ARTICLE 5
COVENANTS

5.1 Covenants of Sunward Regarding the Conduct of Business

From the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required by applicable Laws, consented to by NovaCopper in writing, or otherwise expressly contemplated or permitted by this Agreement, Sunward shall, and shall cause each of its subsidiaries to, conduct the business of Sunward and its subsidiaries, taken as a whole, in the ordinary course consistent with past practice and, to the extent consistent therewith, use its (and cause each of its subsidiaries to use its) reasonable best efforts to (i) preserve intact the present business organization of each of Sunward and its subsidiaries, (ii) maintain in effect all material Permits of each of Sunward and its subsidiaries, (iii) keep available the services of present officers, key employees and key consultants of each of Sunward and its subsidiaries, (iv) comply in all material respects with the terms of each material Contract to which Sunward or any of its subsidiaries is a party, and (v) preserve intact the material relationships of each of Sunward and its subsidiaries with suppliers, distributors and employees. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required by applicable Law or otherwise expressly contemplated or permitted by this Agreement, Sunward shall not, nor shall it permit any of its subsidiaries to, directly or indirectly, without the prior written consent of NovaCopper (which consent shall not be unreasonably withheld or delayed):

(a) take any action except in the ordinary course of business of Sunward and its subsidiaries;

(b) amend its notice of articles, articles, charter, by-laws or other comparable organizational documents or split, combine, reclassify or create a new class of any shares in the capital of Sunward or any of its subsidiaries, or declare, set aside or pay any dividend or other distribution or payment (whether in cash, securities or property or any combination thereof) in respect of the Sunward Shares or any other securities of Sunward or any of its subsidiaries;

(c) offer, issue, grant, deliver, sell or pledge, or agree to offer, issue, grant, deliver, sell or pledge, any shares or other securities of Sunward or its subsidiaries, or any Sunward Options, Sunward DSUs or any other securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares or other securities of Sunward or its subsidiaries, other than:

(i) the issuance of Sunward Shares issuable pursuant to the terms of the outstanding Sunward Options, and

(ii) the issuance of Sunward DSUs pursuant to prior elections as described in Schedule 5.1(c)(iii) of the Sunward Disclosure Letter;

(d) redeem, purchase or otherwise acquire, or offer or agree to redeem, purchase or otherwise acquire, any outstanding securities of Sunward or any of its subsidiaries,

(e) adopt a plan of liquidation or dissolution providing for the liquidation or dissolution of Sunward or any of its subsidiaries;

(f) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS;

(g) make or amend any Tax election, change any method of Tax accounting, settle or compromise any Tax liability, file any material amended Return, surrender any right to claim a material Tax refund, or consent to the extension or waiver of the limitation period applicable to any material Tax claim or assessment;

(h) except as set forth in Schedule 5.1(h) of the Sunward Disclosure Letter,

(i) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of or encumber or otherwise transfer, any assets, securities, properties, interests or businesses of Sunward or any of its subsidiaries for an amount greater than $50,000 in the aggregate;

(ii) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets or otherwise), directly or indirectly, any assets, securities, properties, interests, businesses, corporation, partnership or other business organization or division thereof, or make any investment either by the purchase of securities, contributions of capital, property transfer, or purchase or agree to purchase of any other property or assets of any other Person, for an amount greater than $50,000 in the aggregate;

(iii) except in the ordinary course of business consistent with past practice, incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other Person, or make any loans, capital contributions, investments or advances;

(iv) pay, discharge or satisfy any material claims, liabilities or obligations for an amount greater than $50,000;

(v) waive, release, grant or transfer any rights of material value; or

(vi) authorize or propose any of the foregoing, or enter into or modify any Contract to do any of the foregoing;

(i) other than as is necessary to comply with the Plan of Arrangement or existing Contracts, or pursuant to prior elections under the Sunward DSU Plan:

(i) grant to any officer, employee, consultant or director of Sunward or any of its subsidiaries an increase in compensation in any form, or grant any general salary increase;

(ii) make any loan to any officer, employee, consultant or director of Sunward or any of its subsidiaries;

(iii) take any action with respect to the grant of any severance, change of control, bonus or termination pay to, or enter into any employment agreement, deferred compensation or other similar agreement (or amend such existing agreement) with, or hire or terminate employment (except for just cause) of, any officer, employee, consultant or director of Sunward or any of its subsidiaries;

(iv) increase any benefits payable under any existing severance or termination pay policies or employment agreements, or adopt or materially amend or make any contribution to any Sunward Benefit Plan or other bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of directors, officers, consultants or employees or former directors, officers, consultants or employees of Sunward or any of its subsidiaries;

(v) increase compensation, bonus levels or other benefits payable to any director, officer, consultant or employee of Sunward or any of its subsidiaries;

(vi) provide for accelerated vesting, removal of restrictions or an exercise of any stock based or stock related awards (including stock options, stock appreciation rights, deferred share units, performance units and restricted share awards) upon a change of control; or

(vii) establish, adopt or amend (except as required by applicable Law) any collective bargaining agreement or similar agreement;

(j) settle, pay, discharge, satisfy, compromise, waive, assign or release any action, claim or proceeding brought against Sunward and/or any of its subsidiaries or any action, claim or proceeding brought by any present, former or purported holder of its securities in connection with the transactions contemplated by this Agreement or the Plan of Arrangement for an amount that exceeds $50,000 in the aggregate;

(k) enter into any agreement or arrangement that limits or otherwise restricts in any material respect Sunward or any of its subsidiaries or any successor thereto, or that would, after the Effective Time, limit or restrict in any material respect Sunward or any of its subsidiaries, from competing in any manner;

(l) waive, release or assign any material rights, claims or benefits of Sunward or any of its subsidiaries;

(m) except as expressly contemplated by this Agreement, enter into any agreement that, if entered into prior to the date hereof, would be a material Contract or modify, amend in any material respect, transfer or terminate any material Contract, or waive, release or assign any material rights or claims thereto or thereunder;

(n) take any action or fail to take any action, which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Permits necessary to conduct the business of Sunward and its subsidiaries as now conducted, or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for regulatory approvals;

(o) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of Sunward to consummate the Arrangement or the other transactions contemplated by this Agreement; or

(p) agree, resolve or commit to do any of the foregoing.

5.2 Covenants of Sunward Relating to the Arrangement

Sunward shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Sunward or any of its subsidiaries under this Agreement, co-operate with NovaCopper in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing or the obligations in Section 2.5, Sunward shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to obtain and assist NovaCopper in obtaining all required Key Regulatory Approvals;

(b) use commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any material Contracts to which Sunward or any of its subsidiaries is a party, and all Key Third Party Consents;

(c) defend all lawsuits or other legal, regulatory or other proceedings against Sunward challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; provided that NovaCopper may, at its option and expense, direct the joint defence of NovaCopper and Sunward in respect of any such legal, regulatory or other proceedings;

(d) provide such assistance as may be reasonably requested by NovaCopper for the purposes of completing the NovaCopper Meeting;

(e) subject to applicable Law, make available and cause to be made available to NovaCopper, and its agents and advisors, information reasonably requested by NovaCopper for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of NovaCopper and Sunward following completion of the Arrangement and confirming the representations and warranties of Sunward set out in Section 3.1;

(f) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order;

(g) subject to obtaining confirmation that insurance coverage is maintained as contemplated in Section 7.6, and provided that the Effective Date has occurred, Sunward will use its commercially reasonable efforts to obtain and deliver to NovaCopper at the Effective Time duly executed and legally binding resignations, effective as of the Effective Date, of each director and officer of Sunward and its subsidiaries as NovaCopper may reasonably require, together with corresponding releases in favour of Sunward and its subsidiaries, as applicable, each in form and substance satisfactory to NovaCopper, acting reasonably;

(h) deliver to each director and officer who delivers a resignation under Section 5.2(g), a release in favour of such resigning director or officer, each in form and substance satisfactory to NovaCopper, acting reasonably; and

(i) vote any and all NovaCopper Shares held by it on the record date for the NovaCopper Meeting in favour of the issuance of the Consideration Shares, the DSU Shares and the reservation for issuance of the Option Shares.

5.3 Covenants of NovaCopper Regarding the Conduct of Business

From the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required by applicable Laws, consented to by Sunward in writing, or otherwise expressly contemplated or permitted by this Agreement, NovaCopper shall, and shall cause each of its subsidiaries to, conduct the business of NovaCopper and its subsidiaries, taken as a whole, in the ordinary course consistent with past practice and, to the extent consistent therewith, use its (and cause each of its subsidiaries to use its) reasonable best efforts to (i) preserve intact the present business organization of each of NovaCopper and its subsidiaries, (ii) maintain in effect all material Permits of each of NovaCopper and its subsidiaries, (iii) keep available the services of present officers, key employees and key consultants of each of NovaCopper and its subsidiaries, (iv) comply in all material respects with the terms of each material Contract to which NovaCopper or any of its subsidiaries is a party, and (v) preserve intact the material relationships of each of NovaCopper and its subsidiaries with suppliers and distributors. Without limiting the generality of the foregoing, from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except as required by applicable Law or otherwise expressly contemplated or permitted by this Agreement, NovaCopper shall not, nor shall it permit any of its subsidiaries to, directly or indirectly, without the prior written consent of NovaCopper (which consent shall not be unreasonably withheld or delayed):

(a) amend its notice of articles, articles, charter, by-laws or other comparable organizational documents to split, combine, reclassify or create a new class of any shares in the capital of NovaCopper or any of its subsidiaries;

(b) adopt a plan of liquidation or dissolution providing for the liquidation or dissolution of Sunward or any of its subsidiaries;

(c) take any action or fail to take any action, which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Permits necessary to conduct the business of NovaCopper and its subsidiaries as now conducted, or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for regulatory approvals;

(d) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of NovaCopper to consummate the Arrangement or the other transactions contemplated by this Agreement; or

(e) agree, resolve or commit to do any of the foregoing.

5.4 Covenants of NovaCopper Relating to the Arrangement

NovaCopper shall, and shall cause its subsidiaries to, perform all obligations required to be performed by NovaCopper or any of its subsidiaries under this Agreement, co-operate with Sunward in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing or the obligations in Section 2.5, NovaCopper shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to obtain and assist Sunward in obtaining all required Key Regulatory Approvals; provided, that nothing contained in this Agreement or the Plan of Arrangement shall require, or shall be deemed to require, NovaCopper to accept any undertaking or condition or enter into any consent decree or hold separate order, to make any divestiture or to accept any operational restriction or limitation required by any Governmental Entity;

(b) use its commercially reasonable efforts to obtain and assist Sunward in obtaining all required Key Third Party Consents;

(c) defend all lawsuits or other legal, regulatory or other proceedings against NovaCopper challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;

(d) provide such assistance as may be reasonably requested by Sunward for the purposes of conducting the Sunward Meeting;

(e) apply for and use commercially reasonable efforts to obtain (i) conditional approval of the listing and posting for trading on the TSX of the Consideration Shares, the DSU Shares and reservation for listing and posting for trading of the Option Shares, subject only to satisfaction by NovaCopper of customary listing conditions of the TSX, and (ii) approval of the listing and posting for trading of the Consideration Shares, the DSU Shares and reservation for listing and posting for trading of the Option Shares, in each case on the NYSE MKT, subject to notice of issuance;

(f) subject to applicable Law, make available and cause to be made available to Sunward, and its agents and advisors, information reasonably requested by Sunward for the purposes of confirming the representations and warranties of NovaCopper set out in Section 4.1;

(g) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement;

(h) in accordance with the terms of the Plan of Arrangement, at the Effective Time, to the extent applicable, each Sunward Option which is outstanding and has not been duly exercised prior to the Effective Date, shall be exchanged for a fully-vested option (each, a "**Arrangement Option**") to purchase from NovaCopper the number of Option Shares (rounded down to the nearest whole share) equal to: (i) the Exchange Ratio multiplied by (ii) the number of Sunward Shares subject to such Sunward Option immediately prior to the Effective Date. Such Arrangement Option shall provide for an exercise price per Option Share (rounded up to the nearest whole cent) equal to: (x) the exercise price per Sunward Share otherwise purchasable pursuant to such Arrangement Option; divided by (y) the Exchange Ratio. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Sunward Options. Accordingly, and notwithstanding the foregoing, if required, the exercise price of an Arrangement Option will be increased such that the In-the-Money Amount of the Arrangement Option immediately after the exchange does not exceed the In-the-Money Amount of the Sunward Option immediately before the exchange. All such Arrangement Options shall expire 90 days following the Effective Date. All terms and conditions of an Arrangement Option, including the conditions to and manner of exercising, will be the same as the Sunward Option for which it was exchanged, and shall be governed by the terms of the applicable Sunward Stock Option Plan and any certificate or option agreement previously evidencing the Sunward Option shall thereafter evidence and be deemed to evidence such Arrangement Option. Taxes

shall be deducted and withheld in connection with the exercise of Arrangement Options to the extent required under applicable Law; and

(i) vote any and all Sunward Shares held by it on the record date for the Sunward Meeting in favour of the Arrangement Resolution.

5.5 Additional Covenants

(a) Sunward shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Sunward or any of its subsidiaries, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;

(b) Each Party shall promptly notify the other Party in writing of any circumstance or development that, to the knowledge of such Party, is or could reasonably be expected to constitute a Material Adverse Effect with respect to such Party;

(c) Sunward shall effect such reorganization of its business, operations, subsidiaries and assets or such other transactions as NovaCopper may reasonably request (each, a "**Pre-Acquisition Reorganization**") prior to or following the Effective Time, and the Plan of Arrangement, if required, shall be modified accordingly; Sunward shall use commercially reasonable efforts to obtain all necessary consents, approvals or waivers from any persons to effect any such Pre-Acquisition Reorganization, and Sunward shall cooperate with NovaCopper in structuring, planning and implementing any such Pre-Acquisition Reorganization.

(d) NovaCopper shall provide written notice to Sunward of any proposed Pre-Acquisition Reorganization at least ten (10) business days prior to the Effective Date. Upon receipt of such notice, Sunward and NovaCopper shall work cooperatively and use their commercially reasonable efforts to prepare prior to the Effective Time all required documentation and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, including any amendment to this Agreement or the Plan of Arrangement and shall seek to have any such Pre-Acquisition Reorganization made effective (i) as of the last moment of the business day ending immediately prior to the Effective Date, (ii) on the Effective Date (as part of the Plan of Arrangement or otherwise) or (iii) as the Parties may otherwise agree in writing.

(e) The Parties acknowledge that the acquisition of Sunward by NovaCopper pursuant to the Plan of Arrangement and the amalgamation of Sunward and ULC pursuant to Section 5.5(f) of this Agreement (together, the "**Acquisition**"), are interdependent steps in a single transaction, to which the Parties hereto are legally committed as provided herein, and to which the Parties intend to treat as a single integrated transaction for U.S. federal income tax purposes.The Acquisition is intended to qualify as a reorganization within the meaning of Section 368(a) of the U.S. Internal Revenue Code (the "**Code**") and this Agreement is intended to be a "plan of reorganization" within the meaning of the U.S. Treasury Regulations promulgated under Section 368 of the Code. Each Party, to the extent it is required to make any filings in the United States, agrees to treat the Acquisition as a reorganization within the meaning of Section 368(a) of the Code for all

U.S. federal income tax purposes, and agrees to treat this Agreement as a "plan of reorganization" within the meaning of the U.S. Treasury Regulations promulgated under Section 368 of the Code, and to not take any position on any Tax Return or otherwise take any Tax reporting position inconsistent with such treatment, unless otherwise required by applicable Law. 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 United States income tax consequences of the Acquisition or Arrangement to any Sunward Securityholder.

(f) As soon as practicable after the Effective Time NovaCopper intends that:

(i) NovaCopper will incorporate a wholly owned subsidiary that is an unlimited liability corporation under the BCBCA ("**ULC**"); and

(ii) ULC will undertake a horizontal short form amalgamation under section 274 of the BCBCA and ULC and Sunward shall be continued as one unlimited liability corporation ("**Merged ULC Company**"), in accordance with the following:

(A) the property of each of the amalgamating corporations shall continue to be the property of Merged ULC Company;

(B) the Merged ULC Company shall continue to be liable for the obligations of each of the amalgamating corporations;

(C) any existing cause of action, claim or liability to prosecution of each of the amalgamating corporations shall be unaffected;

(D) upon the issuance of a certificate of amalgamation pursuant to section 281 of the BCBCA, all shares in the capital of Sunward, including all shares which have been issued and are outstanding at the date hereof, shall be cancelled without any repayment of capital in respect thereof;

(E) Merged ULC Company shall be authorized to issue an unlimited number of common shares without par value;

(F) the Notice of Articles and Articles of ULC then in existence shall be deemed to be the Articles of the Merged ULC Company;

(G) the registered office of ULC shall be the registered office of Merged ULC Company; and

(H) the Merged ULC Company will be an unlimited liability corporation under the BCBCA.

ARTICLE 6
CONDITIONS

6.1 Mutual Conditions Precedent

The obligations of the Parties to complete the Arrangement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Time, each of which may only be waived with the mutual consent of the Parties:

(a) the Arrangement Resolution shall have been approved and adopted by the Sunward Shareholders at the Sunward Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to Sunward or NovaCopper, acting reasonably, on appeal or otherwise;

(c) the NovaCopper Shareholder Approval shall have been obtained;

(d) there shall not exist any prohibition at Law, including any final, non-appealable cease trade order, injunction or other prohibition or order of any Governmental Entity of competent jurisdiction, which shall restrain, enjoin, make illegal or otherwise prohibit or prevent the consummation of the Arrangement;

(e) the Key Regulatory Approvals shall have been obtained;

(f) the Key Third Party Consents shall have been obtained;

(g) (i) the TSX shall have conditionally approved the listing and posting for trading on the TSX of the Consideration Shares, Option Shares and DSU Shares, subject only to the satisfaction of customary listing conditions of the TSX, and (ii) the NYSE MKT shall have approved of the listing and posting for trading of the Consideration Shares, the DSU Shares and reservation for listing and posting for trading of the Option Shares, in each case on the NYSE MKT, subject to notice of issuance; and

(h) the distribution of the Consideration Shares shall be exempt from the prospectus requirements of the Securities Laws in Canada and the issuance of the Consideration Shares shall be exempt from the registration requirements of the U.S. Securities Act.

6.2 Additional Conditions Precedent to the Obligations of NovaCopper

The obligation of NovaCopper to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of NovaCopper and may be waived by it in whole or in part at any time):

(a) all covenants of Sunward under this Agreement to be performed on or before the Effective Time which have not been waived by NovaCopper shall have been duly performed by Sunward in all material respects;

(b) all representations and warranties of Sunward set forth in this Agreement shall be true and correct as of the Effective Time, as though made as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of any such representations and warranties would not reasonably be expected to have a Material Adverse Effect with respect to Sunward; provided that (i) the representations and warranties of Sunward set forth in Sections 3.1(h) and 3.1(ii) shall be true and correct in all respects as of the Effective Time, as though made as of the Effective Time; (ii) the representations and warranties of Sunward set forth in Section 3.1(f) shall be true and correct in all respects as of the Effective Time, as though made as of the Effective Time, except for any failures to be so true and correct that, individually or in the aggregate, are *de minimis* (it being understood that any failures to be true and correct shall be deemed to be "*de minimis*" if and only if Sunward's fully diluted capitalization as of the applicable

determination date does not exceed Sunward's fully diluted capitalization set forth in Section 3.1(f) by more than 0.25% in the aggregate); and (iii) the representations and warranties of Sunward set forth in Section 3.1(r) shall be true and correct in all material respects as of the Effective Time, as though made as of the Effective Time;

(c) since the date of this Agreement, there shall not have occurred a Material Adverse Effect with respect to Sunward;

(d) holders of no more than 5% of the Sunward Shares shall have exercised Dissent Rights;

(e) Sunward shall have made all "change of control" payments contemplated by the Contracts listed in Schedule 3.1(y)(ii) of the Sunward Disclosure Schedule subject to consummation of the Arrangement; and

(f) NovaCopper shall have received a certificate of Sunward addressed to NovaCopper and dated the Effective Date, signed on behalf of Sunward by two senior executive officers of Sunward (on Sunward's behalf and without personal liability), confirming the matters set forth in this Section 6.2 at the Effective Time.

The foregoing conditions will be for the sole benefit of NovaCopper and may be waived by it in whole or in part at any time.

6.3 Additional Conditions Precedent to the Obligations of Sunward

The obligation of Sunward to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of Sunward and may be waived by it at whole or in part at any time):

(a) all covenants of NovaCopper under this Agreement to be performed on or before the Effective Time which have not been waived by Sunward shall have been duly performed by NovaCopper in all material respects;

(b) all representations and warranties of NovaCopper set forth in this Agreement shall be true and correct as of the Effective Time, as though made as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of any such representations and warranties would not reasonably be expected to have a Material Adverse Effect with respect to NovaCopper; provided that (i) the representations and warranties of NovaCopper set forth in Sections 4.1(h) and 4.1(hh) shall be true and correct in all respects as of the Effective Time, as though made as of the Effective Time; and (ii) the representations and warranties of NovaCopper set forth in Section 4.1(r) shall be true and correct in all material respects as of the Effective Time, as though made as of the Effective Time

(c) NovaCopper shall have complied with its obligations under Section 2.11 and the Depositary shall have confirmed receipt of the Consideration;

(d) since the date of this Agreement, there shall not have occurred a Material Adverse Effect with respect to NovaCopper;

(e) the Board Nominees shall have been appointed to the NovaCopper Board, subject to the consummation of the Arrangement; and

(f) Sunward shall have received a certificate of NovaCopper addressed to Sunward and dated the Effective Date, signed on behalf of NovaCopper by two senior executive officers of NovaCopper (on NovaCopper's behalf and without personal liability), confirming the matters set forth in this Section 6.3 at the Effective Time.

6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time.

ARTICLE 7
ADDITIONAL AGREEMENTS

7.1 Notice and Cure Provisions

Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Effective Time, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause the representations or warranties of Sunward and NovaCopper contained in Sections 3.1(ii) or 4.1(hh), respectively, to be untrue or inaccurate in any respect on the date hereof or at the Effective Time;

(b) cause any of the representations or warranties of any Party contained herein (other than the representations and warranties contained in Sections 3.1(ii) or 4.1(hh)) to be untrue or inaccurate in any material respect on the date hereof or at the Effective Time (provided that this paragraph (b) shall not apply in the case of any event or state of facts resulting from actions or omissions of a Party which are expressly permitted or required by this Agreement); or

(c) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder prior to the Effective Time.

NovaCopper may not exercise its right to terminate this Agreement pursuant to Section 8.2(a)(iii)(C) and Sunward may not exercise its right to terminate this Agreement pursuant to Section 8.2(a)(iv)(C) unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of fifteen (15) business days from such notice, and then only if such matter has not been cured by such date. If such notice has been delivered prior to the making of the application for the Final Order, such application shall be postponed until the expiry of such period. For greater certainty, in the event that such matter is cured within the time period referred to herein without a Material Adverse Effect, this Agreement may not be terminated as a result of the cured breach.

7.2 Non-Solicitation

(a) Except as otherwise expressly provided in this Article 7, neither Party shall, directly or indirectly, through any officer, director, employee, affiliate, representative (including any

financial or other advisor) or agent of such Party or any of its subsidiaries (collectively, the "**Representatives**"):

(i) solicit, initiate, knowingly encourage or facilitate (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals regarding an Acquisition Proposal;

(ii) participate in any substantive discussions or negotiations with any Person (other than the other Party or any of its affiliates) regarding an Acquisition Proposal;

(iii) approve, accept, endorse or recommend, or publicly propose to approve, accept, endorse or recommend, any Acquisition Proposal;

(iv) accept or enter into or publicly propose to accept or enter into, any agreement, understanding or arrangement or other Contract in respect of an Acquisition Proposal; or

(v) make a Change in Recommendation.

(b) Except as otherwise provided in this Article 7, each Party shall, and shall cause its subsidiaries and Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any Persons conducted heretofore by such Party, its subsidiaries or any Representatives with respect to any Acquisition Proposal and, in connection therewith, such Party will discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request, to the extent that it is entitled to do so (and exercise all rights it has to require) the return or destruction of all confidential information regarding such Party and its subsidiaries previously provided to any such Person or any other Person and will request (and exercise all rights it has to require) the destruction of all material including or incorporating or otherwise reflecting any material confidential information regarding such Party and its subsidiaries. Each Party agrees that neither it nor any of its subsidiaries shall terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to an Acquisition Proposal or any standstill agreement to which it or any of its subsidiaries is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into an announcement of this Agreement by such Party, pursuant to the express terms of any such agreement, shall not be a violation of this Section 7.2(b)) and each Party undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it or any of its subsidiaries have entered into prior to the date hereof, provided that a Party shall not be prevented from considering any Superior Proposal if the provisions of this Section 7.2 are otherwise complied with.

(c) Notwithstanding Sections 7.2(a) and 7.2(b) and any other provision of this Agreement or of any other agreement between the Parties or between a Party and any other Person, including the provisions of any confidentiality or standstill agreement, if at any time following the date of this Agreement and prior to obtaining the approval of the Arrangement Resolution at the Sunward Meeting with respect to Sunward and the NovaCopper Shareholder Approval at the NovaCopper Meeting with respect to NovaCopper, a Party receives a written Acquisition Proposal that the board of directors of such Party determines in good faith, after consultation with its financial advisors and

legal counsel, constitutes or could reasonably be expected to result in a Superior Proposal, then such Party may, provided it is in compliance with Sections 7.2(a) and 7.2(d):

(i) furnish information with respect to such Party and its subsidiaries to the Person making such Acquisition Proposal; and/or

(ii) enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, the Person making such Acquisition Proposal,

provided that such Party shall not, and shall not allow its Representatives to, disclose any non-public information with respect to such Party to such Person if (A) such non-public information has not been previously provided to, or is not concurrently provided to, the other Party hereto and (B) the Party receiving such Acquisition Proposal has not entered into a confidentiality agreement with such Person containing terms and conditions that are customary for such agreements in the mining industry and are no more favourable to such Person than those found in the Confidentiality Agreements.

(d) Each Party shall promptly notify the other Party, at first orally and then in writing, within 24 hours of receipt of any Acquisition Proposal, including the material terms and conditions thereof, and the identity of the Person or Persons making the Acquisition Proposal, and shall include copies of any related documentation. The Party receiving such Acquisition Proposal shall thereafter also provide such other details of such Acquisition Proposal, or any amendment to any of the foregoing, as the other Party may reasonably request. Each Party receiving an Acquisition Proposal shall promptly keep the other Party fully informed as to the status, including any changes to the material terms, of such Acquisition Proposal, or any amendment thereto, and shall respond promptly to all inquiries from the other Party with respect thereto.

(e) Notwithstanding anything in this Agreement to the contrary, subject to Section 7.2(f) and Section 7.3, (i) if at any time following the date of this Agreement and prior to obtaining the Sunward Shareholder Approval, Sunward receives an Acquisition Proposal which the Sunward Board concludes in good faith constitutes a Superior Proposal, then the Sunward Board may, subject to compliance with the procedures set forth in Section 8.2 and Section 7.4, terminate this Agreement to enter into a definitive agreement with respect to such Superior Proposal; and (ii) if at any time following the date of this Agreement and prior to obtaining the NovaCopper Shareholder Approval, NovaCopper receives an Acquisition Proposal which the NovaCopper Board concludes in good faith constitutes a Superior Proposal, then the NovaCopper Board may, subject to compliance with the procedures set forth in Section 8.2 and Section 7.4, terminate this Agreement to enter into a definitive agreement with respect to such Superior Proposal.

(f) Nothing contained in this Agreement shall prohibit the board of directors of either Party, in response to a Superior Proposal, from taking any action or making a Change in Recommendation or from making any disclosure to any securityholder of such Party prior to the Sunward Meeting or the NovaCopper Meeting, as applicable, if, in the good faith judgment of such board of directors, after consultation with legal counsel, failure to take such action or make such disclosure would be inconsistent with the exercise of its fiduciary duties or such action or disclosure is otherwise required under applicable Law; provided that Sunward shall not make a Change in Recommendation or terminate this Agreement pursuant to Section 8.2(a)(iv)(B) if the Sunward Shareholder Approval has

been obtained and NovaCopper shall not make a Change in Recommendation or terminate this Agreement pursuant to Section 8.2(a)(iii)(B) if the NovaCopper Shareholder Approval has been obtained; provided further that, for greater certainty, in the event of a Change in Recommendation by the board of directors of a Party and a termination by the other Party of this Agreement pursuant to Section 8.2(a)(iii)(A) or 8.2(a)(iv)(A), as applicable, the Party making such Change in Recommendation shall pay the Termination Fee as required by Section 7.4 prior to or concurrently with such termination.

(g) Subject to the provisions of this Section 7.2 and Section 7.3, nothing contained in this Agreement shall prevent a Party or the board of directors of such Party from calling and holding a meeting of such Party's shareholders, or any of them, requisitioned by such Party's shareholders, or any of them, in accordance with the BCBCA or ordered to be held by a court in accordance with applicable Laws.

7.3 Right to Match

(a) Each Party covenants and agrees that it will not make a Change in Recommendation or accept, approve, endorse, recommend or enter into any agreement, understanding or arrangement in respect of a Superior Proposal (other than a confidentiality and standstill agreement permitted by Section 7.2(b)) unless:

(i) the Party receiving such proposal (the "**Receiving Party**") has complied with its obligations under Section 7.2 and has provided the other Party (the "**Responding Party**") with a copy of all documentation relating to the Superior Proposal; and

(ii) a period (the "**Response Period**") of five (5) business days has elapsed from the date that is the later of:

(A) the date on which the Responding Party receives written notice from the board of directors of the Receiving Party that such board of directors has determined, subject only to compliance with this Section 7.3, to make a Change in Recommendation or accept, approve, endorse, recommend or enter into a definitive agreement with respect to such Superior Proposal; and

(B) the date the Responding Party receives all documentation relating to the Superior Proposal.

(b) During the Response Period, the Responding Party will have the right, but not the obligation, to offer to amend this Agreement and the Plan of Arrangement. The board of directors of the Receiving Party shall review any such offer by the Responding Party to amend this Agreement and the Plan of Arrangement to determine whether the Acquisition Proposal to which the Responding Party is responding would continue to be a Superior Proposal when assessed against the Arrangement as it is proposed in writing by the Responding Party to be amended. If the board of directors of the Receiving Party determines that the Acquisition Proposal no longer constitutes a Superior Proposal, such board of directors will cause the Receiving Party to enter into an amendment to this Agreement with the Responding Party incorporating the amendments to the Agreement and Plan of Arrangement as set out in the written offer to amend, and will promptly reaffirm its recommendation of the Arrangement by the prompt issuance of a press release to that effect. If the board of directors of the Receiving Party determines that the

Acquisition Proposal continues to be a Superior Proposal, the Receiving Party may approve and recommend that shareholders of the Receiving Party accept such Superior Proposal and may terminate this Agreement pursuant to Section 8.2(a)(iii)(B) or Section 8.2(a)(iv)(B), as applicable, in order to accept or enter into an agreement, understanding or arrangement to proceed with the Superior Proposal.

(c) Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the shareholders of the Receiving Party shall constitute a new Acquisition Proposal for the purposes of this Section 7.3 and the Responding Party shall be afforded a new Response Period and the rights afforded in Section 7.3(b) in respect of each such Acquisition Proposal.

(d) Where at any time within ten (10) days before the Sunward Meeting or the NovaCopper Meeting, as applicable, the Receiving Party has provided the Responding Party with a notice under Section 7.3(a) hereof, an Acquisition Proposal has been publicly disclosed or announced, and the Response Period has not elapsed, then, subject to applicable Laws, at the Responding Party's request, the Receiving Party will postpone or adjourn the Sunward Meeting or the NovaCopper Meeting, as applicable, to a date acceptable to the Responding Party, acting reasonably, which shall not be later than ten (10) days after the scheduled date of the Sunward Meeting or the NovaCopper Meeting, as applicable, and shall, in the event that the Parties amend the terms of this Agreement pursuant to Section 7.3(b), ensure that the details of such amended Agreement are communicated to the shareholders as the Receiving Party prior to the resumption of the adjourned meeting.

7.4 Expenses and Termination Fees

(a) Except as otherwise provided herein, all fees, costs and expenses incurred in connection with this Agreement and the Plan of Arrangement shall be paid by the Party incurring such fees, costs or expenses.

(b) If a Sunward Termination Fee Event occurs, Sunward shall pay NovaCopper (by wire transfer of immediately available funds) the Termination Fee in accordance with Section 7.4(d).

(c) For the purposes of this Agreement, "**Sunward Termination Fee Event**" means the termination of this Agreement:

(i) by NovaCopper, pursuant to Section 8.2(a)(iii)(A);

(ii) by Sunward, pursuant to Section 8.2(a)(iv)(B);

(iii) by NovaCopper, pursuant to Section 8.2(a)(iii)(F); or

(iv) by either Party pursuant to Section 8.2(a)(ii)(C), but only if, in the case of this paragraph (iv), prior to the earlier of the termination of this Agreement or the holding of the Sunward Meeting, a *bona fide* Acquisition Proposal with respect to Sunward shall have been made to Sunward or publicly announced by any Person (other than NovaCopper or any of its affiliates) and within twelve (12) months following the date of such termination:

(A) any Acquisition Proposal with respect to Sunward is consummated; or

(B) Sunward and/or one or more of its subsidiaries enters into a definitive agreement in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter;

provided that, for the purposes of this Section 7.4(c)(iv), all references to "20%" in the definition of "Acquisition Proposal" shall be deemed to be references to "50%".

(d) If a Sunward Termination Fee Event occurs in the circumstances set out in Section 7.4(c)(ii), the Termination Fee shall be payable simultaneously with the occurrence of such Sunward Termination Fee Event. If a Sunward Termination Fee Event occurs in the circumstances set out in Section 7.4(c)(i) or 7.4(c)(iii), the Termination Fee shall be payable within two (2) business days following the occurrence of such Sunward Termination Fee Event. If a Sunward Termination Fee Event occurs in the circumstances set out in Section 7.4(c)(iv), the Termination Fee shall be payable within two (2) business days following the closing of the applicable transaction referred to therein.

(e) If a NovaCopper Termination Fee Event occurs, NovaCopper shall pay Sunward (by wire transfer of immediately available funds) the Termination Fee in accordance with Section 7.4(g).

(f) For the purposes of this Agreement, "**NovaCopper Termination Fee Event**" means the termination of this Agreement:

(i) by Sunward, pursuant to Section 8.2(a)(iv)(A);

(ii) by NovaCopper, pursuant to Section 8.2(a)(iii)(B);

(iii) by Sunward, pursuant to Section 8.2(a)(iv)(F); or

(iv) by either Party pursuant to Section 8.2(a)(ii)(D), but only if, in the case of this paragraph (iv), prior to the earlier of the termination of this Agreement or the holding of the NovaCopper Meeting, a *bona fide* Acquisition Proposal with respect to NovaCopper shall have been made to NovaCopper or publicly announced by any Person and within twelve (12) months following the date of such termination:

(A) any Acquisition Proposal with respect to NovaCopper is consummated; or

(B) NovaCopper and/or one or more of its subsidiaries enters into a definitive agreement in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter;

provided that, for the purposes of this Section 7.4(f)(iv), all references to "20%" in the definition of "Acquisition Proposal" shall be deemed to be references to "50%".

(g) If a NovaCopper Termination Fee Event occurs in the circumstances set out in Section 7.4(f)(ii), the Termination Fee shall be payable simultaneously with the occurrence of such NovaCopper Termination Fee Event. If a NovaCopper Termination Fee Event occurs in the circumstances set out in Section 7.4(f)(i) or 7.4(f)(iii), the Termination Fee

shall be payable within two (2) business days following the occurrence of such NovaCopper Termination Fee Event. If a NovaCopper Termination Fee Event occurs in the circumstances set out in Section 7.4(f)(iv), the Termination Fee shall be payable within two (2) business days following the closing of the applicable transaction referred to therein.

(h) Each of the Parties acknowledges that the agreements contained in this Section 7.4 are an integral part of the transactions contemplated by this Agreement and that, without those agreements, the Parties would not enter into this Agreement. Each Party acknowledges that all of the payment amounts set out in this Section 7.4 are payments of liquidated damages that are a genuine estimate of the damages which the Party entitled thereto would suffer or incur as a result of the event giving rise to such payment and the resultant termination of this Agreement and are not penalties. The Parties irrevocably waive any right either may have to raise as a defense that any such liquidated damages are excessive or punitive. For greater certainty, each Party agrees that, upon any termination of this Agreement under circumstances where either Party is entitled to the Termination Fee and such Termination Fee is paid in full, except where the Party paying the Termination Fee willfully and intentionally breached Section 7.2, the Party receiving the Termination Fee shall be precluded from any other remedy against the other Party at law or in equity or otherwise (including an order for specific performance), and shall not seek to obtain any recovery, judgment or damages of any kind, including consequential, indirect, or punitive damages, against such Party or any of its subsidiaries or any of their respective directors, officers, employees, partners, managers, members, shareholders or affiliates in connection with this Agreement or the transactions contemplated hereby.

(i) In no event shall the Parties be obligated to pay an amount in respect of the termination of this Agreement that is, in aggregate, in excess of the Termination Fee and under no circumstances is the Termination Fee payable more than once.

7.5 Access to Information; Confidentiality

From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to compliance with applicable Law and the terms of any existing Contracts, Sunward shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting advisers and agents to, afford to NovaCopper and to the officers, employees, agents and representatives of NovaCopper such access as NovaCopper may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and Contracts, and shall furnish NovaCopper with all data and information as NovaCopper may reasonably request. NovaCopper and Sunward acknowledge and agree that information furnished pursuant to this Section 7.5 shall be subject to the terms and conditions of the Confidentiality Agreement.

7.6 Insurance and Indemnification

(a) Prior to the Effective Time, Sunward shall obtain and fully pay the premiums for a non-cancellable extension of the directors' and officers' liability coverage of Sunward's existing directors' and officers' insurance policies and Sunward's existing fiduciary liability insurance policies (collectively, the "**D&O Insurance**"), in each case for a claims reporting or discovery period of up to six (6) years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time from Sunward's current D&O Insurance carriers or one or more insurance carriers with the same or better credit rating as Sunward's current D&O Insurance carriers with

respect to directors' and officers' insurance policies in an amount and scope at least as favorable as the D&O Insurance; provided, however, that in no event shall Sunward pay aggregate premiums for such "tail" insurance policies in excess of 250% of the aggregate annual premium for directors' and officers' liability policies currently maintained by Sunward; provided further, that if the aggregate premiums payable for such "tail" insurance policies exceed such amount, Sunward shall obtain "tail" insurance policies with the greatest coverage available, with respect to matters occurring prior to the Effective Time, for a cost not exceeding such amount.

(b) NovaCopper agrees that it shall cause Sunward to honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of Sunward and its subsidiaries to the extent that they are disclosed in Schedule 7.6(b) of the Sunward Disclosure Letter, and acknowledges that such rights, to the extent that they are disclosed in Schedule 7.6(b) of the Sunward Disclosure Letter, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six (6) years from the Effective Date.

(c) The provisions of this Section 7.6 are intended for the benefit of, and shall be enforceable by, each insured or indemnified person, his or her heirs and his or her legal representatives and, for such purpose, Sunward hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, this Section 7.6 shall survive the termination of this Agreement as a result of the occurrence of the Effective Date for a period of six (6) years.

ARTICLE 8
TERM, TERMINATION, AMENDMENT AND WAIVER

8.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

8.2 Termination

(a) This Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding the Sunward Shareholder Approval or NovaCopper Shareholder Approval having been obtained or the approval of the Arrangement by the Court):

(i) by mutual written agreement of Sunward and NovaCopper; or

(ii) by either Sunward or NovaCopper, if:

(A) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.2(a)(ii)(A) shall not be available to any Party whose failure to fulfill any of its obligations or whose breach of any of its representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by such Outside Date; or

(B) after the date hereof, there exists any final and non-appealable prohibition at Law, including any cease trade order, injunction or other

prohibition or order of any Governmental Entity of competent jurisdiction, which shall restrain, enjoin, make illegal or otherwise prohibit or prevent the consummation of the Arrangement; or

(C) the Arrangement Resolution shall have failed to obtain the Sunward Shareholder Approval at the Sunward Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order; or

(D) the NovaCopper Shareholders shall have failed to approve the issuance or reservation for issuance, as the case may be, by NovaCopper of such number of NovaCopper Shares as may be required to be issued pursuant to the Plan of Arrangement, the and the transactions contemplated by this Agreement at the NovaCopper Meeting (including any adjournment or postponement thereof); or

(iii) by NovaCopper, if:

(A) the Sunward Board makes a Change in Recommendation; or

(B) the NovaCopper Board authorizes NovaCopper, subject to complying with the terms of this Agreement, to enter into a legally binding agreement with respect to a Superior Proposal; provided that concurrently with such termination, NovaCopper pays the Termination Fee payable pursuant to Section 7.4; or

(C) any of the conditions set forth in Sections 6.1 or 6.2 are not satisfied, and such condition is incapable of being satisfied by the Outside Date; provided that NovaCopper is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 6.1 or 6.2 not to be satisfied; or

(D) subject to Section 7.1, including the cure period set forth therein, a representation or warranty of Sunward contained in this Agreement shall be inaccurate or shall have become inaccurate as of a date subsequent to the date of this Agreement (as if made on such subsequent date), or a material failure to perform any covenant or agreement on the part of Sunward set forth in this Agreement (other than as set forth in Section 7.2) shall have occurred, in each case that would cause one or more conditions set forth in Section 6.1 or Section 6.2 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that NovaCopper is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied; or

(E) Sunward is in breach or in default of any of its obligations or covenants set forth in Section 7.2, other than an immaterial breach of Sunward's obligation under Section 7.2 to provide notice of an Acquisition Proposal to NovaCopper within a prescribed period; or

(F) the Sunward Board authorizes Sunward to enter into a binding written agreement relating to a Superior Proposal; or

(iv) by Sunward, if:

(A) the NovaCopper Board makes a Change in Recommendation; or

(B) the Sunward Board authorizes Sunward, subject to complying with the terms of this Agreement, to enter into a legally binding agreement with respect to a Superior Proposal; provided that concurrently with such termination, Sunward pays the Termination Fee payable pursuant to Section 7.4; or

(C) any of the conditions set forth in Sections 6.1 or 6.3 is not satisfied, and such conditions is incapable of being satisfied by the Outside Date; provided that Sunward is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 6.1 or 6.3 not to be satisfied; or

(D) subject to Section 7.1, including the cure period set forth therein, a representation or warranty of NovaCopper contained in this Agreement shall be inaccurate or shall have become inaccurate as of a date subsequent to the date of this Agreement (as if made on such subsequent date), or a material failure to perform any covenant or agreement on the part of NovaCopper set forth in this Agreement (other than as set forth in Section 7.2) shall have occurred, in each case that would cause one or more conditions set forth in Section 6.1 or Section 6.3 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Sunward is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied;

(E) NovaCopper is in breach or in default of any of its obligations or covenants set forth in Section 7.2, other than an immaterial breach of NovaCopper's obligation under Section 7.2 to provide notice of an Acquisition Proposal to Sunward within a prescribed period; or

(F) the NovaCopper Board authorizes NovaCopper to enter into a binding written agreement relating to a Superior Proposal.

(b) The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2(a)(i)) shall give notice of such termination to the other Party.

(c) If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and of no effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party hereto, except as otherwise expressly contemplated hereby, and provided that the provisions of this Section 8.2(c), Sections 7.4, 9.1, 9.2, 9.3, 9.6, 9.7, 9.8 and 9.9 shall survive any termination hereof; provided further that neither the termination of this Agreement nor anything contained in this Section 8.2 shall relieve a Party from any liability arising on or prior to such termination.

8.3 Amendment

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Sunward Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, and any such amendment may, subject to the Interim Order and the Final Order and applicable Law, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties;

(d) waive compliance with or modify any mutual conditions precedent herein contained; and/or

(e) amend the steps comprising the Arrangement.

8.4 Waiver

Any Party may:

(a) extend the time for the performance of any of the obligations or acts of the other Party;

(b) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfillment of any conditions to its own obligations contained herein; or

(c) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party,

provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise.

ARTICLE 9
GENERAL PROVISIONS

9.1 Privacy

Each Party shall comply with applicable privacy Laws in the course of collecting, using and disclosing personal information about an identifiable individual (the "**Transaction Personal Information**"). Neither Party shall disclose Transaction Personal Information to any Person other than to its advisors who are evaluating and advising on the transactions contemplated by this Agreement. If the Arrangement is consummated, neither Party shall, following the Effective Date, without the consent of the individuals to whom such Transaction Personal Information relates or as permitted or required by applicable Law, use or disclose Transaction Personal Information:

(a) for purposes other than those for which such Transaction Personal Information was collected prior to the Effective Date;

(b) which does not relate directly to the carrying on of the business of such Party or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented; and

(c) as otherwise required by Law.

Each Party shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure. Each Party shall cause its advisors to observe the terms of this Section 9.1 and to protect and safeguard Transaction Personal Information in their possession. If this Agreement shall be terminated, each Party shall promptly deliver to the other Party all Transaction Personal Information relating to such other Party or its Representatives in such Party's possession or in the possession of any of such Party's Representatives, including all copies, reproductions, summaries or extracts thereof.

9.2 Notices

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered if delivered personally or if sent by facsimile or e-mail transmission, on a business day between the hours of midnight and 5:00 p.m. recipient local time on that business day, provided if it is received later or not on a business day, then the next business day, or as of the following business day if sent by prepaid overnight courier, to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

(a) if to Sunward:

Sunward Resources Ltd.
Suite 1410, 1090 West Georgia Street
Vancouver, BC V6E 3V7

Attention: Chief Executive Officer
Facsimile: 604-677-1766

with a copy (which shall not constitute notice) to:

Anfield Sujir Kennedy & Durno LLP
1600 – 609 Granville Street
Vancouver, BC V7Y 1C3

Attention: Jay Sujir
Facsimile: 604-669-3877

(b) if to NovaCopper:

NovaCopper Inc.
Suite 1950 - 777 Dunsmuir Street
Vancouver, BC V7Y 1K4

Attention: Chief Executive Officer
Facsimile: 604-638-8088

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
595 Burrard Street, Suite 2600
P.O. Box 49314, Three Bentall Centre
Vancouver, BC V7X 1L3

Attention: Trisha Robertson
Facsimile: 604-631-3309

9.3 Governing Law; Waiver of Jury Trial

This Agreement shall be governed, including as to validity, interpretation and effect, by the Laws of the Province of British Columbia and the Laws of Canada applicable therein. Each of the Parties hereby irrevocably attorns to the jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and the Arrangement. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT.

9.4 Injunctive Relief

Subject to Section 7.4, the Parties agree that irreparable harm would occur for which monetary damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy at law (including monetary damages) or in equity, and the Parties hereby waive any requirement for the posting of any bond or similar collateral in connection therewith.

9.5 Time of Essence

Time shall be of the essence in this Agreement.

9.6 Entire Agreement, Binding Effect and Assignment

(a) This Agreement shall be binding on and shall enure to the benefit of the Parties and their respective successors.

(b) Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any Party without the prior written consent of the other Party.

(c) This Agreement (including the exhibits and schedules hereto, the Sunward Disclosure Letter and the NovaCopper Disclosure Letter) and the Confidentiality Agreement constitute the entire agreement between the Parties, and supersede all other prior agreements and understandings, both written and oral, between the Parties, or any of them, with respect to the subject matter hereof and thereof. No representation, warranty,

inducement, promise, understanding or condition not set forth in this Agreement has been made or relied upon by any of the Parties.

9.7 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

9.8 No Third Party Beneficiaries

Except with respect to directors and officers of Sunward pursuant to Section 7.6, the Parties hereby agree that their respective representations, warranties, covenants and agreements set forth herein are solely for the benefit of the other Party hereto, in accordance with and subject to the terms of this Agreement, and this Agreement is not intended to, and does not, confer upon any Person other than the parties hereto any rights or remedies hereunder, including the right to rely upon the representations and warranties set forth herein.

9.9 Rules of Construction

The Parties have participated jointly in negotiating and drafting this Agreement. If an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provision of this Agreement.

9.10 Counterparts, Execution

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

NOVACOPPER INC.

By: /s/ *Elaine Sanders*
Name: Elaine Sanders
Title: Vice-President and Chief Financial Officer

SUNWARD RESOURCES LTD.

By: /s/ *Philip O'Neill*
Name: Philip O'Neill
Title: CEO and Director

SCHEDULE A
PLAN OF ARRANGEMENT

UNDER SECTION 288 OF THE
***BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed to them below:

"**Arrangement**" means the arrangement of Sunward under Section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 8.3 of the Arrangement Agreement or this 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 Agreement**" means the arrangement agreement dated as of April 22, 2015 between NovaCopper and Sunward, as may be amended, amended and restated or supplemented prior to the Effective Date;

"**Arrangement Option**" has the meaning ascribed thereto in Section 3.1(e);

"**Arrangement Resolution**" means the special resolution of the Sunward Shareholders approving the Plan of Arrangement which is to be considered at the Sunward Meeting;

"**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;

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

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

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

"**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 Right**" shall have the meaning ascribed thereto in Section 4.1(a);

"**Dissenting Shareholder**" means a registered holder of Sunward Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their Sunward Shares;

"**Dissenting Shares**" means Sunward Shares held by a Dissenting Shareholder who has demanded and perfected Dissent Rights in respect of the Sunward Shares in accordance with the Interim Order and who, as of the Effective Time has not effectively withdrawn or lost such Dissent Rights;

"**Effective Date**" means the date upon which the Arrangement becomes effective as set out in Section 2.10 of the Arrangement Agreement;

"**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;

"**Exchange Ratio**" means 0.30;

"**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;

"**final proscription date**" shall have the meaning ascribed thereto in Section 5.5;

"**Former Sunward Shareholders**" means, at and following the Effective Time, the registered Sunward Shareholders immediately prior to the Effective Time;

"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 securities subject to the stock option exceeds the aggregate exercise price of the stock option;

"**Interim Order**" means the interim order of the Court made pursuant to Section 291 of the BCBCA, 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;

"**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;

"**Letter of Transmittal**" means the letter of transmittal to be forwarded by Sunward to Shareholders together with the Sunward Circular or such other equivalent form of letter of transmittal acceptable to NovaCopper acting reasonably;

"**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;

"**NovaCopper**" means NovaCopper Inc., a corporation existing under the BCBCA;

"**NovaCopper Shares**" means the common shares of NovaCopper;

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

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

"**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;

"**Sunward**" means Sunward Resources Ltd., a corporation existing under the BCBCA;

"**Sunward Circular**" means the notice of the Sunward Meeting and accompanying management information circular, 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 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 Options**" means the outstanding options to purchase Sunward Shares granted under the Sunward Stock Option Plan;

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

"**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 on September 10, 2014;

"**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; and

"**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.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

1.3 Number, Gender and Persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder 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 Statutory References

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references herein to amounts of money are expressed in lawful currency of Canada and "$" refers to Canadian dollars.

1.7 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time in Vancouver, British Columbia unless otherwise stipulated herein.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

2.2 Binding Effect

At the Effective Time, this Plan of Arrangement shall be binding on:

(a) NovaCopper;

(b) Sunward;

(c) all registered and beneficial Sunward Shareholders, including Dissenting Shareholders;

(d) all registered and beneficial holders of Sunward Options and Sunward DSUs;

(e) the registrar and transfer agent in respect of the Sunward Shares and the NovaCopper Shares; and

(f) the Depositary.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

At the Effective Time, except as otherwise noted herein, the following shall occur and shall be deemed to occur sequentially, in the following order, without any further act or formality required on the part of any Person, in each case effective as at the Effective Time:

(a) the Sunward Resources Ltd. Deferred Share Unit Plan shall be terminated with respect to all plan participants, and in full payment of the obligations thereunder in a manner compliant with U.S. Treasury Regulation section 1.409A-3(j)(4)(ix)(B), each Sunward DSU which is outstanding and has not vested will fully-vest automatically and be exchanged for the number of DSU Shares (rounded down to the nearest whole share) equal to (i) the Exchange Ratio multiplied by (ii) the number of Sunward Shares subject to such Sunward DSU at the time of vesting;

(b) each Sunward Share (other than any Sunward Shares held by NovaCopper and any Sunward Shares in respect of which any Sunward Shareholder has validly exercised his, her or its Dissent Right) shall be deemed to be transferred to NovaCopper (free and clear of any Liens) in exchange for the Consideration, subject to Article 4 hereof;

(c) each Sunward Share in respect of which any Sunward Shareholder has validly exercised his, her or its Dissent Right shall be directly transferred and assigned by such Dissenting Shareholder to Sunward (free and clear of any Liens) in accordance with Article 4 hereof;

(d) with respect to each Sunward Share transferred and assigned in accordance with Section 3.1(b) hereto:

(i) the registered holder thereof shall cease to be the registered holder of such Sunward Share and the name of such registered holder shall be removed from the register of Sunward Shareholders as of the Effective Time;

(ii) the registered holder thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such Sunward Shares in accordance with Section 3.1(b) hereto; and

(iii) NovaCopper will be the holder of all of the outstanding Sunward Shares and the register of Sunward Shareholders shall be revised accordingly;

(e) each Sunward Option which is outstanding and has not been duly exercised prior to the Effective Date, shall be exchanged for a fully-vested option (each, a "**Arrangement Option**") to purchase from NovaCopper the number of Option Shares (rounded down to the nearest whole share) equal to: (i) the Exchange Ratio multiplied by (ii) the number of Sunward Shares subject to such Sunward Option immediately prior to the Effective Date. Such Arrangement Option shall provide for an exercise price per Option Share (rounded up to the nearest whole cent) equal to: (x) the exercise price per Sunward Share otherwise purchasable pursuant to such Arrangement Option; divided by (y) the Exchange Ratio. It is intended that subsection 7(1.4) of the Tax Act apply to the exchange of Sunward Options. Accordingly, and notwithstanding the foregoing, if required, the exercise price of an Arrangement Option will be increased such that the In-the-Money Amount of the Arrangement Option immediately after the exchange does not exceed the In-the-Money Amount of the Sunward Option immediately before the exchange. All such Arrangement Options shall expire 90 days following the Effective Date. All terms and conditions of an Arrangement Option, including the conditions to and manner of exercising, will be the same as the Sunward Option for which it was exchanged, and shall be governed by the terms of the applicable Sunward Stock Option Plan and any certificate or option agreement previously evidencing the Sunward Option shall thereafter evidence and be deemed to evidence such Arrangement Option. Taxes shall be deducted and withheld in connection with the exercise of Arrangement Options to the extent required under applicable Law and

(f) the exchanges and cancellations provided for in this Section 3.1 will be deemed to occur on the Effective Date, notwithstanding certain procedures related thereto may not be completed until after the Effective Date.

3.2 Post-Effective Time Procedures

(a) Following the receipt of the Final Order and prior to the Effective Date, NovaCopper shall deliver or arrange to be delivered to the Depositary the Consideration, including certificates representing the NovaCopper Shares required to be issued to Former Sunward Shareholders in accordance with the provisions of Section 3.1(b) hereof, which certificates shall be held by the Depositary as agent and nominee for such Former Sunward Shareholders for distribution to such Former Sunward Shareholders in accordance with the provisions of Article 5 hereof.

(b) Subject to the provisions of Article 5 hereof, and upon return of a properly completed Letter of Transmittal by a registered Former Sunward Shareholder together with certificates, if any, which, immediately prior to the Effective Time represented Sunward Shares and such other documents as the Depositary may require, Former Sunward Shareholders shall be entitled to receive delivery of the certificates representing the NovaCopper Shares.

3.3 No Fractional NovaCopper Shares

In no event shall any holder of Sunward Shares be entitled to a fractional NovaCopper Share. Where the aggregate number of NovaCopper Shares to be issued to a Sunward Shareholder as consideration under this Arrangement would result in a fraction of a NovaCopper Share being issuable, the number of NovaCopper Shares to be received by such Sunward Shareholder shall be rounded down to the nearest

whole NovaCopper Share in the event a Sunward Shareholder is entitled to a fractional share representing 0.5 or less of a NovaCopper Share and shall be rounded up to the nearest whole NovaCopper Share in the event a Sunward Shareholder is entitled to a fractional share representing more than 0.5 of a NovaCopper Share.

ARTICLE 4
DISSENT RIGHTS

4.1 Rights of Dissent

(a) Pursuant to the Interim Order, Sunward Shareholders may exercise rights of dissent ("**Dissent Rights**") under Division 2 of Part 8 of the BCBCA, as modified by this Article 4, the Interim Order and the Final Order, with respect to Sunward Shares in connection with the Arrangement, provided that the written notice setting forth the objection of such registered Sunward Shareholders to the Arrangement and exercise of Dissent Rights must be received by Sunward not later than 5:00 p.m. on the business day that is two (2) business days before the Sunward Meeting or any date to which the Sunward Meeting may be postponed or adjourned and provided further that holders who exercise such Dissent Rights and who:

(i) are ultimately entitled to be paid fair value for their Sunward Shares, which fair value, notwithstanding anything to the contrary contained in Section 245 of the BCBCA, shall be determined as of the close of business on the day before the Effective Date, shall be deemed to have transferred their Sunward Shares to Sunward as of the Effective Time, without any further act or formality and free and clear of all Liens, in consideration for the payment by Sunward of the fair value thereof, in cash and such Sunward Shares shall be cancelled by Sunward; and

(ii) are ultimately not entitled, for any reason, to be paid fair value for their Sunward Shares shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Sunward Shares and shall be entitled to receive only the consideration contemplated in Section 3.1(b) hereof that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights and such Sunward Shares shall be cancelled by Sunward;

(b) in no circumstances shall Sunward, NovaCopper or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of those Sunward Shares in respect of which such rights are sought to be exercised; and

(c) for greater certainty, in no case shall Sunward, NovaCopper or any other Person be required to recognize Dissenting Shareholders as Sunward Shareholders after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the register of Sunward Shareholders as of the Effective Time. In addition to any other restrictions under Division 2 of Part 8 of the BCBCA, and for greater certainty, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Sunward Options; (ii) holders of Sunward DSUs; and (iii) Sunward Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution.

ARTICLE 5
DELIVERY OF CONSIDERATION

5.1 Delivery of Consideration

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Sunward Shares that were exchanged for the Consideration, together with such other documents and instruments as would have been required to effect the transfer of the Sunward Shares formerly represented by such certificate under the BCBCA and the articles of Sunward and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate representing the NovaCopper Shares.

(b) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(a) hereof, each certificate that immediately prior to the Effective Time represented one or more Sunward Shares shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1(b) hereof.

5.2 Lost Certificates

If any certificate, that immediately prior to the Effective Time represented one or more outstanding Sunward Shares that were exchanged for the Consideration in accordance with Section 3.1 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Section 3.1 hereof. When authorizing such delivery of Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to NovaCopper and the Depositary in such amount as NovaCopper and the Depositary may direct, or otherwise indemnify NovaCopper and the Depositary in a manner satisfactory to NovaCopper and the Depositary, against any claim that may be made against NovaCopper or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the articles and by-laws of Sunward.

5.3 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to NovaCopper Shares with a record date after the Effective Time shall be paid to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Sunward Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.1 or Section 5.2 hereof. Subject to applicable Law and to Section 5.4 hereof, at the time of such compliance, there shall, in addition to the delivery of Consideration to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such NovaCopper Shares.

5.4 Withholding Rights

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 Arrangement as having been paid to the Person to whom such amounts would otherwise have been paid.

5.5 Limitation and Proscription

To the extent that a Former Sunward Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 hereof on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then the Consideration that such Former Sunward Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof, and the Consideration to which such Former Sunward Shareholder was entitled shall be delivered to NovaCopper by the Depositary and certificates representing NovaCopper Shares forming a portion of the Consideration shall be cancelled by NovaCopper, and the interest of the Former Sunward Shareholder in the Consideration to which it was entitled shall be terminated as of such final proscription date.

5.6 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens.

5.7 Paramountcy

From and after the Effective Time: (i) this Plan of Arrangement shall take precedence and priority over any and all Sunward Shares and Sunward Options issued prior to the Effective Time, (ii) the rights and obligations of the registered Sunward Shareholders and holders of Sunward Options, and Sunward, NovaCopper, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Sunward Shares, Sunward Options or Sunward shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) NovaCopper and Sunward reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be: (i) set out in writing; (ii) agreed to in writing by NovaCopper and Sunward; (iii) filed with the Court and, if made following the Sunward Meeting, approved by the Court; and (iv) communicated to Sunward Shareholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Sunward at any time prior to the Sunward Meeting provided that NovaCopper shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the Persons voting at the Sunward Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Sunward Meeting shall be effective only if: (i) it is consented to in writing by each of NovaCopper and Sunward; (ii) it is filed with the Court (other than amendments contemplated in Section 6.1(d), which shall not require such filing) and (iii) if required by the Court, it is consented to by holders of the Sunward Shares voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time unilaterally by NovaCopper, provided that it concerns a matter that, in the reasonable opinion of NovaCopper, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any Former Sunward Shareholder or former holder of Sunward Options.

(e) This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

SCHEDULE B
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") involving Sunward Resources Ltd., a corporation existing under the Laws of the Province of British Columbia ("**Sunward**"), all as more particularly described and set forth in the Management Proxy Circular (the "**Circular**") of Sunward dated ●, 2015, accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), involving Sunward and implementing the Arrangement, the full text of which is set out in Appendix ● to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

3. The arrangement agreement (the "**Arrangement Agreement**") between Sunward and NovaCopper Inc. a corporation existing under the laws of the Province of British Columbia (**"NovaCopper**"), dated April 22, 2015, and all the transactions contemplated therein, the actions of the directors of Sunward in approving the Arrangement and the actions of the directors and officers of Sunward in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Sunward or that the Arrangement has been approved by the British Columbia Supreme Court, the directors of Sunward are hereby authorized and empowered, without further notice to, or approval of, the securityholders of Sunward:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any director or officer of Sunward is hereby authorized and directed for and on behalf of Sunward to execute, whether under corporate seal of Sunward or otherwise, any and all documents that are required to be filed with the Registrar under the BCBCA in connection with the Arrangement Agreement or the Plan of Arrangement.

6. Any one or more directors or officers of Sunward is hereby authorized, for and on behalf and in the name of Sunward, to execute and deliver, whether under corporate seal of Sunward or otherwise, all such agreements, forms waivers, notices, certificate, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

(a) all actions required to be taken by or on behalf of Sunward, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

(b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Sunward;

(c) such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE C
KEY REGULATORY APPROVALS

Nil

SCHEDULE D
KEY THIRD PARTY CONSENTS

Nil