 23, 2021	-	-
Issuance of Trust Unit	<u>1</u>	<u>\$10</u>
Unitholder's equity – end of period June 4, 2021	<u>1</u>	<u>\$10</u>

The accompanying notes are an integral part of these consolidated financial statements

Sprott Physical Uranium Trust

Consolidated Statement of Cash Flows *(in U.S. dollars)*

**Period from inception on April 23, 2021
to June 4, 2021**

Financing Activities

Issuance of Trust Unit	<u>\$10</u>
Cash generated during the period	\$10
Cash, beginning of period	<u>-</u>
Cash, end of period	<u>\$10</u>

The accompanying notes are an integral part of these consolidated financial statements

SPROTT PHYSICAL URANIUM TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at June 4, 2021
(in U.S. dollars, unless otherwise noted)

1. Organization of the Trust

Sprott Physical Uranium Trust (the "**Trust**") is a closed-end investment trust established under the laws of the Province of Ontario, Canada, pursuant to a trust agreement dated as of April 23, 2021. The beneficiaries of the Trust will be holders of Units (as defined below) being offered in connection with the arrangement (the "**Arrangement**") announced on April 27, 2021 involving Uranium Participation Corporation ("**UPC**"), the Trust, Sprott Asset Management LP (the "**Manager**" and "**Initial Trustee**") and 2834819 Ontario Inc. ("**Exchangeco**"). The Trust is authorized to issue an unlimited number of redeemable, transferable units ("**Units**"). On April 23, 2021, the Trust issued one Unit for \$10.00 cash to an employee of the Initial Trustee, as the first settlor of the Trust. For the period from April 23, 2021 to June 4, 2021, the Trust had no operations.

Pursuant to a plan of arrangement under the *Business Corporations Act* (Ontario) every two UPC common shares will be exchanged for one unit of the newly-formed Trust or, at the election of UPC shareholders that are eligible Canadian residents for tax purposes, one exchangeable share of Exchangeco, a Canadian subsidiary of the Trust, which will be exchangeable into one unit of the Trust, and UPC will become a wholly-owned subsidiary of the Trust. Completion of the Arrangement is subject to satisfaction of customary conditions, including receipt of regulatory, securities commission and stock exchange approvals, Ontario court approval and approval by the common shareholders of UPC at a special meeting expected to be held on or about July 7, 2021.

Sprott Asset Management LP has agreed to make a cash contribution to the Trust of approximately \$6.7 million Canadian, which is equal to approximately 1% of UPC's net asset value as of March 31, 2021.

The Trust will be managed by Sprott Asset Management LP utilizing WMC Energy B.V. to advise and assist with all matters involving physical uranium. Prior to the completion of the Arrangement, RBC Investor Services Trust, a trust company organized under the laws of Canada, will become and thereafter act as the Trustee of the Trust, and as custodian for the Trust's assets other than physical uranium, on behalf of the Trust. ConverDyn, Orano Chimie-Enrichissement, Urenco Enrichment Company Limited, Louisiana Energy Services, LLC and Cameco Corporation will act as initial custodians for the physical uranium owned directly or indirectly by the Trust.

The Trust has filed an application to list the Units on the TSX. Pursuant to the terms of the management agreement to be entered into between the Trust and the Manager prior to the completion of the Arrangement, within six months following the completion of the Arrangement, the Manager of the Trust, will submit to the NYSE Arca a draft application pursuant to Rule 19b-4 under the United States Securities Exchange Act of 1934, as amended, with respect to a listing of the Trust Units on NYSE Arca.

2. Use of International Financial Reporting Standards

The Trust's financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standard Board ("IFRS"). These are the first set of financial statements of the Trust prepared under IFRS.

The financial statements are prepared on a consolidated basis so as to include the financial statements of all subsidiaries the Trust is deemed to control under IFRS. All intercompany balances with these subsidiaries are eliminated upon consolidation. The Trust currently controls Exchangeco.

These financial statements were authorized for issue by the Manager on June 4, 2021.

3. Management Fees

Subsequent to the closing of the Arrangement, the Trust will pay the Manager monthly management fees equal to 1/12 of 0.35% of the value of net assets of the Trust (determined in accordance with the Trust agreement) plus any applicable Canadian taxes, calculated and accrued daily and payable monthly in arrears on the last day of each month.

APPENDIX F
SELECTED PRO FORMA FINANCIAL INFORMATION
[Attached]

SPROTT PHYSICAL URANIUM TRUST

UNAUDITED *PRO FORMA* CONDENSED FINANCIAL INFORMATION

Sprott Physical Uranium Trust

Pro forma condensed statement of financial position (unaudited)

(in Canadian dollars, except unit amounts)

As at February 28, 2021	Uranium Participation Corp (Note 1)	Sprott Physical Uranium Trust (Note 1)	Pro forma adjustments (Note 3)		Pro forma combined
	\$	\$	\$		\$
Assets					
Current					
Cash and cash equivalents	1,634,000	12	6,392,750	Note 3(a), (b), (d)	8,026,762
Trade and other receivables	60,000	-	-		60,000
Prepaid expenses and other	1,665,000	-	-		1,665,000
	3,359,000	12	6,392,750		9,751,762
Non-Current					
Prepaid expenses and other	2,284,000	-	-		2,284,000
Investments in uranium	617,765,000	-	-		617,765,000
Total assets	623,408,000	12	6,392,750		629,800,762
Liabilities					
Current liabilities					
Trade and other payables	679,000	-	-		679,000
Total liabilities	679,000	-	-		679,000
Equity					
Share Capital	254,138,000	12	-		254,138,012
Contributed surplus	639,150,000	-	6,693,000		645,843,000
Deficit	(270,559,000)	-	(300,250)		(270,859,250)
Total equity	622,729,000	12	6,392,750		629,121,762
Total liabilities and equity	623,408,000	12	6,392,750		629,800,762
Common shares – issued and outstanding	134,939,651	1	(67,469,826)	Note 3(c)	67,469,826
Total equity per Unit	4.62	12	-		9.33

Sprott Physical Uranium Trust

Pro forma condensed statement of comprehensive income (unaudited)
(in Canadian dollars, except unit amounts)

For the year ended February 28, 2021	Uranium Participation Corp	Sprott Physical Uranium Trust	Pro forma adjustments (Note 3)	Pro forma combined
	\$	\$	\$	\$
Income				
Unrealized gain on investments in uranium	40,370,000	-		40,370,000
Gains on sale of investments in uranium	237,000	-	-	237,000
Realized gain on sale of conversion components	5,154,000	-		5,154,000
Income from lending and/or relocation of uranium	1,536,000	-	-	1,536,000
	47,297,000	-	-	47,297,000
Expenses				
Storage fees	3,096,000	-	-	3,096,000
Management fees	2,336,000	-	400,250	Note 3(a), (d) 2,736,250
Public company expenses	569,000	-	-	569,000
General office and miscellaneous	215,000	-	-	215,000
Legal and other professional fees	314,000	-	(100,000)	Note 3(d) 214,000
Interest income	(8,000)	-	-	(8,000)
Foreign exchange gain	392,000	-	-	392,000
	6,914,000	-	300,250	7,214,250
Net income for the year	40,383,000	-	(300,250)	40,082,750
Weighted average number of common shares/Trust units	136,248,417	1	(68,124,209)	Note 3(c) 68,124,209
Increase in total equity from operations per common share/Trust Unit	0.30	-		0.59

SPROTT PHYSICAL URANIUM TRUST

NOTES TO UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

(in Canadian dollars, unless otherwise noted) (unaudited)

1. Basis of presentation

The unaudited pro forma condensed financial statements (the "**Pro Forma Financial Statements**") have been prepared by management of the Sprott Physical Uranium Trust (the "**Trust**") for inclusion in the management information circular dated June 7, 2021 (the "**Circular**"), relating to the arrangement (the "**Arrangement**") under the *Business Corporations Act* (Ontario) involving Uranium Participation Corp ("UPC"), the Trust, Sprott Asset Management LP and 2834819 Ontario Inc ("**Exchangeco**").

The Pro Forma Financial Statements have been compiled based on the recognition and measurement principles of the International Financial Reporting Standards ("**IFRS**"). The Pro Forma Financial Statements have been compiled using audited consolidated financial statements of UPC as at and for the year ended February 28, 2021, and the audited consolidated financial statements of the Trust as at June 4, 2021.

The Pro Forma Financial Statements include pro-forma adjustments based on the best information available to management and certain assumptions that management believes are reasonable under the circumstances. In preparing the Pro Forma Financial Statements, certain financial statement items have been reclassified or condensed.

The unaudited pro forma condensed statement of financial position as at February 28, 2021 gives effect to the Arrangement as if it had occurred on February 28, 2021. The unaudited pro-forma condensed statements of income (loss) for the year ended February 28, 2021 gives effect to the Arrangement as if it had occurred on March 1, 2020.

The Pro Forma Financial Statements are included for information purposes only and are not intended to represent or be indicative of what the result of operations or financial position would have been had the acquisition actually occurred on the dates indicated. The Pro Forma Financial Statements should be read in conjunction with the Circular, the audited financial statements of UPC as at the year ended February 28, 2021 as well as the audited consolidated financial statements of the Trust as at June 4, 2021.

The pro-forma statements have been prepared in Canadian dollars and have been rounded from thousands of dollars in the audited UPC financial statements. The statements have also translated the audited consolidated financial statements of the Trust from United States dollars to Canadian dollars at the spot exchange rate of 1.2 Canadian dollars per United States Dollar, which was the prevailing exchange rate on June 4, 2021.

2. Pro Forma Assumption and Arrangement

Pursuant to a plan of arrangement under the *Business Corporations Act* (Ontario) every two UPC common shares will be exchanged for one unit of the newly-formed Trust or, at the election of UPC shareholders that are eligible Canadian residents for tax purposes, one exchangeable share of Exchangeco, a Canadian subsidiary of the Trust, which will be exchangeable into one unit of the Trust, and UPC will become a wholly-owned subsidiary of the Trust. The Pro Forma Financial statements have been prepared based on the assumption that no rights of dissent will be exercised in connection with the Arrangement and that no exchangeable shares will be issued.

3. Pro Forma Assumptions and Adjustments

The Pro Forma Financial Statements have been adjusted to give the effects to the event that are (i) directly attributable to the Arrangement, (ii) those directly attributable to the Arrangement for which there are firm commitments for which the complete effects are objectively determinable and (iii) with respect to the income statements of income (loss), expect to have a continuing impact on The Trust. The unaudited pro forma condensed statements of income (loss) do not reflect any non-recurring charges directly related to the Arrangement that have already been incurred or will be incurred upon closing of the Arrangement.

The Pro Forma Financial Statements reflect the following pro forma adjustments:

- (A) Management fees calculated in accordance with the Trust's management agreement, as described below;
- (B) Sprott Asset Management LP will make a cash contribution to the Trust of approximately \$6.7 million, which is equal to approximately 1% of UPC's NAV as of March 31, 2021;
- (C) To reflect the incremental pro forma weighted average units outstanding resulting from the exchange UPC Shares for Trust Units. Each UPC shareholder will receive 1 unit of the Trust for every 2 shares of UPC owned; and
- (D) To reflect the out-of-pocket expenses incurred by UPC for the year ended February 28, 2021 that are reimbursable by SAM LP as per the arrangement agreement among UPC, SAM LP, the Trust and Exchangeco dated April 27, 2021. This includes \$100,000 of expenses presented on the Legal and other professional fees and \$70,000 presented as Management fees in the pro-forma income statement.

The Trust will pay the Manager monthly management fees equal to 1/12 of 0.35% of the value of net assets of the Trust (determined in accordance with the Trust agreement) plus any applicable Canadian taxes, calculated and accrued daily and payable monthly in arrears on the last day of each month. The Pro Forma Financial Statements estimate the management fee charged by the Manager by making the assumption that the daily net assets for the year ended February 28, 2021 equals the average monthly net assets of UPC.

The Pro Forma Financial Statements do not include the expected benefits and cost savings related to the structure of the Trust, which offers lower annual public company costs when compared to UPC's public company costs. These expected savings include, but are not limited to, listing costs, regulatory fees and director fees.

APPENDIX G

SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders

185. (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of UPC;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that UPC may carry on or upon the powers that UPC may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184 (3), a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170 (5) or (6).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of UPC to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of UPC to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of UPC all of the objects of UPC set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by UPC the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(6) A dissenting shareholder shall send to UPC, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless UPC did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

(8) UPC shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to UPC a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to UPC or its transfer agent.

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before UPC makes an offer under subsection (15);
- (b) UPC fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to UPC or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54 (3).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to UPC under subsection (10) is entitled,

- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
- (b) to be sent the notice referred to in subsection 54 (3).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day UPC received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

- (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of UPC to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
- (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if UPC does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, UPC may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by UPC unless the court otherwise orders.

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to UPC the notice referred to in subsection (10); and

(b) has not accepted an offer made by UPC under subsection (15), if such an offer was made, of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22)(a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against UPC and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

(28) Where subsection (30) applies, UPC shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to UPC within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case UPC is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against UPC, to be paid as soon as UPC is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of UPC but in priority to its shareholders.

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) UPC is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of UPC's assets would thereby be less than the aggregate of its liabilities.

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if UPC is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if UPC is an offering corporation.

SCHEDULE A

COMPARISON OF CANADIAN SECURITIES REGULATORY REGIME FOR INVESTMENT FUNDS AND PUBLIC COMPANIES

The continuous disclosure obligations for a non-redeemable investment fund are governed primarily by National Instrument 81-106 – *Investment Fund Continuous Disclosure* ("**NI 81-106**"), while the continuous disclosure obligations for a public company are governed primarily by National Instrument 51-102 – *Continuous Disclosure Requirements* ("**NI 51-102**"). While the two continuous disclosure regimes are similar and both require periodic disclosure to investors on an annual and interim basis, there are a number of specific key differences as outlined in the table below.

	Investment Fund Regime	Public Company Regime ⁽¹⁾
<i>Continuous Disclosure Comparison</i>		
1. Key Legislation	NI 81-106	NI 51-102
2. Focus of disclosure	Investor returns and portfolio management; investor focused data (e.g. net asset value (" NAV ") and management expense ratio (" MER ").	Financial condition of revenue-generating operations. Focus is on the operational level. No prescribed framework for the reporting of investment portfolio performance and NAV, the way that the investment fund regime provides.
3. NAV and Management Expense Ratio calculations	An investment fund must, upon calculating the NAV of the investment fund under this section, make the following information available to the public at no cost: <ul style="list-style-type: none"> the net asset value of the investment fund; and the net asset value per security of the investment fund unless the investment fund is a scholarship plan. An investment fund may also disclose its calculation of Management Expense Ratio as set out in NI 81-106. Reference: Parts 14 and 15 of NI 81-106	The concept of calculating NAV and MER is not found in the Public Company Regime.
4. Corporate Governance Requirements	Investment funds must have a manager that is a registered investment fund manager under applicable Canadian Securities Laws that is subject to a statutory duty of care and other prescribed regulatory obligations governing its conduct. Investment funds must also have an independent review committee that reviews conflict of interest matters and is subject to prescribed criteria and	A public company has broad-based corporate governance requirements applicable to all aspects of governance. A public company must, at a minimum, have an independent audit committee. In addition, a public company should either have a compensation committee and a nominating committee, or describe what steps the board takes to encourage an

	Investment Fund Regime	Public Company Regime ⁽¹⁾
	<p>disclosure obligations under applicable Canadian Securities Laws.</p> <p>Reference: Sections 25(4) and 116 of the <i>Securities Act</i> (Ontario), National Instrument 31-103 – <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i>, National Instrument 81-107 – <i>Independent Review Committee for Investment Funds</i> and Form 81-101F2 – <i>Contents of Annual Information Form</i> ("NI 81-101F2")</p>	<p>objective compensation and nomination process if it does not have the relevant committees. A public company must make prescribed disclosure regarding its committees and corporate governance practices in its annual information form.</p> <p>Reference: National Instrument 52-110 – <i>Audit Committees</i>, National Instrument 58-101 – <i>Disclosure of Corporate Governance Practices</i> and National Policy 58-201 – <i>Corporate Governance Guidelines</i>.</p>
5. Changes to the Fund	<p>Investment funds are required to provide unitholders with a vote on certain fundamental changes, including:</p> <ul style="list-style-type: none"> • changes to the calculation of certain fees or expenses • change of manager (other than an affiliate) • change of fundamental investment objectives • certain reorganizations or sale of the assets of an investment fund <p>Reference: National Instrument 81-102 – <i>Investment Funds</i></p>	<p>There is no corresponding requirement for a public company to provide security holders a vote on fundamental changes, unless required under applicable corporate law or exchange requirements.</p>
6. Audit and Accounting Standards	<p>Acceptable Accounting Principles: IFRS</p> <p>Acceptable Auditing Standards: Canadian Generally Accepted Auditing Standards ("GAAS")</p>	<p>Acceptable Accounting Principles: IFRS.</p> <p>Acceptable Auditing Standards: GAAS.</p>
7. Annual Financial Statements	<p>Filing Deadline: Within 90 days after the investment fund's financial year-end.</p> <p>The annual financial statements must include:</p> <ul style="list-style-type: none"> (a) an income statement; (b) a cash flow statement; (c) a balance sheet as at the end of the financial year; (d) a statement of investment portfolio as at the end of the financial year; (e) notes to the financial statements. 	<p>Filing Deadline: Within 90 days after the public company's financial year-end.</p> <p>The annual financial statements must include:</p> <ul style="list-style-type: none"> (a) an income statement; (b) a statement of retained earnings; (c) a cash flow statement; (d) a balance sheet as at the end of the financial year; and

	Investment Fund Regime	Public Company Regime ⁽¹⁾
	Reference: Section 2.1 of NI 81-106	(e) notes to the financial statements. Reference: NI 51-102 Section 4.1
8. Interim Financial Statements	<p>Filing Deadline: Within 60 days of the most recent interim period (six months) of financial statements of the investment fund.</p> <p>Frequency: Once a year.</p> <p>Information required to be included in the interim financial statements is similar to that required in the annual financial statements.</p> <p>Reference: Section 2.3 of NI 81-106</p>	<p>Filing Deadline: Within 45 days after the end of each of the first three quarters of each financial year.</p> <p>Frequency: Three times a year.</p> <p>Information required to be included in the interim financial statements is similar to that required in the annual financial statements.</p> <p>Reference: Section 4.3 of NI 51-102</p>
9. Annual Management Report	<p>Filing Deadline: Within 90 days after the investment fund's financial year-end.</p> <p>An investment fund needs to file, together with the annual financial statements, an annual Management Report of Fund Performance ("MRFP"), setting out high level information about the fund's portfolio and market performance.</p> <p>Overall focus: The MRFP focuses primarily on an investment fund's market performance and investor return and various risks, and compares trends over the last 10 financial years.</p> <p>A MRFP includes</p> <ul style="list-style-type: none"> • management discussion of fund performance; • financial highlights; • past performance; • summary of investment portfolio; and • other material information. <p>Reference: Form 81-106F1 – Contents of Annual and Interim Management Report of Fund Performance ("NI 81-106F1") (Part B) and may not incorporate by reference any other document.</p>	<p>Filing Deadline: Within 90 days after the public company's financial year-end.</p> <p>A public company needs to file, together with the annual financial statements, an annual Management Discussion & Analysis ("MD&A"), setting out a detailed discussion of the company's operational performance.</p> <p>Overall focus: The MD&A focuses primarily on a public company's operational level results and financial condition and compares trends over the last 8 quarters.</p> <p>A MD&A requires a disclosure of diversified, specific information about the company's operation and performance, including:</p> <ul style="list-style-type: none"> • prescribed financial data derived from current annual financial statements and quarterly reports for each of the last 8 quarters, discussion of factors that have caused period to period variations; • analysis of the company's liquidity; • capital resources; • discussion of any off-balance sheet arrangement reasonably likely to have a current or

	Investment Fund Regime	Public Company Regime ⁽¹⁾
		<p>future effect on the financial performance;</p> <ul style="list-style-type: none"> • analysis of each of the company's critical accounting estimates; • discussion of the nature and extent of company's use of financial instruments and their business purposes; and • if applicable, MD&A must include the disclosure required by National Instrument 52-109 – <i>Certification of Disclosure in Issuers' Annual and Interim Filings</i> ("NI 52-109"). <p>Reference: Form 51-102F1 – <i>Management's Discussion and Analysis</i> ("NI 51-102F1").</p>
10. Interim Management Report	<p>Filing Deadline: Within 60 days after the end of a period of at least three months that ends six months before the end of a financial year.</p> <p>An investment fund needs to file, together with the interim financial statements, an interim MRFP. Information required to be included in the interim MRFP is similar to information required in the annual MRFP.</p> <p>Reference: NI 81-106F1 (Part C)</p>	<p>Filing Deadline: Within 45 days after the end of each of the first three quarters of each financial year.</p> <p>A public company needs to file, together with the interim financial statements, an interim MD&A.</p> <p>Information required to be included in the interim MD&A is similar to information required in the annual MD&A.</p> <p>Reference: NI 51-102F1</p>
11. Quarterly Portfolio Disclosure	<p>Filing Deadline: Must post to the investment fund's website within 60 days of the end of each quarter.</p> <p>A quarterly portfolio disclosure must include:</p> <ul style="list-style-type: none"> • a summary of investment portfolio prepared in accordance with Item 5 of Part B of Form 81-106F1; and • the total net asset value of the investment portfolio. <p>Reference: NI 81-106F1 (Part B) Item 5</p>	<p>No corresponding requirements for a public company to prepare separate quarterly disclosure in addition to the interim financial statements and interim MD&A.</p>
12. Annual Information Form	<p>Filing Deadline: Within 90 days of its financial year-end.</p>	<p>Filing Deadline: Within 90 days of its financial year-end.</p>

	Investment Fund Regime	Public Company Regime ⁽¹⁾
	<p>The prescribed content for an Annual Information Form of an investment fund requires the following disclosures that are not generally found in the Annual Information Form of a public company:</p> <ul style="list-style-type: none"> • Investment Restrictions • Valuation of Portfolio Securities • Calculation of Net Asset Value; and • Purchases and Switches <p>Reference: NI 81-101F2</p>	<p>The prescribed content for an Annual Information Form of a public company requires the following disclosures that are not generally found in the Annual Information Form of an investment fund:</p> <ul style="list-style-type: none"> • Description of Business • Risk Factors • Additional Information; and • Information Circular Disclosure. <p>Reference: NI 51-102F2 – <i>Annual Information Form</i></p> <p>Disclosure of Executive Compensation pursuant to NI 51-102F6 is required with the AIF or a management information circular prepared in connection with an annual meeting of the shareholders.</p>
13. CEO/CFO Certifications	<p>There are no corresponding CEO/CFO certification obligations for an investment fund.</p>	<p>Filing Deadline: Concurrent with the filing of the annual and interim financial statements, as applicable.</p> <p>Annual and interim financial statements of a public company must be reviewed and approved by the board of directors, and certified by filling a certificate signed by the CEO and the CFO, or the persons acting in those capacities (who may be employees of an outside management company), certifying as to:</p> <ul style="list-style-type: none"> • accuracy and fair representation • no misrepresentation • disclosure controls and procedures; and • internal controls over financial reporting. <p>Reference: NI 52-109F1 – <i>Certification of Annual Filings Full Certificate</i> and NI 52-109F2 –</p>

	Investment Fund Regime	Public Company Regime ⁽¹⁾
		<i>Certification of Interim Filings Full Certificate.</i>
<i>Prospectus Disclosure Comparison</i>		
1. Long Form Prospectus Disclosure	<p>The disclosure required in a non-redeemable investment fund prospectus is set out in NI 41-102F2 and the form and structure is similar to a public company prospectus.</p> <p>For key differences between the form of an investment fund prospectus and a public company prospectus, please see corresponding section under "Public Company Regime" on the right.</p> <p>Reference: NI 41-101F2 – <i>Information Required in an Investment Fund Prospectus</i></p>	<p>Certain additional disclosure required in a public company prospectus includes disclosure of historical, current and prospective information about the general business of the public company;</p> <ul style="list-style-type: none"> • executive compensation, including disclosure of information relating to indebtedness of directors and executive officers in accordance with NI 51-102F5 and NI 51- 102F6, which information is also required annually in either the management information circular provided in respect of an annual meeting, or with the annual information form; • disclosure of corporate governance and audit committee information; and • incorporation of disclosure prescribed in MD&A and Annual Information Form for public companies. <p>Reference: NI 41-101F – <i>Information Required in a Prospectus</i></p>

(1) Venture issuers (as such term is defined in NI 51-102) are subject to certain disclosure and timing requirements that differ from those that are set out herein.

SCHEDULE B

COMPARISON OF RIGHTS AS A UNITHOLDER OF THE TRUST AND AS A SHAREHOLDER OF UPC

The Trust is a trust and the rights of Trust Unitholders are established by the Trust Agreement unlike UPC, which is a corporation existing under the laws of Ontario, where the rights of Shareholders are governed by the OBCA and by the articles and by-laws of UPC.

Although the Trust Agreement, which is comparable to many closed-end fund products, will confer upon a Trust Unitholder many of the same protections, rights and remedies a Shareholder would have as a shareholder of a corporation governed by the OBCA, significant differences exist and a summary of some of the material differences is provided below. **This summary is not an exhaustive review and reference should be made to the full text of the articles and by-laws of UPC, the Trust Agreement and the OBCA, and any regulations thereunder, for particulars of differences between them.** Shareholders should consult their legal or other professional advisors with respect to the implications of holding Trust Units rather than Common Shares. Any capitalized terms used but not defined herein shall have the meaning given to them in the Circular to which this schedule is attached.

Rights	Common Shares	Trust Units
Authorized Capital	UPC is authorized to issue an unlimited number of Common Shares.	The Trust will be authorized to issue an unlimited number of Trust Units in an unlimited number of classes and series of a class.
Dividends/Distributions	The Board has adopted a policy of dedicating cash flow to reinvestment in the business. In addition, pursuant to the by-laws of UPC, 85% of the gross proceeds from certain offerings of securities by UPC is to be used to acquire uranium.	Commencing with the fiscal year ending December 31, 2021, Sprott Asset Management intends to cause the Trust to make an annual distribution of its net income and a portion of its net realized capital gains, as determined from the provisions of the Trust Agreement, if any, to Trust Unitholders through a distribution of cash or additional Trust Units as Sprott Asset Management may direct. Each Trust Unit of a particular class or series of a class shall entitle the holder thereof to participate <i>pro rata</i> , in accordance with the provisions of the Trust Agreement, with respect to all distributions made to that class or series of a class. Distributions shall be allocated among the classes or series of a class of Trust Units in such manner as Sprott Asset Management considers appropriate and equitable.
Voting Rights	Shareholders are entitled to one vote per Common Share held at all meetings of shareholders.	The Trust Unitholders will be entitled to one vote per Trust Unit at all meetings of Trust Unitholders.
Liquidation/Dissolution	Pursuant to the by-laws of UPC, in the event of liquidation, dissolution or winding-up of UPC, the holders of Common Shares are entitled to participate <i>pro rata</i> in the distribution of the proceeds from the sale of uranium and any other net assets of UPC, subject to applicable laws.	Each Trust Unit of a particular class or series of a class shall entitle the holder thereof (i) to participate <i>pro rata</i> , in accordance with the provisions of the Trust Agreement, upon liquidation of the Trust, and (ii) to participate <i>pro rata</i> with other Trust Unitholders of that same class or series of a class in the NAV of the Trust remaining after the satisfaction of outstanding liabilities of the Trust and the class or series of a class as provided in the Trust Agreement.
Dissent Rights	The OBCA provides for dissent rights in certain circumstances under which shareholders are entitled to receive fair value of their shares where certain fundamental changes affecting UPC are undertaken.	None.

Rights	Common Shares	Trust Units
Oppression and Similar Actions	The shareholders have recourse, among other things, to an oppression remedy that is available to shareholders of an OBCA corporation where UPC undertakes actions that are oppressive or unfairly prejudicial to, or that unfairly disregard the interests of, security holders and certain other parties. The OBCA also permits shareholders to bring or intervene in derivative actions in the name of UPC or any of its subsidiaries, with the leave of a court.	The Trust Agreement will not provide the Trust Unitholders with rights comparable to the oppression remedy or the right to bring a derivative action, as provided under the OBCA.
Shareholder or Trust Unitholder Meetings	<p>Shareholders are entitled to notice of and to attend all meetings of shareholders.</p> <p>Subject to the provisions of the OBCA, UPC shall hold an annual meeting of shareholders not later than fifteen months after holding the last preceding annual meeting for the purpose of considering the financial statements and the auditor's report, electing directors and appointing auditors.</p> <p>Subject to the provisions of the OBCA, a special meeting of shareholders may be called at any time by UPC and may be held in conjunction with an annual meeting of shareholders.</p> <p>A resolution in writing dealing with all matters required by the OBCA to be dealt with at a meeting of shareholders, and signed by all the shareholders entitled to vote at that meeting, satisfies all the requirements of the OBCA relating to that meeting of shareholders.</p> <p>Under the OBCA, only the holders of not less than 5% of the voting shares of UPC may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition.</p>	<p>Meetings of Trust Unitholders will be held by Sprott Asset Management or the trustee at such time and on such day as Sprott Asset Management or the trustee may from time to time determine for the purpose of considering the matters required to be placed before such meetings in accordance with the Trust Agreement or applicable laws and for the transaction of such other related matters as Sprott Asset Management or the trustee determines.</p> <p>Trust Unitholders holding Trust Units representing in aggregate not less than 50% of the NAV of the Trust may requisition a meeting of Trust Unitholders by giving a written notice to Sprott Asset Management or the trustee setting out in detail the reason(s) for calling and holding such a meeting. However, the trustee shall not be obligated to call any such meeting until it has been satisfactorily indemnified by such Trust Unitholders against all costs of calling and holding such meeting.</p> <p>A resolution in writing forwarded to all Trust Unitholders entitled to vote on such resolution and signed by the requisite number of Unitholders required to obtain approval of the matter addressed in such resolution is as valid as if it had been passed at a meeting of Trust Unitholders at a meeting.</p>
Shareholder or Trust Unitholder Proposals	<p>Under the OBCA, shareholder proposals may be submitted by both registered and beneficial shareholders who are entitled to vote at an annual shareholders' meeting.</p> <p>Under the OBCA, only the holders of an aggregate of not less than 5% of the voting shares of UPC may submit a proposal with respect to the election of directors.</p>	None.
Director/Trustee Residency Requirements	Under the OBCA, at least 25% of the directors of a corporation must be resident Canadians.	The trustee shall be a body corporate which, at all times during which it is the trustee of the Trust, shall be incorporated under the laws of Canada or under the laws of a province thereof and be resident in Canada for the purposes of the Tax Act.
Quorum for Meetings for Shareholders or Trust Unitholders	The quorum for a meeting of shareholders is met if two persons are present in person or represented by proxy, who, in the aggregate, hold at least 25% of the Common Shares.	A quorum for the transaction of business at any meeting of Trust Unitholders will be at least two Trust Unitholders holding not less than 5% of the outstanding Trust Units on such date present in person or represented by proxy and entitled to vote thereat.

SCHEDULE C
FAIRNESS OPINION

[Attached]

April 27, 2021

The Board of Directors of Uranium Participation Corporation

40 University Avenue, Suite 1100
Toronto, Ontario
M5J 1T1

To the Board of Directors of Uranium Participation Corporation:

Cormark Securities Inc. ("**Cormark Securities**", "**we**" or "**us**") understands that Uranium Participation Corporation ("**UPC**" or the "**Company**"), Sprott Asset Management LP ("**SAM LP**"), an affiliate of Sprott Inc. ("**Sprott**"), Sprott Physical Uranium Trust (the "**Trust**"), a newly formed trust, and 2834819 Ontario Inc. ("**Exchangeco**") propose to enter into an arrangement agreement to be dated as of April 27, 2021 (the "**Arrangement Agreement**") pursuant to which, among other things, shareholders of UPC (the "**UPC Shareholders**") will, subject to certain limits, receive one unit of the Trust (each, a "**Trust Unit**") or one redeemable and retractable preferred share in the capital of Exchangeco (each, an "**Exchangeable Share**") for each common share of UPC (each, a "**Common Share**").

We further understand that:

- (a) the arrangement (the "**Arrangement**"), as contemplated by the Arrangement Agreement, will be effected by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario) ("**OBCA**");
- (b) the management services agreement between UPC and Denison Mines Inc. ("**Denison**") dated as of April 1, 2019 (the "**Management Services Agreement**") will be terminated and replaced with a management agreement to be entered into between SAM LP and the Trust prior to the effective date of the Arrangement (the "**Management Agreement**");
- (c) the material terms and conditions of the Arrangement will be fully described in a management information circular of UPC (the "**Circular**") to be mailed to UPC Shareholders in connection with the special meeting (the "**Special Meeting**") of UPC Shareholders to be called and held to, among other things, consider the special resolution to approve the Arrangement (the "**Arrangement Resolution**") vote on the Arrangement Resolution;
- (d) the completion of the Arrangement is conditional upon, among other things, the satisfaction of customary closing conditions as included in the Arrangement Agreement including, but not limited to, the approval from 66 2/3% of the votes cast in favour of the Arrangement Resolution by UPC Shareholders and a "majority of the minority" of the votes cast by UPC Shareholders present in person or by proxy at the Special Meeting, approval from the Ontario Superior Court of Justice (Commercial List), the conditional approval of the listing of the Trust Units on the Toronto Stock Exchange ("**TSX**"), and the receipt of all necessary regulatory approvals;
- (e) upon completion of the Arrangement, all UPC Shareholders will hold Trust Units, other than in limited circumstances for "Eligible Holders" (as such term is defined in the Arrangement Agreement) who validly make an election to receive Exchangeable Shares which election may enable such Eligible Holder(s) to obtain a full or partial Canadian tax deferral in respect of the transfer of their Common Shares and the creation and issuance of the Exchangeable Shares is subject to, among other things, the Common Shares being exchanged under the Plan of Arrangement for aggregate Exchangeable Shares having an equivalent value of at least \$50 million (on the basis of Exchangeable Shares having an equivalent value of \$5.02 per Exchangeable Share) and no more than 19.90% of the issued an

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outstanding Common Shares (other than the dissenting Common Shares) may be exchanged for Exchangeable Shares;

- (f) SAM LP has provided a covenant that within six months following completion of the Arrangement, it will cause to be submitted to the New York Stock Exchange Arca (“**NYSE Arca**”) a draft application in respect of the listing of the Trust Units on NYSE Arca, and SAM LP shall pay all out-of-pocket expenses incurred by the Trust in connection therewith, up to an aggregate maximum of \$1.5 million;
- (g) pursuant to the terms of the Management Agreement, the Trust will be managed by SAM LP and the Trust will pay SAM LP certain fees including, without limitation, a monthly management fee equal to 1/12 of 0.35% of the Net Asset Value (“**NAV**”), as defined in the Trust Agreement, of the Trust plus any applicable federal and provincial taxes (the “**Management Fee**”);
- (h) pursuant to the Arrangement Agreement, SAM LP will make a cash payment, or series of cash payments, to UPC equal to (i) approximately \$6.7 million (the “**Conversion Payment**”) (being an amount equal to approximately 1% of UPC’s NAV as of March 31, 2021), (ii) an amount up to a maximum of \$1.0 million equal to all reasonable expenses of UPC related to the Arrangement, and (iii) an amount equal to the amount payable under the Management Services Agreement on the termination thereof; and
- (i) following the Arrangement, the Trust will continue to engage in substantively the same business as UPC prior to the completion of the Arrangement in all material respects.

Cormark Securities has been retained by the Board of Directors of UPC (the “**UPC Board**”) to provide an opinion to the UPC Board as to whether the consideration to be received by the UPC Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such shareholders (the “**Fairness Opinion**”). We understand that the formal valuation requirement under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) does not apply in respect of the Arrangement. The Fairness Opinion does not constitute a “formal valuation” within the meaning of MI 61-101.

CORMARK SECURITIES’ ENGAGEMENT

Cormark Securities was first contacted in January 2019 in connection with an initial proposed transaction, and formally retained in February 2019, in respect thereof. The initial engagement was suspended in March 2020, when the UPC Board determined not to pursue the initial proposed transaction. Cormark Securities was subsequently contacted in January 2021 in respect of the Arrangement and formally retained by the UPC Board pursuant to an engagement letter dated March 25, 2021 (the “**Engagement Letter**”). Under the terms of the Engagement Letter, Cormark Securities agreed to provide the UPC Board with various advisory services in connection with the Arrangement including, among other things, the provision of the Fairness Opinion.

The terms of the Engagement Letter provide that Cormark Securities shall be paid a fixed fee upon delivery of the Fairness Opinion (the “**Fairness Opinion Fee**”) to be paid within two business days of the oral delivery of the Fairness Opinion, which occurred on April 27, 2021 (the “**Opinion Date**”). The Fairness Opinion Fee is not contingent in whole or in part on the success or completion of the Arrangement or on the conclusions reached in the Fairness Opinion. Furthermore, Cormark Securities is to be reimbursed for its reasonable out-of-pocket expenses and is to be indemnified by the Company, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services pursuant to the Engagement Letter. The fees paid to Cormark Securities in connection with the Engagement Letter are not financially material to Cormark Securities.

On the Opinion Date, at the request of the UPC Board, Cormark Securities orally delivered the Fairness Opinion to the UPC Board based upon and subject to the scope of review, analyses, assumptions, limitations, qualifications and other matters described herein. This Fairness Opinion provides the same opinion, in writing, as that given orally by Cormark Securities on the Opinion Date. This Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada (“**IIROC**”) but IIROC has not been involved in the preparation or review of this Fairness Opinion.

CREDENTIALS OF CORMARK SECURITIES

Cormark Securities is an independent Canadian investment dealer providing investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. Cormark Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing fairness opinions.

The Fairness Opinion represents the opinion of Cormark Securities and its form and content have been approved for release by a committee of its directors and officers, each of whom is experienced in merger, acquisition, divestiture, valuation, fairness opinion and other capital markets matters.

INDEPENDENCE OF CORMARK SECURITIES

Neither Cormark Securities, nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, SAM LP, the Trust, Exchangeco, Sprott, Denison or any of their associates or affiliates (each, an “**Interested Party**” and collectively, the “**Interested Parties**”).

In the past twenty-four-month period Cormark Securities has not been engaged by any of the Interested Parties to provide financial advisory services nor has it participated in any financings with the exception of:

- (a) Providing advisory services to the Company in connection with an initial proposed transaction between the Company and SAM LP;
- (b) Providing certain advisory services to the Company in connection with the Arrangement;
- (c) Cormark Securities was engaged to act as sole broker in connection with the Company's normal course issuer bid announced April 14, 2020; and
- (d) Cormark Securities acted as co-manager in connection with the US\$86,273,000 “bought deal” public offering of units of Denison announced on March 15, 2021.

There are no understandings, agreements or commitments between Cormark Securities and any Interested Party, with respect to any future business dealings. However, Cormark Securities may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for any Interested Party.

Cormark Securities acts as a securities trader and dealer, both as principal and agent, in major financial markets in Canada and, as such, may have had, may have and may in the future have positions in securities of the Company or other Interested Parties and, from time to time, may have executed or may execute transactions on behalf of such entities for which it may have received or may receive compensation. As an investment dealer, Cormark Securities conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Interested Parties or the Arrangement.

SCOPE OF REVIEW

In connection with rendering the Fairness Opinion, Cormark Securities has reviewed and relied upon (without verifying or attempting to verify independently the completeness or accuracy thereof) or carried out, among other things, the following:

- (a) a draft of the Arrangement Agreement, including supporting schedules thereto;
- (b) a draft of the Management Agreement;
- (c) a draft of the Trust Agreement;
- (d) copies of “Proposed Term Sheet” materials submitted to the UPC Board by SAM LP between January 2019 and January 2021;

- (e) copies of certain presentation materials submitted to the UPC Board by SAM LP;
- (f) copies of certain Microsoft Excel workbooks submitted to the UPC Board and management of UPC by SAM LP;
- (g) the Management Services Agreement;
- (h) discussions and communications with the UPC Board and management of UPC relating to the Company's current business, business plan, financial condition and prospects;
- (i) various other discussions and communications with the UPC Board, management of UPC, representatives of SAM LP, and their respective advisors;
- (j) public information relating to the business, operations, financial performance and equity trading history of the Company and other selected public issuers considered by us to be relevant;
- (k) investment research reports published by equity research analysts and industry sources regarding UPC and other public issuers to the extent considered by us to be relevant;
- (l) public information in respect of select precedent transactions we considered relevant including, among other things, whether payments were contributed to the relevant entity in connection therewith for the benefit of shareholders;
- (m) a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Fairness Opinion is based, addressed to us and dated as of the date hereof provided by a certain senior officer of the Company; and
- (n) such other information investigations and analyses as we considered necessary or appropriate in the circumstances.

Cormark Securities has not, to the best of its knowledge, been denied access by the Company to any information requested by Cormark Securities. Cormark Securities did not meet with the auditors of the Company and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the consolidated financial statements of the Company and the reports of the auditors thereon.

PRIOR VALUATIONS

The Company has represented to Cormark Securities that there have not been any prior valuations (as defined in MI 61-101) of the Company or its material assets or its securities in the past twenty-four-month period.

ASSUMPTIONS AND LIMITATIONS

Cormark Securities has not been asked to prepare and has not prepared a formal valuation of the Company pursuant to MI 61-101 or otherwise or any of its respective securities or assets, and the Fairness Opinion should not be construed as such. In addition, the Fairness Opinion is not, and should not be construed as, advice as to the price at which the Common Shares may trade at any future date. Cormark Securities was similarly not engaged to review any legal, tax or accounting aspects of the Arrangement and as such did not undertake any such analysis. In addition, the Fairness Opinion does not address the relative merits of the Arrangement as compared to any other transaction involving the Company or the prospects or likelihood of any alternative transaction or any other possible transaction involving the Company, its assets or its securities. The Fairness Opinion is limited to the fairness, from a financial point of view, of the consideration to be received by UPC Shareholders pursuant to the Arrangement and not the strategic or legal merits of the Arrangement. The Fairness Opinion does not provide assurance that the best possible price or transaction was obtained. Nothing contained herein is to be construed as a legal interpretation, an opinion on any contract or document, or a recommendation to invest or divest.

The Fairness Opinion has been provided for the exclusive use of the UPC Board and should not be construed as a recommendation to vote in favour of the Arrangement or relied upon by any other person. Except for the inclusion of the Fairness Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, the Fairness Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent. Cormark Securities will not be held liable for any losses sustained by any person should the Fairness Opinion be circulated, distributed, published, reproduced or used contrary to the provisions of this paragraph.

The Fairness Opinion is rendered as of the Opinion Date on the basis of securities markets, economic and general business and financial conditions prevailing on that date. It must be recognized that fair market value, and hence fairness from a financial point of view, changes from time to time, not only as a result of internal factors, but also because of external factors such as changes in the economy, commodity prices, environmental laws and regulations, markets for minerals, competition and changes in consumer/investor preferences. Cormark Securities disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to Cormark Securities' attention after the Opinion Date. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the Opinion Date, Cormark Securities reserves the right to change, modify or withdraw the Fairness Opinion.

With the approval of the UPC Board, Cormark Securities has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to it or adopted by or on behalf of, or at the request of, the Company and its directors, officers, agents and advisors or otherwise (collectively, the **"Information"**) and Cormark Securities has assumed that the Information did not omit to state any material fact or any fact necessary to be stated to make that Information not misleading. The Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of the Information including as to the absence of any undisclosed material fact or change. Subject to the exercise of professional judgment and except as expressly described herein, Cormark Securities has not attempted to independently verify or investigate the completeness, accuracy or fair presentation of any of the Information.

With respect to financial and operating forecasts, projections, financial models, estimates and/or budgets provided to Cormark Securities and used in the analyses supporting the Fairness Opinion, Cormark Securities has noted that projecting future results of any company is inherently subject to uncertainty. Cormark Securities has assumed that such forecasts, projections, financial models, estimates and/or budgets were reasonably prepared consistent with industry practice on a basis reflecting the best currently available assumptions, estimates and judgments of management of the Company as to the future financial performance of the Company and are (or were at the time and continue to be) reasonable in the circumstances. In rendering the Fairness Opinion, Cormark Securities expresses no view as to the reasonableness of such forecasts, projections, financial models, estimates and/or budgets or the assumptions on which they are based. Furthermore, Cormark Securities has not assumed any obligation to conduct, and has not conducted, any physical inspection of the properties or facilities of any Interested Party.

The Chief Financial Officer of the Company has made certain representations to Cormark Securities evidenced by the delivery of a certificate to us with the intention that Cormark Securities may rely thereon in connection with the preparation of the Fairness Opinion, including that: (a) all Information provided by, or on behalf, of the Company or any of its subsidiaries (as such term is defined in the *Securities Act* (Ontario)) or their respective agents and representatives to Cormark Securities relating to the Company or any of its subsidiaries for the purpose of preparing the Fairness Opinion was, to the knowledge of the Chief Financial Officer and as at the date such information was provided to Cormark Securities, complete, true and correct in all material respects, and did not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Arrangement and did not omit to state a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided (except to the extent that any such Information was superseded by Information subsequently delivered to Cormark Securities); (b) with respect to any portions of the Information that constitute forecasts, projections, estimates and/or budgets of the Company, such forecasts, projections, estimates and/or budgets (i) were prepared using the probable courses of actions to be taken or events reasonably expected to occur during the period covered thereby; (ii) were prepared using the assumptions identified therein, which in the reasonable belief of the management of the Company are (or were at the time of preparation and continue to be) reasonable in the circumstances; (iii) were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of the Company as to matters covered thereby at the time thereof; (iv) reasonably present the views of such management of the financial prospects and forecasted performance of the Company and its subsidiaries and are consistent with historical operating experience of the Company and its subsidiaries; and (v) are not, in the

reasonable belief of management of the Company, misleading in any material respect in light of the assumptions used or in light of any developments since the time of their preparation; (c) since the dates on which the Information was provided to Cormark Securities, except as disclosed in writing to Cormark Securities or in a public filing with securities regulatory authorities, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Fairness Opinion; (d) to the best of the Chief Financial Officer's knowledge, information and belief after due inquiry, there are no independent appraisals or valuations or material non-independent appraisals or valuations, or any "prior valuations" (as defined in MI 61-101) relating to the Company or any of its subsidiaries or any of their respective material assets or liabilities which have been prepared as of a date within the preceding two years; (e) since the dates on which the Information was provided to Cormark Securities, except for the Arrangement, no material transaction was entered into by the Company or any of its subsidiaries and neither the Company nor any of its subsidiaries had any material plans to enter into a material transaction, other than the Arrangement, an equity financing, with the net proceeds being used to fund future purchases of U₃O₈ and/or UF₆, that may be completed prior to closing of the Arrangement, or transactions that have been disclosed to Cormark Securities or generally disclosed; and (f) except as disclosed to Cormark Securities, there were no actions, suits, proceedings or inquiries pending or threatened against or affecting the Company or its affiliates, at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way materially affect the Company and its affiliates or the value of any of its securities.

In its analyses and in preparing the Fairness Opinion, Cormark Securities has made numerous assumptions with respect to expected industry performance, general business and economic conditions and other matters, many of which are beyond the control of Cormark Securities or any party involved in the Arrangement. Cormark Securities has also assumed that the executed Arrangement Agreement and other definitive documents will not differ in any material respect from the drafts that we reviewed, the Arrangement will be consummated in accordance with the terms and conditions thereof, substantially within the time frames specified in the Arrangement Agreement without any waiver or material amendment of any material term or condition thereof, that the Arrangement was negotiated at arm's length and that the Arrangement does not constitute a "related party transaction" as defined under MI 61-101, that any governmental, regulatory or other consents and approvals necessary for the consummation of the Arrangement will be obtained without any adverse effect, the disclosure provided or incorporated by reference in the management information circular to be filed on SEDAR and mailed to the UPC Shareholders in connection with the Arrangement and any other documents in connection with the Arrangement, prepared by a party to the Arrangement Agreement, will be accurate in all material respects and will comply with the requirements of all applicable laws, that all of the conditions required to implement the Arrangement will be met, that the procedures being followed to implement the Arrangement are valid and effective, and that the Circular will be distributed to the UPC Shareholders in accordance with applicable laws.

Cormark Securities believes that the Fairness Opinion must be considered and reviewed as a whole and that selecting portions of the analyses or factors considered by Cormark Securities, without considering all the analyses and factors together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

FAIRNESS OPINION

Based upon and subject to the foregoing and such other matters as we considered relevant, it is the opinion of Cormark Securities that, as of the Opinion Date, the consideration to be received by UPC Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such shareholders.

Yours very truly,



CORMARK SECURITIES INC.

QUESTIONS AND FURTHER ASSISTANCE



If you have any questions or require any assistance in executing your proxy or voting instruction form, please call Gryphon Advisors Inc. at:

North American Toll-Free Number: 1.833.248.5458

Outside North America, Banks, Brokers and Collect Calls: 1.416.902.5565

Email: inquiries@gryphonadvisors.ca

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