EXECUTION VERSION

NOVACOPPER INC.

AND

SUNWARD RESOURCES LTD.

ARRANGEMENT AGREEMENT

DATED April 22, 2015

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated April 22, 2015

BETWEEN:

NOVACOPPER INC., a corporation existing under the Laws of the Province of British Columbia ("**NovaCopper**")

AND:

SUNWARD RESOURCES LTD., a corporation existing under the Laws of the Province of British Columbia ("**Sunward**")

RECITALS:

A. NovaCopper desires to acquire all of the issued and outstanding Sunward Shares (as hereinafter defined).

B. The Parties (as hereinafter defined) have determined that the transactions contemplated by this Agreement will be effected by means of a Plan of Arrangement under the BCBCA (as hereinafter defined) and Sunward has agreed to submit the Plan of Arrangement for approval by the Sunward Shareholders (as hereinafter defined) and the Supreme Court of British Columbia.

C. The Sunward Board (as hereinafter defined) has determined, after receiving financial and legal advice and following the receipt and review of a unanimous recommendation from the Special Committee (as hereinafter defined) that the Consideration (as hereinafter defined) per Sunward Share to be received by Sunward Shareholders pursuant to the Arrangement (as hereinafter defined) is fair to Sunward Shareholders from a financial point of view and that the Arrangement is in the best interests of Sunward, and the Sunward Board has resolved to recommend that the Sunward Shareholders vote in favour of the Arrangement, all subject to the terms and the conditions contained in this Agreement.

D. The NovaCopper Board (as hereinafter defined) has determined, after receiving financial and legal advice, that the Arrangement is advisable and in the best interests of NovaCopper, and the NovaCopper Board has resolved to recommend that the NovaCopper Shareholders vote in favour of the issuance of the Consideration Shares (as hereinafter defined), the DSU Shares, and reservation for issuance of the Option Shares (as hereinafter defined), as may be required by the NYSE MKT, all subject to the terms and the conditions contained in this Agreement.

E. NovaCopper has entered into the NovaCopper Voting Agreements (as hereinafter defined) with the Sunward Locked-Up Shareholders (as hereinafter defined), pursuant to which, among other things, such Sunward Shareholders have agreed, subject to the terms and conditions thereof, to vote the Sunward Shares held by them in favour of the Arrangement.

THIS AGREEMENT WITNESSES THAT in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, including any transaction involving only Sunward or NovaCopper and/or one or more of its wholly-owned subsidiaries, any offer, proposal, expression of interest, or inquiry from any Person or group of Persons (other than a Party or any of its affiliates) after the date hereof relating to:

(a) any acquisition or sale, direct or indirect (including by way of option, lease or joint venture), of:

(i) the assets of a Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of such Party and its subsidiaries, taken as a whole; or

(ii) 20% or more of any voting or equity securities, or any securities exchangeable for or convertible into voting or equity securities, of a Party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of such Party and its subsidiaries, taken as a whole;

(b) any take-over bid, tender offer or exchange offer for any class of voting or equity securities, or any securities exchangeable for or convertible into voting or equity securities, of a Party and/or one or more of its subsidiaries that, if consummated, would result in such Person or Persons beneficially owning 20% or more of any class of such securities;

(c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, joint venture, partnership, liquidation, dissolution or other similar transaction involving a Party or any of its subsidiaries;

(d) any transaction or series of transactions similar to those referred to in paragraphs (a), (b), or (c) above involving a Party or any of its subsidiaries; or

(e) any public announcement of an intention to do any of the foregoing;

"**affiliate**" has the meaning ascribed thereto in the *Securities Act*;

"**Agreement**" means this arrangement agreement, including all schedules annexed hereto, together with the Sunward Disclosure Letter and the NovaCopper Disclosure Letter, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Applicable Anti-Corruption Laws**" has the meaning ascribed thereto in Section 3.1(ii);

"**Arrangement**" means the arrangement under Section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 8.3 hereof or the Plan of Arrangement or

made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both Sunward and NovaCopper, each acting reasonably);

"Arrangement Option" has the meaning ascribed thereto in Section 5.4(h);

"**Arrangement Resolution**" means the special resolution of the Sunward Shareholders approving the Plan of Arrangement which is to be considered at the Sunward Meeting and shall be substantially in the form and content of Schedule "B" hereto;

"**Authorization**" means any authorization, order, permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, bylaw, rule or regulation, whether or not having the force of Law, and includes any Environmental Permit;

"**BCBCA**" means the *Business Corporations Act* (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**BCSC**" means the British Columbia Securities Commission, and includes any successor thereto;

"**Board Nominees**" means two persons nominated by Gold First to be directors of NovaCopper as of the Effective Time, provided that such persons shall be acceptable to NovaCopper, acting reasonably;

"**business day**" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia;

"**Change in Recommendation**" means the circumstances where, prior to Sunward having obtained the Sunward Shareholder Approval or NovaCopper having obtained the NovaCopper Shareholder Approval, as applicable, the board of directors of a Party fails to recommend or withdraws, amends, modifies or qualifies, in a manner adverse to the other Party or fails to reaffirm its recommendation of the Arrangement within five (5) business days (and in any case prior to the Sunward Meeting and the NovaCopper Meeting) after having been requested in writing by such other Party to do so, in a manner adverse to such other Party (it being understood that the taking of a neutral position or no position with respect to an Acquisition Proposal beyond a period of ten (10) business days (or beyond the date which is one business day prior to the Sunward Meeting and the NovaCopper Meeting, if sooner) shall be considered an adverse modification);

"**Confidentiality Agreement**" means the mutual confidentiality agreement between NovaCopper and Sunward, dated January 21, 2015, as amended or supplemented from time to time;

"**Consideration**" means the consideration to be received by the Sunward Shareholders pursuant to the Plan of Arrangement as consideration for their Sunward Shares, consisting of 0.30 NovaCopper Shares per Sunward Share;

"**Consideration Shares**" means the NovaCopper Shares to be issued as the Consideration pursuant to the Arrangement;

"**Contract**" means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation (written or oral) to which a Party or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

"**Court**" means the Supreme Court of British Columbia;

"**D&O Insurance**" has the meaning ascribed thereto in Section 7.6(a);

"**Depositary**" means any trust company, bank or other financial institution agreed to in writing by Sunward and NovaCopper for the purpose of, among other things, exchanging certificates representing Sunward Shares for the Consideration in connection with the Arrangement;

"**Dissent Rights**" means the rights of dissent exercisable by the Sunward Shareholders in respect of the Arrangement described in Article 4 of the Plan of Arrangement;

"**DSU Shares**" means the NovaCopper Shares issuable upon the automatic vesting of the Sunward DSUs at the Effective Time;

"**Effective Date**" has the meaning ascribed thereto in Section 2.10(a);

"**Effective Time**" means the time on the Effective Date that the Arrangement will be deemed to have been completed, which shall be 12:01 am (Vancouver time) on the Effective Date or such other time as agreed to by NovaCopper and Sunward in writing;

"**Environmental Laws**" means all Laws, including the laws of Colombia and the United States, as applicable, imposing obligations, responsibilities, liabilities or standards of conduct for or relating to: (a) the regulation or control of pollution, contamination, activities, materials, substances or wastes in connection with or for the protection of human health or safety, the environment or natural resources (including climate, air, surface water, groundwater, wetlands, land surface, subsurface strata, wildlife, aquatic species and vegetation); or (b) the use, generation, disposal, treatment, processing, recycling, handling, transport, distribution, destruction, transfer, import, export or sale of Hazardous Substances;

"**Environmental Liabilities**" means, with respect to any Person, all liabilities, obligations, responsibilities, responses, losses, damages, punitive damages, property damages, consequential damages, treble damages, costs (including control, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs), expenses, fines, penalties and sanctions incurred as a result of or related to any claim, suit, action, administrative or court order, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law, relating to any environmental matter, arising under or related to any Environmental Laws, Environmental Permits, or in connection with any: (a) Release or threatened Release or presence of a Hazardous Substance whether on, at, in, under, from or about or in the vicinity of any real or personal property; (b) tank, drum, pipe or other container that contains or contained a Hazardous Substance; or (c) use, generation, disposal, treatment, processing, recycling, handling, transport, transfer, import, export or sale of Hazardous Substance;

"**Environmental Permits**" means all Permits or program participation requirements, sign-offs or registrations required by or available with or from any Governmental Entity under any Environmental Laws;

"**Exchange Ratio**" means 0.30;

"**Filing Deadline**" means the date of filing by NovaCopper of the Preliminary NovaCopper Circular with the SEC, which shall be the later of (a) April 28, 2015; and (b) the date that is three

(3) days following receipt by NovaCopper from Sunward of all of Sunward's information required to be included in the NovaCopper Circular;

"**Final Order**" means the final order of the Court pursuant to Section 291 of the BCBCA, in a form acceptable to Sunward and NovaCopper, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both Sunward and NovaCopper, 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 both Sunward and NovaCopper, each acting reasonably) on appeal;

"**Gold First**" means Gold First Investments Limited, a holder of 32.6% of Sunward's Shares;

"**Governmental Entity**" means: (a) any multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or entity, domestic or foreign; (b) any stock exchange, including the TSX or the NYSE MKT; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; (e) any corporation or other body that is wholly or partially owned (20% or greater) or controlled by any of the above; or (f) any public international organization;

"**Government Official**" includes (i) any employee, official or agent of any Government Entity; (ii) any person who holds a legislative, administrative, regulatory or judicial position with any Government Entity; or (iii) any member of a political party or candidate for public office outside of Canada or the United States;

"**Hazardous Substance**" means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including hydrogen sulphide, arsenic, cadmium, copper, lead, mercury, petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material, substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any Environmental Law;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board;

"**including**" means including without limitation, and "**include**" and "**includes**" have a corresponding meaning;

"**In-the-Money Amount**" in respect of a stock option means the amount, if any, by which the aggregate fair market value at the time of the securities subject to the stock option exceeds the aggregate exercise price of the stock option;

"**Interim Order**" means the interim order of the Court in a form acceptable to Sunward and NovaCopper, each acting reasonably, providing for, among other things, the calling and holding of the Sunward Meeting, as the same may be amended by the Court with the consent of Sunward and NovaCopper, each acting reasonably;

"**Key Regulatory Approvals**" means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the waiver or lapse, without objection, of a prescribed

time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities, as set out in Schedule "C" hereto;

"**Key Third Party Consents**" means those consents, approvals and notices required from any third party in respect of the completion of the Arrangement that are set out in Schedule "D" hereto;

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any Permit of or from any Governmental Entity or self-regulatory authority (including the TSX and the NYSE MKT), and the term "**applicable**" with respect to such Laws and in a context that refers to a Party, means such Laws as are applicable to such Party and/or its subsidiaries or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Party and/or its subsidiaries or its or their business, undertaking, property or securities;

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Mailing Deadline**" means the date that is three (3) days following the expiration of the 10-day waiting period following the filing of the Preliminary NovaCopper Circular with the SEC or the satisfaction of any comments from the SEC on the Preliminary NovaCopper Circular;

"**Material Adverse Effect**" means, in respect of any Person, any change, effect, event or circumstance that, individually or in the aggregate with other such changes, effects, events or circumstances, has had or would reasonably be expected to have a material adverse effect on the business, results of operations or financial condition of such Person and its subsidiaries, taken as a whole; provided that no change, effect, event or circumstance resulting from or attributable to any of the following shall be deemed to be, or taken into account in determining whether there has been or would reasonably expected to be, a Material Adverse Effect: (i) the announcement of the execution of this Agreement or the transactions contemplated hereby; (ii) general political, economic or financial conditions in Canada, the United States or Colombia; (iii) the state of securities or commodity markets in general; (iv) any change in applicable Laws or in the interpretation or application thereof by any Governmental Entity provided that such change does not have the effect of expropriating or materially reducing the ownership interest in, or rights to, the property and the Mineral Rights of that Person; (v) any change in IFRS or in the interpretation or application thereof by any Governmental Entity; (vi) any weather-related event or natural disaster or outbreak or escalation of hostilities or acts of war (whether or not declared) or act of terrorism; (vii) changes affecting the mining industry generally or the price of gold; (viii) any change, in and of itself, in the market price or trading volume of such Person's common shares (it being understood that the facts or occurrences giving rise to or contributing to such change may be taken into account in determining whether there has been, or will be, a Material Adverse Effect); provided that, in the case of clauses (ii), (iii), (iv), (v), (vi) and (vii), any such change, effect, event or circumstance shall not be excluded to the extent the same disproportionately affects (individually or together with other changes, effects, events or circumstances) such Person and its subsidiaries, taken as a whole, as compared to other similarly situated Persons operating in the same industry in which such Person and its subsidiaries operate;

"**material fact**" and "**material change**" have the meanings ascribed thereto in the Securities Act;

"**MD&A**" has the meaning ascribed thereto in Section 3.1(j);

"**Meeting Deadline**" means thirty (30) days following the Mailing Deadline;

"**misrepresentation**" has the meaning ascribed thereto in the Securities Act;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;

"**NovaCopper Aboriginal Contracts**" has the meaning ascribed thereto in Section 4.1(r)(x);

"**NovaCopper Board**" means the board of directors of NovaCopper as the same is constituted from time to time;

"**NovaCopper Preliminary Circular**" means the proxy statement as may be required by Section 14(a) of the U.S. Exchange Act;

"**NovaCopper Circular**" means the notice of the NovaCopper Meeting and accompanying joint management information circular of NovaCopper and Sunward, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the NovaCopper Shareholders in connection with the NovaCopper Meeting, as amended, supplemented or otherwise modified from time to time;

"**NovaCopper Disclosure Letter**" means the disclosure letter executed by NovaCopper and delivered to Sunward prior to the execution of this Agreement;

"**NovaCopper Financial Statements**" has the meaning ascribed thereto in Section 4.1(j);

"**NovaCopper Meeting**" means the special meeting of NovaCopper Shareholders, including any adjournment or postponement thereof, to be called for the purpose of obtaining NovaCopper Shareholder Approval;

"**NovaCopper Mineral Rights**" has the meaning ascribed thereto in Section 4.1(r);

"**NovaCopper Options**" has the meaning ascribed thereto in Section 4.1(e);

"**NovaCopper Properties**" has the meaning ascribed thereto in Section 4.1(r);

"**NovaCopper Public Disclosure Record**" means all prospectuses, information statements, reports, schedules, forms and other documents filed by NovaCopper on SEDAR since November 30, 2013;

"**NovaCopper Shareholder Approval**" means the approval by the NovaCopper Shareholders by ordinary resolution at the NovaCopper Meeting of the issuance of the Consideration Shares, the DSU Shares and reservation for issuance of the Option Shares, in accordance with the policies of the TSX;

"**NovaCopper Shareholders**" means the holders of NovaCopper Shares;

"**NovaCopper Shares**" means the common shares in the authorized capital of NovaCopper;

"**NovaCopper Termination Fee Event**" has the meaning ascribed thereto in Section 7.4(f);

"**NovaCopper Voting Agreements**" means the voting agreements (including all amendments thereto) between NovaCopper and the Sunward Locked-up Shareholders setting forth the terms and conditions upon which the Sunward Locked-up Shareholders have agreed, among other things, to vote their Sunward Shares in favour of the Arrangement Resolution;

"**NYSE MKT**" means the NYSE MKT LLC;

"**Option Shares**" means the NovaCopper Shares issuable upon the exercise of Arrangement Options;

"**ordinary course of business**", "**ordinary course of business consistent with past practice**", or any similar reference, means, with respect to an action taken by a Person, that such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day business and operations of such Person; provided that in any event such action is not unreasonable or unusual;

"**Outside Date**" means August 31, 2015, or such later date as may be agreed to in writing by the Parties;

"**Parties**" means Sunward and NovaCopper, and "Party" means any of them;

"**Permit**" means any license, permit, certificate, consent, order, grant, approval, agreement, classification, restriction, registration or other Authorization of, from or required by any Governmental Entity;

"**Permitted Liens**" means (i) easements, rights of way, zoning ordinances, and other similar land use and environmental regulations which are not, individually or in the aggregate, material in amount or effect to the business of the applicable Party and its consolidated subsidiaries; (ii) Liens arising under or pursuant to the organizational documents of the applicable Party or any of its subsidiaries; and (iii) Liens which do not, individually or in the aggregate, materially detract from the value or materially interfere with any present or intended use of such property or assets;

"**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

"**Plan of Arrangement**" means the plan of arrangement of Sunward, substantially in the form of Schedule "A" hereto, and any amendments or variations thereto made in accordance with the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Sunward and NovaCopper, each acting reasonably;

"**Regulatory Authorities**" means any regulatory or governmental agency having jurisdiction over Sunward or any of its subsidiaries, on the one hand, or NovaCopper or any of its subsidiaries, on the other hand, or their respective activities;

"**Regulatory Authorizations**" has the meaning ascribed thereto in Section 3.1(w);

"**Release**" means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, ground water or property;

"**Representatives**" has the meaning ascribed thereto in Section 7.2(a);

"**Response Period**" has the meaning ascribed thereto in Section 7.3(a)(ii);

"**Returns**" means all returns, reports, declarations, elections, notices, filings, information returns and statements in respect of Taxes that are filed or required to be filed with any Governmental Entity, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form;

"**SEC**" means the United States Securities and Exchange Commission;

"**Securities Act**" means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**Securities Authorities**" means the BCSC and the applicable securities commissions and other securities regulatory authorities in each of the other provinces of Canada;

"**Securities Laws**" means the Securities Act, the U.S. Securities Act and the U.S. Exchange Act, together with all other applicable state, federal and provincial securities Laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Special Committee**" means the special committee of the Sunward Board established to consider and make recommendations to the Sunward Board regarding the Arrangement and any Acquisition Proposal;

"**subsidiary**" has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus and Registration Exemptions*;

"**Sunward Aboriginal Contracts**" has the meaning ascribed thereto in Section 3.1(r)(xi);

"**Sunward Benefit Plans**" has the meaning ascribed thereto in Section 3.1(x);

"**Sunward Board**" means the board of directors of Sunward as the same is constituted from time to time;

"**Sunward Circular**" means the notice of the Sunward Meeting and accompanying joint management information circular of NovaCopper and Sunward, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Sunward Shareholders in connection with the Sunward Meeting, as amended, supplemented or otherwise modified from time to time;

"**Sunward Disclosure Letter**" means the disclosure letter executed by Sunward and delivered to NovaCopper prior to the execution of this Agreement;

"**Sunward DSUs**" has the meaning ascribed thereto in Section 3.1(f);

"**Sunward Financial Advisors**" has the meaning ascribed thereto in Section 3.1(gg);

"**Sunward Financial Statements**" has the meaning ascribed thereto in Section 3.1(j);

"**Sunward Locked-up Shareholders**" means all directors and officers of Sunward, all Sunward Shareholders holding greater than 10% of the issued and outstanding Sunward Shares, Paulson Gold Master Fund Ltd. and David Boehm;

"**Sunward Meeting**" means the special meeting of Sunward Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

"**Sunward Mineral Rights**" has the meaning ascribed thereto in Section 3.1(r);

"**Sunward Options**" means the outstanding options to purchase Sunward Shares granted under the Sunward Stock Option Plan;

"**Sunward Properties**" has the meaning ascribed thereto in Section 3.1(r);

"**Sunward Public Disclosure Record**" means all prospectuses, information statements, reports, schedules, forms and other documents filed by Sunward on SEDAR since March 31, 2013;

"**Sunward Securityholders**" means the Sunward Shareholders and holders of Sunward Options;

"**Sunward Shareholder Approval**" has the meaning ascribed thereto in Section 2.2(b);

"**Sunward Shareholders**" means the holders of Sunward Shares;

"**Sunward Shares**" means the common shares in the authorized share capital of Sunward;

"**Sunward Stock Option Plan**" means the incentive stock option plan of Sunward, adopted by Sunward Shareholders on September 10, 2013;

"**Sunward Termination Fee Event**" has the meaning ascribed thereto in Section 7.4(c);

"**Superior Proposal**" means:

(a) with respect to Sunward, any bona fide unsolicited written Acquisition Proposal made after the date of this Agreement (and not obtained in violation of Section 7.2) that would result in any Person becoming the beneficial owner of 100% of the outstanding Sunward Shares or all or substantially all of the consolidated assets of Sunward and its subsidiaries and:

(i) that, in the case of an Acquisition Proposal to acquire the outstanding Sunward Shares, is made available to all Sunward Shareholders on the same terms and conditions (other than in the case of an asset transaction);

(ii) is not subject to a financing or due diligence condition;

(iii) in respect of which the Sunward Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, that:

(A) the transactions contemplated by such Acquisition Proposal are reasonably capable of being completed in accordance with their terms and without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal;

(B) failure to recommend such Acquisition Proposal to the Sunward Shareholders would be inconsistent with its fiduciary duties under applicable Law; and

(C) having regard for all of its terms and conditions and the terms and conditions of the Arrangement, such Acquisition Proposal would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the Sunward Shareholders (in their capacity as such) from a financial point of view than the Arrangement, after taking into account any change to the terms of the Arrangement proposed by NovaCopper pursuant to Section 7.3; and

(b) with respect to NovaCopper, any bona fide unsolicited written Acquisition Proposal made after the date of this Agreement (and not obtained in violation of Section 7.2) that would result in any Person becoming the beneficial owner of 100% of the outstanding NovaCopper Shares or all or substantially all of the consolidated assets of NovaCopper and its subsidiaries and:

(i) that, in the case of an Acquisition Proposal to acquire the outstanding NovaCopper Shares, is made available to all NovaCopper Shareholders on the same terms and conditions (other than in the case of an asset transaction);

(ii) is not subject to a financing or due diligence condition; and

(iii) in respect of which the NovaCopper Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, that:

(A) the transactions contemplated by such Acquisition Proposal are reasonably capable of being completed in accordance with their terms and without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal;

(B) failure to recommend such Acquisition Proposal to the NovaCopper Shareholders would be inconsistent with its fiduciary duties under applicable Law; and

(C) having regard for all of its terms and conditions and the terms and conditions of the Arrangement, such Acquisition Proposal would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the NovaCopper Shareholders (in their capacity as such) from a financial point of view than the Arrangement, after taking into account any change to the terms of the Arrangement proposed by Sunward pursuant to Section 7.3.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**Taxes**" includes any taxes, duties, fees, premiums, assessments, imposts, levies, expansion fees and other charges of any kind whatsoever imposed by any Governmental Entity, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, windfall, royalty, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Québec and other pension plan premiums or contributions imposed by any Governmental Entity, and any transferee liability in respect of any of the foregoing;

"**Termination Fee**" means an amount equal to US $1 million;

"**Titribi Project**" means Sunward's copper project located in the town of Titribi in the Department of Antioquia, Columbia;

"**Transaction Personal Information**" has the meaning ascribed thereto in Section 9.1;

"**TSX**" means the Toronto Stock Exchange;

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

"**Upper Kobuk Mineral Projects**" means NovaCopper's Arctic and Bornite copper projects located in the Ambler mining district in Northwestern Alaska;

"**U.S. GAAP**" means accounting principles generally accepted in the United States;

"**U.S. Exchange Act**" means the United States *Securities Exchange Act of 1934*, as amended and the rules and regulations promulgated thereunder; and

"**U.S. Securities Act**" means the United States *Securities Act of 1933*, as amended and the rules and regulations promulgated thereunder.

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 include all genders.

1.4 Date for Any Action

If the date on which any action is required to be taken hereunder by a Party 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 "$" refers to Canadian dollars. References to US$ in this Agreement refer to United States dollars.

1.6 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS consistently applied.

1.7 Knowledge

(a) In this Agreement, references to "the knowledge of Sunward" means the actual knowledge of Philip O'Neill, William Hayden, Jay Sujir and Paul Robertson, in each case, after making due enquiries regarding the relevant matter.

(b) In this Agreement, references to "the knowledge of NovaCopper" means the actual knowledge of Rick Van Nieuwenhuyse and Elaine Sanders, in each case, after making due enquiries regarding the relevant matter.

1.8 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule A	-	Plan of Arrangement
Schedule B	-	Arrangement Resolution
Schedule C	-	Key Regulatory Approvals
Schedule D	-	Key Third Party Consents

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement

Sunward and NovaCopper agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.

2.2 Interim Order

As soon as reasonably practicable following the execution of this Agreement, and in any event in sufficient time to hold the Sunward Meeting in accordance with Section 2.3, Sunward shall apply to the Court in a manner acceptable to NovaCopper, acting reasonably, pursuant to Section 291 of the BCBCA and prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

(a) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the Sunward Meeting and for the manner in which such notice is to be provided;

(b) that the requisite approval for the Arrangement Resolution shall be the affirmative vote of (i) at least two-thirds of the votes cast at the Sunward Meeting in person or by proxy by

the Sunward Shareholders voting together as one class on the basis of one vote per Sunward Share and (ii) to the extent required by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, the majority of the votes cast at the Sunward Meeting in person or by proxy by the Sunward Shareholders on the basis of one vote per Sunward Share, excluding the votes cast in respect of Sunward Shares held by certain interested or related parties or joint actors of Sunward in accordance with the minority approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (the "**Sunward Shareholder Approval**");

(c) that, in all other respects, the terms, conditions and restrictions of the Sunward constating documents, including quorum requirements and other matters, shall apply in respect of the Sunward Meeting;

(d) for the grant of Dissent Rights only to the Sunward Shareholders who are registered Sunward Shareholders;

(e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(f) that the Sunward Meeting may be adjourned from time to time by the management of Sunward with the consent of NovaCopper without the need for additional approval of the Court;

(g) that the record date for Sunward Shareholders entitled to notice of and to vote at the Sunward Meeting will not change in respect of any adjournment(s) of the Sunward Meeting;

(h) that it is NovaCopper's intention to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Consideration Shares to be issued pursuant to the Arrangement, based on the Court's approval of the Arrangement; and

(i) for such other matters as NovaCopper may reasonably require, subject to obtaining the prior consent of Sunward, such consent not to be unnecessarily withheld.

2.3 Sunward Meeting

Subject to the terms of this Agreement:

(a) Sunward agrees to convene and conduct the Sunward Meeting in accordance with the Interim Order, Sunward's notice of articles, articles and applicable Law as soon as reasonably practicable, and in any event on or before the Meeting Deadline. Sunward and NovaCopper agree to use their commercially reasonable efforts to schedule the Sunward Meeting and NovaCopper Meeting on the same day.

(b) Except as required for quorum purposes or otherwise permitted under this Agreement, Sunward shall not adjourn (except as required by Law or by valid Sunward Shareholder action), postpone or cancel (or propose or permit the adjournment (except as required by Law or by valid Sunward Shareholder action), postponement or cancellation of) the Sunward Meeting without NovaCopper's prior consent.

(c) Sunward will advise NovaCopper as NovaCopper may reasonably request, and at least on a daily basis on each of the last five (5) business days prior to the date of the Sunward Meeting, as to the aggregate tally of the proxies received by Sunward in respect of the Arrangement Resolution.

(d) Sunward will promptly advise NovaCopper of any written notice of dissent or purported exercise by any Sunward Shareholder of Dissent Rights received by Sunward in relation to the Arrangement and any withdrawal of Dissent Rights received by Sunward and, subject to applicable Law, any written communications sent by or on behalf of Sunward to any Sunward Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement.

(e) At the reasonable request of NovaCopper from time to time, Sunward shall provide NovaCopper with lists (in written and/or electronic form), which lists shall include names, addresses and holdings, of (i) the registered Sunward Shareholders, (ii) all Persons holding securities issued by Sunward that are convertible into, or exercisable or exchangeable for, Sunward Shares (including holders of Sunward Options) and (iii) all non-objecting beneficial owners of Sunward Shares. NovaCopper may from time to time request Sunward to require, and Sunward shall require, that the registrar and transfer agent for the Sunward Shares furnish NovaCopper with such additional information and other assistance as NovaCopper may reasonably request.

2.4 Sunward Circular

(a) As promptly as reasonably practicable following execution of this Agreement, and in any event prior to the close of business on the Mailing Deadline, Sunward shall (i) prepare the Sunward Circular together with any other documents required by applicable Laws, (ii) file the Sunward Circular in all jurisdictions where the same is required to be filed, and (iii) mail the Sunward Circular as required under applicable Laws and by the Interim Order. On the date of mailing thereof, the Sunward Circular shall comply in all material respects with all applicable Laws and the Interim Order and shall contain sufficient detail to permit the Sunward Shareholders to form a reasoned judgment concerning the matters to be placed before them at the Sunward Meeting.

(b) In the event that Sunward provides a notice to NovaCopper regarding a possible Acquisition Proposal pursuant to Section 7.2(d) prior to the mailing of the Sunward Circular, then unless the Parties agree otherwise, the Mailing Deadline will be extended until the date that is five (5) days following the earlier of either (i) written notification from Sunward to NovaCopper that the Sunward Board has determined that the Acquisition Proposal is not a Superior Proposal, or (ii) the date on which Sunward and NovaCopper enter into an amended agreement pursuant to Section 7.3(b) which results in the Acquisition Proposal in question not being a Superior Proposal; provided, that in no event shall the Mailing Deadline be extended for more than an aggregate of ten (10) days in connection with any such Acquisition Proposal. In the event that the Mailing Deadline is so extended, the Meeting Deadline shall be extended by the same number of days as the Mailing Deadline has been extended.

(c) Sunward shall ensure that the Sunward Circular complies in all material respects with all applicable Laws, and, without limiting the generality of the foregoing, that the Sunward Circular will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than in each

case with respect to any information relating solely to NovaCopper and its affiliates, which information shall be the sole responsibility of NovaCopper).

(d) Subject to Article 7, Sunward shall (i) solicit proxies in favour of the Arrangement Resolution and against any contrary resolution submitted by any other Sunward Shareholder, (ii) recommend to Sunward Shareholders that they vote in favour of the Arrangement Resolution, (iii) not make a Change in Recommendation and (iv) include in the Sunward Circular a statement that each director and executive officer of Sunward intends to vote all of such Person's Sunward Shares (including any Sunward Shares issued upon the exercise of any Sunward Options) in favour of the Arrangement Resolution, subject to the other terms of this Agreement and the NovaCopper Voting Agreements.

(e) NovaCopper will furnish to Sunward all such information regarding NovaCopper and its respective affiliates as may be required by the Interim Order or applicable Laws for inclusion in the Sunward Circular and in any amendments or supplements thereto or other documents related thereto.

(f) NovaCopper and its legal counsel shall be given a reasonable opportunity to review and comment on the Sunward Circular prior to the Sunward Circular being printed, mailed to Sunward Shareholders and filed with the applicable Securities Authorities, and reasonable consideration shall be given to any comments made by NovaCopper and its legal counsel; provided that all information included in the Sunward Circular relating solely to NovaCopper and its affiliates shall be in form and substance satisfactory to NovaCopper, acting reasonably. Sunward shall provide NovaCopper with a final copy of the Sunward Circular prior to the mailing to the Sunward Shareholders.

(g) Each Party shall promptly notify the other Party if at any time before the Effective Date it becomes aware that the Sunward Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Sunward Circular, and the Parties shall co-operate in the preparation of any amendment or supplement to the Sunward Circular, as required or appropriate, and Sunward shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Sunward Circular to Sunward Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities and as otherwise required.

2.5 NovaCopper Meeting

Subject to the terms of this Agreement:

(a) NovaCopper agrees to convene and conduct the NovaCopper Meeting in accordance with NovaCopper's notice of articles and articles and applicable Law as soon as reasonably practicable, and in any event on or before the Meeting Deadline. Sunward and NovaCopper agree to use their commercially reasonable efforts to schedule the Sunward Meeting and NovaCopper Meeting on the same day.

(b) Except as required for quorum purposes or otherwise permitted under this Agreement, NovaCopper shall not adjourn (except as required by Law or by valid NovaCopper Shareholder action), postpone or cancel (or propose or permit the adjournment (except as

required by Law or by valid NovaCopper Shareholder action), postponement or cancellation of) the NovaCopper Meeting without Sunward's prior consent.

(c) NovaCopper will advise Sunward as Sunward may reasonably request, and at least on a daily basis on each of the last five (5) business days prior to the date of the NovaCopper Meeting, as to the aggregate tally of the proxies received by NovaCopper in respect of the NovaCopper Shareholder Approval.

2.6 NovaCopper Circular

(a) As promptly as reasonably practicable following execution of this Agreement, and in any event prior to the close of business on the Filing Deadline, NovaCopper shall (i) prepare the NovaCopper Preliminary Circular together with any other documents required by applicable Laws, and (ii) file the NovaCopper Preliminary Circular with the SEC.

(b) As promptly as reasonably practicable following execution of this Agreement, and in any event prior to the close of business on the Mailing Deadline, NovaCopper shall (i) prepare the NovaCopper Circular together with any other documents required by applicable Laws, (ii) file the NovaCopper Circular in all jurisdictions where the same is required to be filed, and (iii) mail the NovaCopper Circular as required under all applicable Laws. On the date of mailing thereof, the NovaCopper Circular shall comply in all material respects with all applicable Laws and shall contain sufficient detail to permit the NovaCopper Shareholders to form a reasoned judgment concerning the matters to be placed before them at the NovaCopper Meeting.

(c) In the event that NovaCopper provides a notice to Sunward regarding a possible Acquisition Proposal pursuant to Section 7.2(d) prior to the mailing of the NovaCopper Circular, then unless the Parties agree otherwise, the Mailing Deadline will be extended until the date that is five (5) days following the earlier of either (i) written notification from NovaCopper to Sunward that the NovaCopper Board has determined that the Acquisition Proposal is not a Superior Proposal, or (ii) the date on which NovaCopper and Sunward enter into an amended agreement pursuant to Section 7.3(b) which results in the Acquisition Proposal in question not being a Superior Proposal; provided, that in no event shall the Mailing Deadline be extended for more than an aggregate of ten (10) days in connection with any such Acquisition Proposal. In the event that the Mailing Deadline is so extended, the Meeting Deadline shall be extended by the same number of days as the Mailing Deadline has been extended.

(d) The NovaCopper Circular shall comply in all material respects with all applicable Laws and, without limiting the generality of the foregoing, the NovaCopper Circular will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made (other than in each case with respect to any information relating solely to Sunward and its affiliates, which information shall be the sole responsibility of Sunward).

(e) Subject to Article 7, NovaCopper shall (i) solicit proxies in favour of the NovaCopper Shareholder Approval, and against any resolution submitted by any other NovaCopper Shareholder, (ii) recommend to NovaCopper Shareholders that they vote in favour of the NovaCopper Shareholder Approval, (iii) not make a Change in Recommendation, and (iv) include in the NovaCopper Circular a statement that each director and executive officer of NovaCopper intends to vote all of such Person's NovaCopper Shares (including

any NovaCopper Shares issued upon the exercise of any convertible securities of NovaCopper) in favour of the NovaCopper Shareholder Approval, subject to the other terms of this Agreement and the Sunward Voting Agreements.

(f) Sunward will furnish to NovaCopper all such information regarding Sunward and its respective affiliates, as may be required by applicable Laws for inclusion in the NovaCopper Circular and in any amendments or supplements thereto or other documents related thereto.

(g) Sunward and its legal counsel shall be given a reasonable opportunity to review and comment on the NovaCopper Preliminary Circular and the NovaCopper Circular prior to the NovaCopper Circular being printed, mailed to NovaCopper Shareholders and filed with the Securities Authorities, and reasonable consideration shall be given to any comments made by Sunward and its counsel; provided that all information included in the NovaCopper Circular relating solely to Sunward and its affiliates shall be in form and substance satisfactory to Sunward, acting reasonably. NovaCopper shall provide Sunward with a final copy of the NovaCopper Circular prior to the mailing to the NovaCopper Shareholders.

(h) Each Party shall promptly notify the other Party if at any time before the Effective Date it becomes aware that the NovaCopper Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the NovaCopper Circular, and the Parties shall co-operate in the preparation of any amendment or supplement to the NovaCopper Circular, as required or appropriate, and NovaCopper shall promptly mail or otherwise publicly disseminate any amendment or supplement to the NovaCopper Circular to NovaCopper Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities and as otherwise required.

2.7 Preparation of Filings

NovaCopper and Sunward shall co-operate and use their reasonable commercial efforts in good faith to take, or cause to be taken, all reasonable actions, including the preparation of any applications for Key Regulatory Approvals and other orders, registrations, consents, filings, rulings, exemptions, no-action letters, circulars and approvals required in connection with this Agreement and the Arrangement and the preparation of any required documents, in each case as reasonably necessary to discharge their respective obligations under this Agreement, the Arrangement and the Plan of Arrangement, and to complete any of transactions contemplated by this Agreement, including their obligations under applicable Laws.

2.8 Final Order

Subject to the terms of this Agreement, if the Interim Order is obtained and the Arrangement Resolution is passed at the Sunward Meeting, Sunward shall, as soon as reasonably practicable thereafter and, in any event, within three (3) business days thereafter, take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to section 291 of the BCBCA.

2.9 Court Proceedings

Subject to the terms of this Agreement, NovaCopper will cooperate with and assist Sunward in seeking the Interim Order and the Final Order, including by providing Sunward on a timely basis any information reasonably required to be supplied by NovaCopper in connection therewith. The material to be filed with the Court in connection with the Arrangement shall not be inconsistent with the provisions of this Agreement. Sunward will provide NovaCopper and its legal counsel with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments; provided that Sunward shall include all comments of NovaCopper and its legal counsel as are required, in the reasonable judgment of NovaCopper and its legal counsel, to allow NovaCopper to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Consideration Shares and DSU Shares to be issued pursuant to the Arrangement, based on the Court's approval of the Arrangement. Subject to applicable Law, Sunward will not file any material with the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated by this Section 2.9 or with NovaCopper's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require NovaCopper to agree or consent to any increase in Consideration or other modification or amendment to such filed or served materials that expands or increases NovaCopper's obligations set forth in any such filed or served materials or under this Agreement or the Arrangement.

2.10 Effect of the Arrangement

(a) The Arrangement shall be effective at the Effective Time on the date that is the earlier of: (i) the date that is two (2) business days after the satisfaction or waiver (subject to applicable Laws) of the conditions set forth in Article 6 (other than the delivery of items to be delivered on the Effective Date and the satisfaction of those conditions that, by their terms, cannot be satisfied until the Effective Date) and (ii) such date as is mutually agreed in writing by the Parties (the "**Effective Date**").

(b) From and after the Effective Time, the Plan of Arrangement will have all of the effects provided by applicable Law, including the BCBCA. Sunward agrees to amend the Plan of Arrangement at any time prior to the Effective Time in accordance with Section 8.3 to include such other terms determined to be necessary or desirable by NovaCopper, provided that the Plan of Arrangement shall not be amended in any manner which has the effect of reducing the Consideration or which is otherwise prejudicial to the Sunward Shareholders or other parties to be bound by the Plan of Arrangement or is inconsistent with the provisions of this Agreement or the Interim Order or the Final Order.

(c) The closing of the Arrangement will take place at the offices of Blake, Cassels & Graydon LLP, Suite 2600, 595 Burrard Street, Vancouver, British Columbia at 8:00 a.m. on the Effective Date, or at such other time and place as may be agreed to by the Parties.

2.11 Payment of Consideration

NovaCopper will, following receipt by Sunward of the Final Order and prior to the Effective Time, deposit with the Depositary in escrow sufficient NovaCopper Shares to satisfy the Consideration payable to the Sunward Shareholders.

2.12 Announcement and Shareholder Communications

NovaCopper and Sunward shall jointly publicly announce the transactions contemplated hereby promptly following the execution of this Agreement, the text and timing of the joint announcement to be approved by each Party in advance, acting reasonably. NovaCopper and Sunward agree to co-operate in the preparation of presentations, if any, to the Sunward Shareholders or the NovaCopper Shareholders regarding the transactions contemplated by this Agreement, and no Party shall (a) issue any press release or otherwise make public announcements with respect to this Agreement or the Plan of Arrangement without the consent of the other Party (which consent shall not be unreasonably withheld or delayed) or (b) make any filing with any Governmental Entity with respect thereto without prior consultation with the other Party; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under applicable Laws or stock exchange rules, and the Party making such disclosure shall use all commercially reasonable efforts to give prior written notice to the other Party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing.

2.13 Withholding Taxes

NovaCopper, Sunward and the Depositary shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person hereunder and from all dividends, interest or other distributions otherwise payable to any former Sunward Securityholder such amounts as NovaCopper, Sunward or the Depositary may be required to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

2.14 Tax Matters

Notwithstanding any representations and covenants set forth in this Agreement, it is understood and agreed that neither NovaCopper nor Sunward provide any assurances to any Sunward Securityholders regarding the income tax consequences of the Arrangement to any Sunward Securityholder.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF SUNWARD

3.1 Representations and Warranties

Sunward hereby represents and warrants to and in favour of NovaCopper as follows, except to the extent that such representations and warranties are qualified by the Sunward Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), and acknowledges that NovaCopper is relying upon such representations and warranties in connection with the entering into of this Agreement:

(a) Board Approval. As of the date hereof, the Sunward Board, after consultation with its financial and legal advisors, has determined that the Plan of Arrangement is fair to the Sunward Shareholders and is in the best interests of Sunward and has unanimously (not including two directors who have declared their interest and abstained) resolved to recommend to the Sunward Shareholders that they vote in favour of the Arrangement Resolution. The Sunward Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement.

(b) Fairness Opinion. The Sunward Board has received oral confirmation that it will receive the written opinion of Cormark Securities Inc., to the effect that, as of the date of such opinion, subject to the assumptions and limitations set out therein, the Consideration to be received by Sunward Shareholders in connection with the Arrangement is fair, from a financial point of view, to such Sunward Shareholders, and such written fairness opinion is to be included in the Sunward Circular.

(c) Organization and Qualification. Sunward and each of its subsidiaries is a corporation duly incorporated or an entity duly created and validly existing under all applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or other power, authority and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. Sunward and each of its subsidiaries:

(i) has all Permits necessary to conduct its business substantially as now conducted as disclosed in the Sunward Public Disclosure Record, except where the failure to hold such Permits would not individually or in the aggregate have a Material Adverse Effect; and

(ii) is duly registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not individually or in the aggregate have a Material Adverse Effect.

(d) Authority Relative to this Agreement. Sunward has the requisite corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Sunward and the performance by Sunward of its obligations under this Agreement have been duly authorized by the Sunward Board and no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement pursuant to the Plan of Arrangement other than the Sunward Shareholder Approval. This Agreement has been duly executed and delivered by Sunward and constitutes a legal, valid and binding obligation of Sunward, enforceable against Sunward in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other applicable Laws relating to or affecting rights of creditors generally and subject to the qualification that equitable remedies, including specific performance, are discretionary.

(e) No Violation. The authorization, execution and delivery of this Agreement by Sunward, the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement and the performance of Sunward's obligations hereunder or thereunder in accordance with the terms hereof and thereof will not:

(i) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require, except in respect of the Key Third-Party Consents (which are the only consents, approvals and notices required from any third-party under any Contracts of Sunward or any of its subsidiaries in order for Sunward and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Plan of Arrangement), any consent, approval or notice under, or constitute a default (or an event which, with notice

or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or cause any indebtedness to come due before its stated maturity, or cause any credit commitment to cease to be available, or cause any payment or other obligation to be imposed on Sunward or any of its subsidiaries, under any of the terms, conditions or provisions of:

(A) their respective articles, charters or by-laws or other comparable organizational documents; or

(B) any Permit or material Contract to which Sunward or any of its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which Sunward or any of its subsidiaries is bound; or

(ii) subject to obtaining the Key Regulatory Approvals,

(A) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any Laws applicable to Sunward or any of its subsidiaries or any of their respective properties or assets; or

(B) cause the suspension or revocation of any Permit currently in effect in regard of Sunward or any of its subsidiaries;

(except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or any consents (expressly excluding clause (i)(A), the Key Third-Party Consents and Key Regulatory Approvals), approvals or notices which if not given or received, would not, individually or in the aggregate, reasonably be expected to have any Material Adverse Effect);

(iii) give rise to any rights of first refusal or trigger any change in control provisions under any note, bond, mortgage, indenture, contract, license, franchise or Permit to which Sunward is a party; or

(iv) result in the imposition of any Liens upon any assets of Sunward or the assets of any of its subsidiaries.

(f) Capitalization. The authorized share capital of Sunward consists of an unlimited number of Sunward Shares and an unlimited number of preference shares. As of the close of business on April 22, 2015, there are issued and outstanding 142,327,338 Sunward Shares and no preference shares. As of the close of business on April 22, 2015, an aggregate of up to 8,560,000 Sunward Shares are issuable upon the exercise of 8,560,000 Sunward Options, an aggregate of up to 1,270,038 Sunward Shares are issuable upon the vesting and payment of 1,270,038 deferred share units (the "**Sunward DSUs**") outstanding and there are no options (other than the Sunward Options), warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by Sunward of any securities of Sunward (including Sunward Shares), or any securities (other than Sunward DSUs) or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of Sunward (including Sunward Shares) or of any subsidiary of Sunward. Other than the Sunward Shares, the Sunward Options and

Sunward DSUs, there are no securities of Sunward outstanding. Schedule 3.1(f) of the Sunward Disclosure Letter sets forth an accurate and complete list of all grants of Sunward Options and Sunward DSUs, including as applicable, the respective holders, grant dates, number of Sunward Options and Sunward DSUs granted, vesting dates and exercise prices. All outstanding Sunward Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Sunward Shares issuable upon the exercise of Sunward Options or vesting of Sunward DSU's in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. All securities of Sunward (including the Sunward Shares, the Sunward Options and Sunward DSUs) have been issued in compliance with all applicable Laws. Other than the Sunward Shares, the Sunward Options and Sunward DSUs, as applicable, there are no securities of Sunward or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the Sunward Shareholders on any matter. There are no outstanding contractual or other obligations of Sunward or any subsidiary to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities. There are no outstanding bonds, debentures or other evidences of indebtedness of Sunward or any of its subsidiaries having the right to vote with the holders of the outstanding Sunward Shares on any matters.

(g) Reporting Status and Securities Laws Matters. Sunward is a "reporting issuer" and not on the list of reporting issuers in default under applicable Canadian provincial Securities Laws in British Columbia, Alberta and Ontario. No delisting, suspension of trading in or cease trading order with respect to any securities of Sunward and to the knowledge of Sunward, no inquiry or investigation (formal or informal) of any Securities Authority or the SEC, is in effect or ongoing or, to the knowledge of Sunward, expected to be implemented or undertaken.

(h) Ownership of Subsidiaries. Schedule 3.1(h) of the Sunward Disclosure Letter includes complete and accurate lists of all subsidiaries owned, directly or indirectly, by Sunward, each of which is wholly-owned other than as disclosed in Schedule 3.1(h) of the Sunward Disclosure Letter. All of the issued and outstanding shares of capital stock and other ownership interests in the subsidiaries of Sunward are duly authorized, validly issued, fully paid and non-assessable, and all such shares and other ownership interests held directly or indirectly by Sunward are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into or exchangeable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of Sunward, except as disclosed in Schedule 3.1(h) of the Sunward Disclosure Letter. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of Sunward to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into or exchangeable for, any shares of its share capital or other ownership interests. Except as otherwise disclosed in Schedule 3.1(h) of the Sunward Disclosure Letter there are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third-party the right to acquire any shares or other ownership interests in any subsidiaries of Sunward.

(i) Public Filings. Sunward has filed all documents required to be filed by it in accordance with applicable Securities Laws in Canada. Sunward has filed all necessary documents and information required to be filed with the Securities Authorities and the TSX. All such documents and information comprising the Sunward Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto):

(i) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; and

(ii) complied in all material respects with the requirements of applicable Securities Laws in Canada, and any amendments to the Sunward Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSX. Sunward has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential.

(j) Sunward Financial Statements. Sunward's audited financial statements as at and for the fiscal years ended March 31, 2014 and 2013 and Sunward's management's discussion and analysis of results of operations and financial condition (the "**MD&A**") for the corresponding periods and unaudited financial statements as at and for the three and nine months ended December 31, 2014 and 2013 (including the notes thereto) and Sunward's MD&A for the corresponding periods (collectively, the "**Sunward Financial Statements**") were prepared in accordance with IFRS consistently applied (except as otherwise indicated in such financial statements and the notes thereto or in the related report of Sunward's independent auditors, and except that the unaudited Sunward Financial Statements may not contain footnotes and are subject to normal year-end adjustments, none of which individually or in the aggregate will be material in nature or amount) and fairly present in all material respects the consolidated financial position, results of operations and changes in financial position of Sunward and its subsidiaries as of the dates thereof and for the periods indicated therein and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of Sunward and its subsidiaries on a consolidated basis. There has been no material change in Sunward's accounting policies, except as described in the notes to the Sunward Financial Statements, since March 31, 2014.

(k) Internal Controls and Financial Reporting. Sunward has designed and implemented disclosure controls and procedures to provide reasonable assurance that material information relating to Sunward, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer of Sunward by others within those entities, as appropriate to allow timely decisions regarding required disclosure, particularly during the periods in which filings are being prepared. Sunward has disclosed, based on the most recent evaluation of its Chief Executive Officer and its Chief Financial Officer prior to the date hereof, to Sunward's auditors and the audit committee of the Sunward Board:

(i) any significant deficiencies in the design or operation of its internal controls over financial reporting that are reasonably likely to adversely affect Sunward's ability to record, process, summarize and report financial information and has identified for Sunward's auditors and the Sunward Board any material weaknesses in internal control over financial reporting; and

(ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Sunward's internal control over financial reporting.

To the knowledge of Sunward, as at December 31, 2014, there were no changes in internal controls that occurred during the period beginning on April 1, 2014 and ended on December 31, 2014 that has materially affected, or is reasonably likely to materially affect Sunward's internal controls, and as of the date hereof, nothing has come to the attention of Sunward that has caused Sunward to believe that there are any material weaknesses or significant deficiencies in such internal controls.

(l) Books and Records. The financial books, records and accounts of Sunward and its subsidiaries (during the period of time when owned by Sunward), in all material respects:

(i) have been maintained in accordance with good business practices and in accordance with IFRS and with the accounting principles generally accepted in the country of domicile of each such entity, on a basis consistent with prior years;

(ii) in each case are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of Sunward and its subsidiaries; and

(iii) accurately and fairly reflect the basis for the Sunward Financial Statements.

(m) Minute Books. The minute books of each of Sunward and its subsidiaries, which have been provided to NovaCopper prior to the date hereof, are true and correct in all material respects, and contain the minutes of all meetings of the boards of directors, committees of the boards and shareholders and all resolutions passed by the boards of directors, committees of the boards and the shareholders.

(n) No Undisclosed Liabilities. Sunward and its subsidiaries have no outstanding indebtedness or liabilities and none is a party to or bound by any surety-ship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person, other than those specifically identified in the Sunward Public Disclosure Record or incurred in the ordinary course of business since March 31, 2014.

(o) No Material Change. Since March 31, 2014, there has been no material change in respect of Sunward and its subsidiaries taken as a whole, and the debt, business and material property of Sunward and its subsidiaries conform in all respects to the description thereof contained in the Sunward Public Disclosure Record, and there has been no dividend or distribution of any kind declared, paid or made by Sunward on any Sunward Shares.

(p) Litigation. Except as set out in Schedule 3.1(p) of the Sunward Disclosure Letter, there are no claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of Sunward, threatened affecting Sunward or any of its subsidiaries or affecting any of their respective property or assets at law or in equity before or by any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or any Governmental Entity, including matters arising under Environmental Laws. Neither Sunward nor any of its subsidiaries nor their respective assets or properties is subject to any outstanding judgment, order, writ, injunction or decree.

(q) Taxes. Except as disclosed in Schedule 3.1(q) of the Sunward Disclosure Letter,

(i) Sunward and each of its subsidiaries has duly and timely filed all Returns required to be filed by it prior to the date hereof, other than those which have been administratively waived, and all such Returns are complete and correct in all material respects.

(ii) Sunward and each of its subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published Sunward Financial Statements.

(iii) Except as provided for in the Sunward Financial Statements, no material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Sunward or any of its subsidiaries, and neither Sunward nor any of its subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of Sunward, threatened against Sunward or any of its subsidiaries or any of their respective assets, that would reasonably be expected to have a Material Adverse Effect.

(iv) No claim has been made by any Governmental Entity in a jurisdiction where Sunward or any of its subsidiaries does not file Returns that Sunward or any of its subsidiaries is or may be subject to Tax by that jurisdiction.

(v) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable and for which adequate accruals or reserves have been established in accordance with IFRS) upon any of the assets of Sunward or any of its subsidiaries.

(vi) Sunward and each of its subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to do so would not, individually or in the aggregate, result in a Material Adverse Effect.

(vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from Sunward or any of its subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.

(viii) Sunward and each of its subsidiaries have given to NovaCopper true, correct and complete copies of all their income and capital tax returns and statements of deficiencies for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired, and there are no material omissions in the foregoing.

(ix) The Sunward Shares are listed on a "recognized stock exchange" as defined by the Tax Act.

(x) For the purposes of the Tax Act and any other relevant Tax purposes:

(A) Sunward is resident in Canada; and

(B) each subsidiary of Sunward is resident in the jurisdiction in which it is formed and is not resident in nor has a permanent establishment for tax purposes in any other country.

(r) Interest in Properties and Mineral Rights.

(i) All of Sunward's and its subsidiaries' material real properties, including all real property relating to the Titribi Project (collectively, the "**Sunward Properties**") and all of Sunward's and its subsidiaries' material mineral interests and rights (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise), including all such interests and rights relating to the Titribi Project (collectively, the "**Sunward Mineral Rights**"), are set out in Schedule 3.1(r)(i) of the Sunward Disclosure Letter. Other than the Sunward Properties and the Sunward Mineral Rights set out in Schedule 3.1(r)(i) of the Sunward Disclosure Letter, neither Sunward nor its subsidiaries, owns or has any interest in any material real property or any material mineral interests and rights.

(ii) Sunward or one of its subsidiaries is the sole legal and beneficial owner of all right, title and interest in and to the Sunward Properties and the Sunward Mineral Rights, free and clear of any Liens (other than Permitted Liens).

(iii) All of the Sunward Mineral Rights have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral claims.

(iv) The Sunward Properties and the Sunward Mineral Rights are in good standing under applicable Law and, to the knowledge of Sunward, all work required to be performed and filed in respect thereof has been performed and filed, all Taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.

(v) There is no material adverse claim against or challenge to the title to or ownership of the Sunward Properties or any of the Sunward Mineral Rights.

(vi) Schedule 3.1(r) of the Sunward Disclosure Letter sets forth all interests in the Sunward Properties or any of the Sunward Mineral Rights, or the production or profits therefrom, or any royalty in respect thereof or any right to acquire any such interest, in each case held by any Person other than Sunward or its subsidiaries.

(vii) There are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect Sunward's or its subsidiary's interest in the Sunward Properties or any of the Sunward Mineral Rights.

(viii) There are no material restrictions on the ability of Sunward and its subsidiaries to use, transfer or exploit the Sunward Properties or any of the Sunward Mineral Rights, except pursuant to applicable Law.

(ix) Neither Sunward nor any of its subsidiaries has received any notice, whether written or oral, from any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or any Governmental Entity of any revocation or intention to revoke any interest of Sunward or any of its subsidiaries in any of the Sunward Properties or any of the Sunward Mineral Rights.

(x) Sunward and/or its subsidiaries have all surface rights, including fee simple estates, leases, easements, rights of way and permits or licences from landowners, any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or Governmental Entities permitting the use of land by Sunward and/or its subsidiaries, and mineral interests that are required to undertake activities as presently contemplated on the Sunward Properties.

(xi) All Contracts entered into by Sunward and/or its subsidiaries with any non-governmental organization, community, community group, aboriginal peoples or aboriginal group ("**Sunward Aboriginal Contracts**"), whether oral or written, are in full force and effect and Sunward and its subsidiaries have complied in all material respects with all terms of such Sunward Aboriginal Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no default or breach exists in respect thereof on the part of Sunward or any of its subsidiaries or, to the knowledge of Sunward, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a material default or breach or trigger a right of termination of any of the Sunward Aboriginal Contracts. As at the date hereof, neither Sunward nor any of its subsidiaries has received written notice that any party to a Sunward Aboriginal Contract intends to cancel, terminate or otherwise modify or not renew such Sunward Aboriginal Contract, and no such action has been threatened.

(s) Contracts. Schedule 3.1(s) of the Sunward Disclosure Letter includes a complete and accurate list of all material Contracts to which Sunward or any of its subsidiaries is a party. All material Contracts are in full force and effect, and Sunward or its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. Sunward has made available to NovaCopper for inspection true and completed copies of all material Contracts, and all such material Contracts have been provided to NovaCopper pursuant to its due diligence requests. All of the material Contracts are valid and binding obligations of Sunward or its subsidiaries, as the case may be, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. Sunward and its subsidiaries have complied in all material respects with all terms of such material Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no material default or breach exists in respect thereof on the part of Sunward or any of its subsidiaries or, to the knowledge of Sunward, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a material default or breach

or trigger a right of termination of any of the material Contracts. As at the date hereof, neither Sunward nor any of its subsidiaries has received written notice that any party to a material Contract intends to cancel, terminate or otherwise modify or not renew such material Contract, and to the knowledge of Sunward, no such action has been threatened. Neither Sunward nor any of its subsidiaries is a party to any material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of Sunward or any of its subsidiaries.

(t) Permits. Sunward and each of its subsidiaries has obtained and is in compliance with all Permits required by applicable Laws that are necessary to conduct its current business as it is now being conducted (which, for greater certainty, includes the exploration for mineral deposits), except where the failure to hold or comply with such Permits would not, individually or in the aggregate, have a Material Adverse Effect.

(u) Environmental Matters. Except for any matters that, individually or in the aggregate would not have or would not reasonably be expected to have a Material Adverse Effect, each of Sunward and its subsidiaries and their respective businesses, operations, and properties:

(i) is in material compliance with all Environmental Laws and all terms and conditions of all Environmental Permits;

(ii) has not received any order, request or notice from any Person alleging a material violation of any Environmental Law;

(iii) is not a party to any litigation or administrative proceeding, nor to the knowledge of Sunward is any litigation or administrative proceeding threatened against it or its property or assets, which in either case asserts or alleges that it violated any Environmental Laws, is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances;

(iv) has no knowledge of any conditions existing currently which could reasonably be expected to subject it to damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require cleanup, removal, remedial action or other response by it pursuant to applicable Environmental Laws;

(v) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and

(vi) is not involved in operations and does not know of any facts, circumstances or conditions, including any Release of any Hazardous Substance, that would reasonably be expected to result in any Environmental Liabilities.

(v) Mineral Resources. The most recent estimates of indicated, measured and inferred mineral resources disclosed in the Sunward Public Disclosure Record have been prepared and disclosed in all material respects in accordance with NI 43-101. The information

provided by Sunward to the Qualified Persons (as defined in NI 43-101) in connection with the preparation of such estimates was complete and accurate in all material respects at the time such information was furnished. No material mineral deposits are subject to illegal occupation. There are no material outstanding unresolved comments of any Securities Authorities in respect of Sunward's disclosure in the Sunward Public Disclosure Record. There has been no material reduction in the aggregate amount of estimated mineral resources of Sunward and its subsidiaries, on a consolidated basis, from the amounts disclosed in the Sunward Public Disclosure Record.

(w) Regulatory.

(i) Sunward and its subsidiaries have operated and are currently operating in material compliance with all applicable Laws, including all applicable rules, regulations, guidelines and policies of any Regulatory Authorities; and

(ii) Sunward and its subsidiaries have operated and are currently operating their respective businesses in compliance with all licenses, permits, authorizations, approvals, registrations and consents of the Regulatory Authorities (the "**Regulatory Authorizations**") in all material respects and have made all requisite material declarations and filings with the Regulatory Authorities. Sunward and its subsidiaries have not received any written notices or other correspondence from the Regulatory Authorities regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Sunward or its subsidiaries to operate their respective businesses.

(x) Employee Benefits.

(i) Sunward and each of its subsidiaries has complied, in all material respects, with the terms of all agreements, health, welfare, supplemental unemployment benefit, bonus, incentive, profit sharing, deferred compensation, stock purchase, stock compensation, stock option, disability, pension or retirement plans and other employee compensation or benefit plans, policies, arrangements, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, insured or uninsured which are maintained by or binding upon Sunward or such subsidiary or in respect of which Sunward or any of its subsidiaries has any actual or potential liability (collectively, the "**Sunward Benefit Plans**") and with all applicable Laws and collective bargaining agreements relating thereto.

(ii) Schedule 3.1(x) of the Sunward Disclosure Letter sets forth a complete list of the Sunward Benefit Plans.

(y) Labour and Employment.

(i) Schedule 3.1(y) of the Sunward Disclosure Letter sets forth a complete list of all employees of Sunward and its subsidiaries, together with their titles, service dates and material terms of employment, including current wages, salaries or hourly rate of pay, and bonus (whether monetary or otherwise). No such employee is on long-term disability leave, extended absence or worker's compensation leave. All current assessments under applicable workers

compensation legislation in relation to the employees listed in Schedule 3.1(y) of the Sunward Disclosure Letter have been paid or accrued by Sunward and its subsidiaries, as applicable, and Sunward and its subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.

(ii) Except for those written employment contracts with employees of Sunward and any of its subsidiaries identified in Schedule 3.1(y) of the Sunward Disclosure Letter, there are no written contracts of employment entered into with any such employees. Except for those agreements or provisions described in Schedule 3.1(y) of the Sunward Disclosure Letter, no employee of Sunward or of any of its subsidiaries is party to a change of control, severance, termination, golden parachute or similar agreement or provision or would receive payments under such agreement or provision as a result of the Arrangement.

(iii) Neither Sunward nor any subsidiary is party to any collective bargaining agreement, contract or legally binding commitment to any trade unions or employee organization or group. There are no threatened or apparent union organizing activities involving employees of Sunward or any of its subsidiaries, nor is Sunward or any of its subsidiaries currently negotiating any collective bargaining agreements.

(iv) Schedule 3.1(y) of the Sunward Disclosure Letter sets forth a complete list of the consulting and third-party contractor agreements, including drilling contractors, between Sunward or any of its subsidiaries. There are no material defaults or violations by Sunward or any of its subsidiaries under any such agreements listed in Schedule 3.1(y) of the Sunward Disclosure Letter, and there are no material claims or proceedings, or to the knowledge of Sunward, threatened material claims or proceedings of any kind from any such third-party contractors.

(z) Compliance with Laws. Sunward and its subsidiaries have complied with and are not in violation of any applicable Laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect.

(aa) Absence of Cease Trade Orders. No order ceasing or suspending trading in the Sunward Shares (or any of them) or any other securities of Sunward is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of Sunward, are pending, contemplated or threatened.

(bb) Related Party Transactions. Other than as set out in Schedule 3.1(bb) to the Sunward Disclosure Letter, there are no Contracts or other transactions currently in place between Sunward or any of its subsidiaries and:

(i) any officer or director of Sunward or any of its subsidiaries;

(ii) any holder of record or beneficial owner of 10% or more of the Sunward Shares; and

(iii) to the knowledge of Sunward, any affiliate or associate of any such officer, director, holder of record or beneficial owner.

(cc) Expropriation. No part of the property or assets of Sunward or any of its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written

notice or proceeding in respect thereof been given or commenced nor does Sunward or any of its subsidiaries know of any intent or proposal to give such notice or commence any such proceedings.

(dd) Registration Rights. No Sunward Shareholder has any right to compel Sunward to register or otherwise qualify the Sunward Shares (or any of them) for public sale or distribution.

(ee) Rights of Other Persons. No Person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by Sunward or any of its subsidiaries, or any part thereof.

(ff) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon Sunward or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect.

(gg) Brokers. Except for Cormark Securities Inc. (the "**Sunward Financial Advisor**"), there is no investment banker, broker, finder or other financial intermediary that has been retained by or is authorized to act on behalf of any of Sunward or its subsidiaries who is entitled to any fee or commission from any of Sunward or its subsidiaries in connection with the transactions contemplated hereby or will have any ongoing commitment from Sunward or its subsidiaries after the Effective Time. Schedule 3.1(gg) of the Sunward Disclosure Letter sets forth all amounts payable to the Sunward Financial Advisor by Sunward or any of its subsidiaries in connection with the transactions contemplated hereby.

(hh) Insurance. As of the date hereof, Sunward and its subsidiaries have such policies of insurance as are listed in Schedule 3.1(hh) of the Sunward Disclosure Letter. All insurance maintained by Sunward or any of its subsidiaries is in full force and effect and in good standing and neither Sunward nor any of its subsidiaries is in default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has Sunward or any of its subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of Sunward or any of its subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost, except where such failure or default or other event would not reasonably be expected to have a Material Adverse Effect.

(ii) Corrupt Practices Legislation. None of Sunward, its subsidiaries or affiliates, nor to the knowledge of Sunward any of it, its subsidiaries or affiliates' respective directors, officers or employees, or agents or other third party representatives when acting on Sunward or any of its subsidiaries or affiliates' behalf, has:

(i) violated any provision of Canada's Corruption of Foreign Public Officials Act or any applicable provision of the United States' Foreign Corrupt Practices Act or any applicable Law of similar effect (collectively, "**Applicable Anti-Corruption Laws**");

(ii) on behalf of Sunward or any of its subsidiaries or affiliates, made or authorized any contribution, payment or promise to make payment of any money, gift, loan, reward, advantage, benefit or anything of value, directly or indirectly, to or for the benefit of a Government Official to influence any act or omission of any Government Official or Government Entity;

(iii) used or is using any corporate funds for any direct or indirect illegal payments to any Government Officials; or

(iv) to the knowledge of Sunward, been or is subject to any investigation by any governmental authority or regulatory agency regarding any actual, alleged or potential violation of, or failure to comply with, Applicable Anti-Corruption Laws.

To the knowledge of Sunward, none of Sunward or its subsidiaries or affiliates' officers, directors, employees, agents, or other third party representatives are Government Officials.

(jj) No Shareholder Rights Plan. As of the date hereof, there is no shareholder rights plan, "poison pill" antitakeover plan or similar device in effect to which Sunward or any of its subsidiaries is subject, party or otherwise bound.

(kk) United States Securities Laws. Sunward (i) is not subject to the reporting requirements of Section 13(a) or 15(d) of the U.S. Exchange Act; (ii) is a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act; and (iii) is not an "investment company" as defined in the United States Investment Company Act of 1940, as amended.

3.2 Survival of Representations and Warranties

The representations and warranties of Sunward contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF NOVACOPPER

4.1 Representations and Warranties

NovaCopper hereby represents, and warrants to and in favour of Sunward as follows except to the extent that such representations and warranties are qualified by the NovaCopper Disclosure Letter (which shall make reference to the applicable section, subsection, paragraph or subparagraph below in respect of which such qualification is being made), and acknowledges that Sunward is relying upon such representations and warranties in connection with the entering into of this Agreement:

(a) Board Approval. As of the date hereof, the NovaCopper Board, after consultation with its financial and legal advisors, has determined that the Plan of Arrangement is in the best interests of NovaCopper and has unanimously resolved to recommend to the NovaCopper Shareholders that they vote in favour of the Arrangement. The NovaCopper Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement.

(b) Organization and Qualification. NovaCopper and each of its subsidiaries is a corporation duly incorporated or an entity duly created and validly existing under all applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or other power, authority and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. NovaCopper and each of its subsidiaries:

(i) has all Permits necessary to conduct its business substantially as now conducted as disclosed in the NovaCopper Public Disclosure Record, except where the failure to hold such Permits would not individually or in the aggregate have a Material Adverse Effect; and

(ii) is duly registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not individually or in the aggregate have a Material Adverse Effect.

(c) Authority Relative to this Agreement. NovaCopper has the requisite corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by NovaCopper and the performance by NovaCopper of its obligations under this Agreement have been duly authorized by the NovaCopper Board and no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement pursuant to the Plan of Arrangement other than the NovaCopper Shareholder Approval. This Agreement has been duly executed and delivered by NovaCopper and constitutes a legal, valid and binding obligation of NovaCopper, enforceable against NovaCopper in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other applicable Laws relating to or affecting rights of creditors generally and subject to the qualification that equitable remedies, including specific performance, are discretionary.

(d) No Violation. The authorization, execution and delivery of this Agreement by NovaCopper, the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement and the performance of NovaCopper's obligations hereunder or thereunder in accordance with the terms hereof and thereof will not:

(i) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require, except in respect of the Key Third-Party Consents (which are the only consents, approvals and notices required from any third-party under any Contracts of NovaCopper or any of its subsidiaries in order for NovaCopper and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Plan of Arrangement), any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or cause any indebtedness to come due before its stated maturity, or cause any credit commitment to cease to be available, or cause any payment or other obligation to be imposed on NovaCopper or any of its subsidiaries, under any of the terms, conditions or provisions of:

(A) their respective articles, charters or by-laws or other comparable organizational documents; or

(B) any Permit or material Contract to which NovaCopper or any of its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which NovaCopper or any of its subsidiaries is bound; or

(ii) subject to obtaining the Key Regulatory Approvals,

(A) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any Laws applicable to NovaCopper or any of its subsidiaries or any of their respective properties or assets; or

(B) cause the suspension or revocation of any Permit currently in effect in regard of NovaCopper or any of its subsidiaries;

(except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations, accelerations or any consents (expressly excluding clause (i)(A), excluding the Key Third-Party Consents and Key Regulatory Approvals), approvals or notices which if not given or received, would not, individually or in the aggregate, reasonably be expected to have any Material Adverse Effect);

(iii) give rise to any rights of first refusal or trigger any change in control provisions under any note, bond, mortgage, indenture, contract, license, franchise or Permit to which NovaCopper is a party; or

(iv) result in the imposition of any Liens upon any assets of NovaCopper or any of its subsidiaries.

(e) Capitalization. The authorized share capital of NovaCopper consists of an unlimited number of NovaCopper Shares. As of the close of business on April 22, 2015, there are issued and outstanding 60,633,701 NovaCopper Shares. As of the close of business on April 22, 2015, an aggregate of 3,161,666 NovaCopper Shares are issuable upon the exercise of 3,161,666 options to purchase NovaCopper Shares ("**NovaCopper Options**"), an aggregate of 6,521,740 NovaCopper Shares are issuable upon exercise of 6,521,740 warrants to purchase NovaCopper Shares ("**NovaCopper Warrants**"), an aggregate of nil NovaCopper Shares are issuable upon vesting of restricted share units ("**NovaCopper RSUs**") outstanding, an aggregate of 912,410 NovaCopper Shares are issuable upon vesting of the 912,410 deferred share units ("**NovaCopper DSUs**") outstanding, an aggregate of 546,771 NovaCopper Shares are issuable upon exercise of the 3,280,626 NovaGold arrangement options ("**NovaGold Arrangement Options**") outstanding and an aggregate of 3,447 NovaCopper Shares are issuable upon vesting of the 20,686 NovaGold DSUs ("**NovaGold DSUs**") outstanding. There are no options (other than the NovaCopper Options and NovaGold Arrangement Options), warrants (other than the NovaCopper Warrants), conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by NovaCopper of any securities of NovaCopper (including NovaCopper Shares), or any securities (other than the NovaCopper RSUs, NovaCopper DSUs or NovaGold DSUs,) or obligations convertible into, or exchangeable or exercisable for, or

otherwise evidencing a right or obligation to acquire, any securities of NovaCopper (including NovaCopper Shares) or of any subsidiary of NovaCopper. Other than the NovaCopper Shares, NovaCopper Options, NovaCopper Warrants, NovaCopper RSUs, NovaCopper DSUs, NovaGold DSUs and NovaGold Arrangement Options, there are no securities of NovaCopper outstanding. All outstanding NovaCopper Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all NovaCopper Shares issuable upon the exercise of NovaCopper Options, NovaGold Arrangement Options or NovaCopper Warrants or upon vesting of the NovaGold DSUs, NovaCopper RSUs or NovaCopper DSUs, in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. All securities of NovaCopper (including the NovaCopper Shares, NovaCopper Options, NovaGold Arrangement Options, NovaCopper Warrants, NovaGold DSUs, NovaCopper RSUs and NovaCopper DSUs,) have been issued in compliance with all applicable Laws. Other than the NovaCopper Shares, NovaCopper Options, NovaGold Arrangement Options, NovaCopper Warrants, NovaGold DSUs, NovaCopper RSUs and NovaCopper DSUs, there are no securities of NovaCopper or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the NovaCopper Shareholders on any matter. There are no outstanding contractual or other obligations of NovaCopper or any subsidiary to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any of its outstanding securities. There are no outstanding bonds, debentures or other evidences of indebtedness of NovaCopper or any of its subsidiaries having the right to vote with the holders of the outstanding NovaCopper Shares on any matters.

(f) Reporting Status and Securities Laws Matters. NovaCopper is a "reporting issuer" and not on the list of reporting issuers in default under applicable Canadian provincial Securities Laws in each of the provinces of Canada. No delisting, suspension of trading in or cease trading order with respect to any securities of NovaCopper and, to the knowledge of NovaCopper, no inquiry or investigation (formal or informal) of any Securities Authority or the SEC, is in effect or ongoing or, to the knowledge of NovaCopper, expected to be implemented or undertaken.

(g) United States Securities Laws. NovaCopper (i) is subject to the reporting requirements of Section 13(a) or 15(d) of the U.S. Exchange Act; (ii) is not a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act; and (iii) is not an "investment company" as defined in the United States Investment Company Act of 1940, as amended.

(h) Ownership of subsidiaries. Schedule 4.1(h) of the NovaCopper Disclosure Letter includes complete and accurate lists of all subsidiaries owned, directly or indirectly, by NovaCopper, each of which is wholly-owned other than as disclosed in Schedule 4.1(h) of the NovaCopper Disclosure Letter. All of the issued and outstanding shares of capital stock and other ownership interests in the subsidiaries of NovaCopper are duly authorized, validly issued, fully paid and non-assessable, and all such shares and other ownership interests held directly or indirectly by NovaCopper are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into or exchangeable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of NovaCopper, except as disclosed in Schedule 4.1(h) of the NovaCopper Disclosure Letter. There are no contracts, commitments, agreements,

understandings, arrangements or restrictions which require any subsidiaries of NovaCopper to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into or exchangeable for, any shares of its share capital or other ownership interests. Except as otherwise disclosed in Schedule 4.1(h) of the NovaCopper Disclosure Letter there are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third-party the right to acquire any shares or other ownership interests in any subsidiaries of NovaCopper.

(i) Public Filings. NovaCopper has filed all documents required to be filed by it in accordance with applicable Securities Laws in Canada and the U.S. Exchange Act. NovaCopper has filed all necessary documents and information required to be filed with the Securities Authorities and the TSX and the NYSEMKT. All such documents and information comprising the NovaCopper Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto):

(i) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; and

(ii) complied in all material respects with the requirements of applicable Securities Laws in Canada and the U.S. Exchange Act, and any amendments to the NovaCopper Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSX. NovaCopper has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential.

(j) NovaCopper Financial Statements. NovaCopper's audited financial statements as at and for the fiscal years ended November 30, 2014 and 2013, the unaudited financial statements as at and for the three months ended February 28, 2015 and 2014 and NovaCopper's MD&A for the corresponding periods (collectively, the "**NovaCopper Financial Statements**") were prepared in accordance with U.S. GAAP consistently applied (except as otherwise indicated in such financial statements and the notes thereto or in the related report of NovaCopper's independent auditors, and except that the unaudited NovaCopper Financial Statements may not contain footnotes and are subject to normal year-end adjustments, none of which individually or in the aggregate will be material in nature or amount) and fairly present in all material respects the consolidated financial position, results of operations and changes in financial position of NovaCopper and its subsidiaries as of the dates thereof and for the periods indicated therein and reflect reserves required by U.S. GAAP in respect of all material contingent liabilities, if any, of NovaCopper and its subsidiaries on a consolidated basis. There has been no material change in NovaCopper's accounting policies, except as described in the notes to the NovaCopper Financial Statements, since November 30, 2014.

(k) Internal Controls and Financial Reporting. NovaCopper has designed and implemented disclosure controls and procedures to provide reasonable assurance that material information relating to NovaCopper, including its consolidated subsidiaries, is made known to the Chief Executive Officer and the Chief Financial Officer of NovaCopper by others within those entities, as appropriate to allow timely decisions regarding required disclosure, particularly during the periods in which filings are being prepared. NovaCopper has disclosed, based on the most recent evaluation of its Chief Executive

Officer and its Chief Financial Officer prior to the date hereof, to NovaCopper's auditors and the audit committee of the NovaCopper Board:

(i) any significant deficiencies in the design or operation of its internal controls over financial reporting that are reasonably likely to adversely affect NovaCopper's ability to record, process, summarize and report financial information and has identified for NovaCopper's auditors and the NovaCopper Board any material weaknesses in internal control over financial reporting; and

(ii) any fraud, whether or not material, that involves management or other employees who have a significant role in NovaCopper's internal control over financial reporting.

To the knowledge of NovaCopper, as at November 30, 2014, there were no material weaknesses or significant deficiencies in such internal controls and as of the date hereof, nothing has come to the attention of NovaCopper that has caused NovaCopper to believe that there are any material weaknesses or significant deficiencies in such internal controls.

(l) Books and Records. The financial books, records and accounts of NovaCopper and its subsidiaries (during the period of time when owned by NovaCopper), in all material respects:

(i) have been maintained in accordance with good business practices and in accordance with U.S. GAAP and with the accounting principles generally accepted in the country of domicile of each such entity, on a basis consistent with prior years;

(ii) in each case are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of NovaCopper and its subsidiaries; and

(iii) accurately and fairly reflect the basis for the NovaCopper Financial Statements.

(m) Minute Books. The minute books of each of NovaCopper and its subsidiaries, which have been provided to Sunward prior to the date hereof, are true and correct in all material respects, and contain the minutes of all meetings of the boards of directors, committees of the boards and shareholders and all resolutions passed by the boards of directors, committees of the boards and the shareholders.

(n) No Undisclosed Liabilities. NovaCopper and its subsidiaries have no outstanding indebtedness or liabilities and none is a party to or bound by any surety-ship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person, other than those specifically identified in the NovaCopper Public Disclosure Record or incurred in the ordinary course of business since November 30, 2014.

(o) No Material Change. Since November 30, 2014, there has been no material change in respect of NovaCopper and its subsidiaries taken as a whole, and the debt, business and material property of NovaCopper and its subsidiaries conform in all respects to the description thereof contained in the NovaCopper Public Disclosure Record, and there has

been no dividend or distribution of any kind declared, paid or made by NovaCopper on any NovaCopper Shares.

(p) Litigation. There are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of NovaCopper, threatened affecting NovaCopper or any of its subsidiaries or affecting any of their respective property or assets at law or in equity before or by any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or any Governmental Entity, including matters arising under Environmental Laws. Neither NovaCopper nor any of its subsidiaries nor their respective assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree.

(q) Taxes.

(i) NovaCopper and each of its subsidiaries has duly and timely filed all Returns required to be filed by it prior to the date hereof, other than those which have been administratively waived, and all such Returns are complete and correct in all material respects.

(ii) NovaCopper and each of its subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published NovaCopper Financial Statements.

(iii) Except as provided for in the NovaCopper Financial Statements, no material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of NovaCopper or any of its subsidiaries, and neither NovaCopper nor any of its subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of NovaCopper, threatened against NovaCopper or any of its subsidiaries or any of their respective assets, that would reasonably be expected to have a Material Adverse Effect.

(iv) No claim has been made by any Governmental Entity in a jurisdiction where NovaCopper or any of its subsidiaries does not file Returns that NovaCopper or any of its subsidiaries is or may be subject to Tax by that jurisdiction.

(v) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable and for which adequate accruals or reserves have been established in accordance with U.S. GAAP) upon any of the assets of NovaCopper or any of its subsidiaries.

(vi) NovaCopper and each of its subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to do so would not, individually or in the aggregate, result in a Material Adverse Effect.

(vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from NovaCopper or any of its

subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.

(viii) NovaCopper and each of its subsidiaries have given to Sunward true, correct and complete copies of all their income and capital tax returns and statements of deficiencies for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired, and there are no material omissions in the foregoing.

(ix) The NovaCopper Shares are listed on a "recognized stock exchange" as defined by the Tax Act.

(x) For the purposes of the Tax Act and any other relevant Tax purposes:

(A) NovaCopper is resident in Canada; and

(B) each subsidiary of NovaCopper is resident in the jurisdiction in which it is formed and is not resident in nor has a permanent establishment for tax purposes in any other country.

(r) Interest in Properties and Mineral Rights.

(i) NovaCopper or one of its subsidiaries is the sole legal and beneficial owner of all right, title and interest in and to NovaCopper's and its subsidiaries' material real properties including all real Property relating to the Upper Kobuk Mineral Projects (collectively, the "**NovaCopper Properties**") and NovaCopper's and its subsidiaries' material mineral interests and rights (including any material claims, concessions, exploration licences, exploitation licences, prospecting permits, mining leases and mining rights, in each case, either existing under contract, by operation of Law or otherwise) (collectively, the "**NovaCopper Mineral Rights**"), in each case free and clear of any Liens (other than Permitted Liens). All of the NovaCopper Properties and the NovaCopper Mineral Rights are set out in Schedule 4.1(r)(i) of the NovaCopper Disclosure Letter, and neither NovaCopper nor its subsidiaries owns or has any interest in any other material real property or any material mineral interests and rights.

(ii) All of the NovaCopper Mineral Rights have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral claims.

(iii) The NovaCopper Properties and the NovaCopper Mineral Rights are in good standing under applicable Law and, to the knowledge of NovaCopper, all work required to be performed and filed in respect thereof has been performed and filed, all Taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.

(iv) There is no material adverse claim against or challenge to the title to or ownership of the NovaCopper Properties or any of the NovaCopper Mineral Rights.

(v) No Person other than NovaCopper or its subsidiaries has any interest in the NovaCopper Properties or any of the NovaCopper Mineral Rights or the

production or profits therefrom or any royalty in respect thereof or any right to acquire any such interest.

(vi) There are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which would affect NovaCopper's or its subsidiary's interest in the NovaCopper Properties or any of the NovaCopper Mineral Rights.

(vii) There are no material restrictions on the ability of NovaCopper and its subsidiaries to use, transfer or exploit the NovaCopper Properties or any of the NovaCopper Mineral Rights, except pursuant to applicable Law.

(viii) Neither NovaCopper nor any of its subsidiaries has received any notice, whether written or oral, from any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or any Governmental Entity of any revocation or intention to revoke any interest of NovaCopper or any of its subsidiaries in any of the NovaCopper Properties or any of the NovaCopper Mineral Rights.

(ix) NovaCopper and/or its subsidiaries have all surface rights, including fee simple estates, leases, easements, rights of way and permits or licences from landowners, any non-governmental organization, community, community group, aboriginal peoples or aboriginal group or Governmental Entities permitting the use of land by NovaCopper and/or its subsidiaries, and mineral interests that are required to undertake activities as presently contemplated on the NovaCopper Properties.

(x) All Contracts entered into by NovaCopper and/or its subsidiaries with any Alaskan Native corporation, non-governmental organization, community, community group, aboriginal peoples or aboriginal group ("**NovaCopper Aboriginal Contracts**"), whether oral or written, are in full force and effect and NovaCopper and its subsidiaries have complied in all material respects with all terms of such NovaCopper Aboriginal Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no material default or breach exists in respect thereof on the part of NovaCopper or any of its subsidiaries or, to the knowledge of NovaCopper, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a material default or breach or trigger a right of termination of any of the NovaCopper Aboriginal Contracts. As at the date hereof, neither NovaCopper nor any of its subsidiaries has received written notice that any party to a NovaCopper Aboriginal Contract intends to cancel, terminate or otherwise modify or not renew such NovaCopper Aboriginal Contract, and to the knowledge of NovaCopper, no such action has been threatened. Neither NovaCopper nor any of its subsidiaries is a party to any material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of NovaCopper or any of its subsidiaries.

(s) Contracts. All material Contracts to which NovaCopper or any of its subsidiaries are a party are in full force and effect, and NovaCopper or its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. NovaCopper has made available to Sunward for inspection true and completed copies of all material Contracts, and all such material Contracts have been provided to Sunward pursuant to its

due diligence requests. All of the material Contracts are valid and binding obligations of NovaCopper or its subsidiaries, as the case may be, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. NovaCopper and its subsidiaries have complied in all material respects with all terms of such material Contracts, have paid all amounts due thereunder, have not waived any rights thereunder and no material default or breach exists in respect thereof on the part of NovaCopper or any of its subsidiaries or, to the knowledge of NovaCopper, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a material default or breach or trigger a right of termination of any of the material Contracts. As at the date hereof, neither NovaCopper nor any of its subsidiaries has received written notice that any party to a material Contract intends to cancel, terminate or otherwise modify or not renew such material Contract, and to the knowledge of NovaCopper, no such action has been threatened.

(t) Permits. NovaCopper and each of its subsidiaries has obtained and is in compliance with all Permits required by applicable Laws that are necessary to conduct its current business as it is now being conducted, except where the failure to hold or comply with such Permits would not, individually or in the aggregate, have a Material Adverse Effect.

(u) Environmental Matters. Except for any matters that, individually or in the aggregate would not have or would not reasonably be expected to have a Material Adverse Effect, each of NovaCopper and its subsidiaries and their respective businesses, operations, and properties:

(i) is in material compliance with all Environmental Laws and all terms and conditions of all Environmental Permits;

(ii) has not received any order, request or notice from any Person alleging a material violation of any Environmental Law;

(iii) is not a party to any litigation or administrative proceeding, nor to the knowledge of NovaCopper is any litigation or administrative proceeding threatened against it or its property or assets, which in either case asserts or alleges that it violated any Environmental Laws, is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances;

(iv) has no knowledge of any conditions existing currently which could reasonably be expected to subject it to damages, penalties, injunctive relief or cleanup costs under any Environmental Laws or which require or are likely to require cleanup, removal, remedial action or other response by it pursuant to applicable Environmental Laws;

(v) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and

(vi) is not involved in operations and does not know of any facts, circumstances or conditions, including any Release of any Hazardous Substance, that would reasonably be expected to result in any Environmental Liabilities.

(v) Mineral Resources. The most recent estimates of indicated, measured and inferred mineral resources disclosed in the NovaCopper Public Disclosure Record have been prepared and disclosed in all material respects in accordance with NI 43-101. The information provided by NovaCopper to the Qualified Persons (as defined in NI 43-101) in connection with the preparation of such estimates was complete and accurate in all material respects at the time such information was furnished. No material mineral deposits are subject to illegal occupation. There are no material outstanding unresolved comments of any Securities Authorities in respect of NovaCopper's disclosure in the NovaCopper Public Disclosure Record. There has been no material reduction in the aggregate amount of estimated mineral reserves and mineral resources of NovaCopper and its subsidiaries, on a consolidated basis, from the amounts disclosed in the NovaCopper Public Disclosure Record, other than as a result of (A) mining operations conducted in the ordinary course of business of NovaCopper and (B) the conversion of mineral resources to mineral reserves.

(w) Regulatory.

(i) NovaCopper and its subsidiaries have operated and are currently operating in material compliance with all applicable Laws, including all applicable rules, regulations, guidelines and policies of any Regulatory Authorities; and

(ii) NovaCopper and its subsidiaries have operated and are currently operating their respective businesses in compliance with all Regulatory Authorizations in all material respects and have made all requisite material declarations and filings with the Regulatory Authorities. NovaCopper and its subsidiaries have not received any written notices or other correspondence from the Regulatory Authorities regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of NovaCopper or its subsidiaries to operate their respective businesses.

(x) Employment Matters. NovaCopper and each of its subsidiaries has complied, in all material respects, with the terms of all agreements, health, welfare, supplemental unemployment benefit, bonus, incentive, profit sharing, deferred compensation, stock purchase, stock compensation, stock option, disability, pension or retirement plans and other employee compensation or benefit plans, policies, arrangements, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, insured or uninsured which are maintained by or binding upon NovaCopper or such subsidiary or in respect of which NovaCopper or any of its subsidiaries has any actual or potential liability and with all applicable Laws and collective bargaining agreements relating thereto.

Except for those agreements or provisions described in Schedule 4.1(x) of the NovaCopper Disclosure Letter, no employee, director or officer of NovaCopper or of any of its subsidiaries is party to a change of control, severance, termination, golden parachute or similar agreement or provision or would receive payments under such agreement or provision as a result of the Arrangement.

Neither NovaCopper nor any subsidiary is party to any collective bargaining agreement, contract or legally binding commitment to any trade unions or employee organization or group. There are no threatened or apparent union organizing activities involving employees of NovaCopper or any of its subsidiaries, nor is NovaCopper or any of its subsidiaries currently negotiating any collective bargaining agreements.

(y) Compliance with Laws. NovaCopper and its subsidiaries have complied with and are not in violation of any applicable Laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect.

(z) Absence of Cease Trade Orders. No order ceasing or suspending trading in the NovaCopper Shares (or any of them) or any other securities of NovaCopper is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of NovaCopper, are pending, contemplated or threatened.

(aa) Related Party Transactions. Except as disclosed in Schedule 4.1(aa) of the NovaCopper Disclosure Letter or as expressly contemplated by this Agreement, there are no Contracts or other transactions currently in place between NovaCopper or any of its subsidiaries and:

(i) any officer or director of NovaCopper or any of its subsidiaries;

(ii) any holder of record or beneficial owner of 10% or more of the NovaCopper Shares; and

(iii) to the knowledge of NovaCopper, any affiliate or associate of any such officer, director, holder of record or beneficial owner.

(bb) Expropriation. No part of the property or assets of NovaCopper or any of its subsidiaries has been taken, condemned or expropriated by any Governmental Entity nor has any written notice or proceeding in respect thereof been given or commenced nor does NovaCopper or any of its subsidiaries know of any intent or proposal to give such notice or commence any such proceedings.

(cc) Registration Rights. No NovaCopper Shareholder has any right to compel NovaCopper to register or otherwise qualify the NovaCopper Shares (or any of them) for public sale or distribution.

(dd) Rights of Other Persons. No Person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by NovaCopper or any of its subsidiaries, or any part thereof.

(ee) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon NovaCopper or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect.

(ff) Brokers. Except for Haywood Securities Inc. there is no investment banker, broker, finder or other financial intermediary that has been retained by or is authorized to act on behalf of any of NovaCopper or its subsidiaries who is entitled to any fee or commission

from any of NovaCopper or its subsidiaries in connection with the transactions contemplated hereby or will have any ongoing commitment from NovaCopper or its subsidiaries after the Effective Time.

(gg) Insurance. All insurance maintained by NovaCopper or any of its subsidiaries is in full force and effect and in good standing and neither NovaCopper nor any of its subsidiaries is in default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has NovaCopper or any of its subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of NovaCopper or any of its subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost, except where such failure or default or other event would not reasonably be expected to have a Material Adverse Effect.

(hh) Corrupt Practices Legislation. Except as disclosed in Schedule 4.1(hh) to the NovaCopper Disclosure Letter, none of NovaCopper, its subsidiaries or affiliates, nor to the knowledge of NovaCopper any of it, its subsidiaries or affiliates' respective directors, officers or employees, or agents or other third party representatives when acting on NovaCopper or any of its subsidiaries or affiliates' behalf, has:

(i) violated any provision of Applicable Anti-Corruption Laws;

(ii) on behalf of NovaCopper or any of its subsidiaries or affiliates, made or authorized any contribution, payment or promise to make payment of any money, gift, loan, reward, advantage, benefit or anything of value, directly or indirectly, to or for the benefit of a Government Official to influence any act or omission of any Government Official or Government Entity;

(iii) used or is using any corporate funds for any direct or indirect illegal payments to any Government Officials; or

(iv) to the knowledge of NovaCopper, been or is subject to any investigation by any governmental authority or regulatory agency regarding any actual, alleged or potential violation of, or failure to comply with, Applicable Anti-Corruption Laws.

To the knowledge of NovaCopper, none of NovaCopper or its subsidiaries or affiliates' officers, directors, employees, agents, or other third party representatives are Government Officials.

(ii) No Shareholder Rights Plan. As of the date hereof, there is no shareholder rights plan, "poison pill" antitakeover plan or similar device in effect to which NovaCopper or any of its subsidiaries is subject, party or otherwise bound.

4.2 Survival of Representations and Warranties

The representations and warranties of NovaCopper contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.