

SLIVERTON PROPERTY LEASE AND OPTION AGREEMENT

THIS AGREEMENT is made the 17th day of October, 2017.

BETWEEN: **Canamex Resources US, Inc**, a company registered in Nevada, with an office at **PO Box 2428, Cortaro, AZ 85652**,

(the "Lessee")

AND: **Precious Metals LLC**, a company incorporated under the laws of Colorado and having its head office located at **17030 E. Carr Ave., Parker, Colorado 80134** (the "Lessor")

RECITALS:

A. Whereas the Lessor is the beneficial owner of a 100% interest in certain surface and mineral rights situated in the Silverton Mine area, in Nye County, Nevada, and whereas Lessor and Lessee are covered under a Confidentiality Agreement regarding the Silverton Property dated October 1, 2017, and whereas Lessee wishes to lease the Silverton Property from Lessor, and whereas Lessee wishes to see additional claims staked on the Silverton Property before making the first lease payment referenced below, all more particularly described in Schedule "A" attached hereto and made a part hereof (the "Silverton Property");

B. The Lessor has agreed to lease the Silverton Property to the Lessee on an annual basis, with an option to purchase the Silverton Property on the terms and conditions hereinafter set forth.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained and subject to the terms and conditions hereinafter set forth, the parties hereto agree as follows:

1. GRANT OF LEASE

1.01 The Lessor hereby leases to the Lessee the Silverton Property, upon Lessor's completion of proper staking and recordation of the Silverton Property (schedule A and accompanying map) to the satisfaction of Lessee as follows:

- (a) Lessor will stake and record an additional 50 lode mining claims as directed by Lessee around the original Silverton Property mining claims of Lessor, the costs of which will covered by Lessee,
- (b) Upon completion of (a) above to the satisfaction of Lessee, and complete signing of this Agreement, Lessee paying the Lessor the following cash payments in U.S. dollars:
 - (i) \$15,000 on execution of this Agreement;
 - (ii) \$20,000 within 12 months from the date of this Agreement ;
 - (iii) \$25,000 within 24 months from the date of this Agreement;
 - (iv) \$30,000 within 36 months from the date of this Agreement; and
 - (v) \$30,000 on each anniversary date of this Agreement thereafter until the claims are in production.
 - (vi) Lessee has the right to purchase the Silverton Property from Lessor at any time as described in Section 2.01 below.

PROVIDED however that the Lessee shall each year during the currency of this Agreement or any extension thereof carry out and record, or cause to be carried out and recorded, all such assessment work upon or maintenance fee payments for the benefit of the Silverton Property as may be required in order to maintain the Silverton Property in good standing at all times, PROVIDED further, however, that the Lessee in its absolute discretion at any time and from time to time while this Agreement is in effect, may give written notice to the Lessor offering to transfer some but not all of the claims set out in Schedule "A" to the Lessor or to allow such claims to lapse. Within ten (10) days of receiving such written notice, the Lessor shall give written notice to the Lessee to transfer said claims to the Lessor or to let said claims lapse. No reduction by the Lessee in the said number of claims set out in Schedule "A" shall in any way abate the provisions of sections 1.01(a); and

- (b) paying Lessor a 2.0% Net Smelter Return (as defined in Schedule "B" attached hereto and forming part of this Agreement);

PROVIDED however that the Lessee may purchase and the Lessor will sell to the Lessee the 2.0% Net Smelter Return at any time upon 30 days notice in writing *prior production on the Silverton Property*, in consideration for the sum of US\$1,250,000 (the "Royalty Acquisition"), subject to paragraph 2.01 below.

2. OPTION TO PURCHASE

2.01 The Lessor hereby grants the Lessee the exclusive right and option (the "Option") to acquire a 100% interest in and to the Silverton Property *prior to production on the Silverton Property* by paying the Lessor US\$1,250,000 cash; and

- (a) The Lessor has the further option to purchase the 2% Net Smelter Royalty, distinct and separate from the option to purchase the Silverton Property, by paying the Lessor US\$1,250,000 for the Royalty Acquisition as set out in paragraph 1.01(b) above.

2.02 This Agreement represents a lease and option to purchase only, and after the Lessee has paid to the Lessor the sum of \$15,000 provided for in subparagraph 1.01(a)(i) the Lessee shall be under no further obligation to the Lessor. Any further performance hereunder by the Lessee is expressly at the election of the Lessee.

3. TRANSFER OF TITLE

3.01 Forthwith following execution and completion of the purchase of the Silverton Property, the Lessor shall deliver to the Lessee recordable Bills of Sale or other applicable conveyancing documentation sufficient to effect the transfer of a 100% recorded interest in and to the Silverton Property to the Lessee.

4. RIGHT OF ENTRY

4.01 During the currency of this Agreement and prior to the exercise of the Option, the Lessee, its servants, agents and workmen and any persons duly authorized by the Lessee, shall have the right of access to and from the Silverton Property and, subject to subparagraph 8.01 (f) hereof, shall have the exclusive right to enter upon, take possession of, prospect, explore and develop the Silverton Property in such manner as the Lessee in its sole discretion may deem advisable.

5. REPRESENTATIONS AND WARRANTIES OF THE LESSOR

5.01 The Lessor hereby represents and warrants to the Lessee that:

- (a) it is the recorded and beneficial owner, or has the right to acquire, a 100% interest in and to the

Silverton Property;

- (b) the mineral claims comprising the Silverton Property have been validly located and are now duly recorded and in good standing in accordance with the laws of the jurisdiction in which the mineral claims are situated;
- (c) the entering into of this Agreement does not conflict with any applicable law nor does it conflict with or result in a breach of or accelerate the performance required by any contract or other commitment to which it is a party or by which it is bound;
- (d) it has the exclusive right to enter into this Agreement and all necessary authority to assign to the Lessee a 100% right, title and interest in and to the Silverton Property in accordance with the terms and conditions of this Agreement;
- (e) it has the exclusive right to receive 100% of the proceeds from the sale of minerals, metals, ores or concentrates removed from the Silverton Property and no person, firm or corporation, other than a set out in subparagraph 1.01(b) herein, is entitled to any royalty or other payment in the nature of rent or royalty on such materials removed from the Silverton Property, or is entitled to take such materials in kind;
- (f) other than as disclosed in the Agreement, the Silverton Property is free and clear of all liens and encumbrances;
- (g) reclamation and rehabilitation of those parts of the Silverton Property which have been previously worked by the Lessor have been completed in compliance with all applicable laws, and the Lessor hereby covenants and agrees to save the Lessee harmless from and against any loss, liability, claim, demand, damage, expense, injury or death arising out of or in connection with the operations or activities which were carried out on the Silverton Property prior to the date of this Agreement; and
- (h) it has advised the Lessee of all of the material information relating to the mineral potential of the Silverton Property of which the Lessor has knowledge.

5.02 The representations and warranties hereinbefore set out are conditions upon which the Lessee has relied on entering into this Agreement and shall survive the exercise of the option granted hereby, and the Lessor hereby forever indemnifies and saves the Lessee harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation or warranty made by it and contained in this Agreement.

6. REPRESENTATIONS AND WARRANTIES OF THE LESSEE

6.01 The Lessee represents and warrants to the Lessor that:

- (a) it has full corporate power and authority to enter into this Agreement;
- (b) the entering into of this Agreement does not conflict with any applicable laws or with its charter documents, nor does it conflict with, or result in a breach of, or accelerate the performance required by any contract or other commitment to which it is a party or by which it is bound; and
- (c) it is eligible to acquire and hold mineral claims in the jurisdiction in which the Silverton Property is situated.

6.02 The representations and warranties hereinbefore set out are conditions upon which the Lessor has relied on in entering into this Agreement and shall survive the exercise of the option herein granted, and the

Lessee hereby indemnifies and saves the Lessor harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation or warranty made by it and contained in this Agreement.

7. COVENANTS OF THE LESSOR

7.01 The Lessor hereby covenants with and to the Lessee that:

- (a) it will, within 30 days of the date of this Agreement, provide the Lessee with all of the data and information in its possession or under its control relating to the Lessor's exploration activities on and in the vicinity of the Silverton Property; and
- (b) until such time as the Option is exercised or otherwise terminates, it will not deal, or attempt to deal, with its right, title and interest in and to the Silverton Property in any way that would or might affect the right of the Lessee to become absolutely vested in a 100% interest in and to the Silverton Property, free and clear of any liens, charges and encumbrances, save and except as otherwise provided for in this Agreement.

8. COVENANTS OF THE LESSEE

8.01 The Lessee covenants and agrees with the Lessor that until the option granted hereunder is exercised or otherwise terminates:

- (a) the Lessee shall carry out and record or cause to be carried out and recorded all such assessment work or payment of claim maintenance fees upon the Silverton Property as may be required in order to maintain the Silverton Property in good standing;
- (b) the Lessee shall keep the Silverton Property clear of all liens and other charges arising from its operations thereon;
- (c) the Lessee shall carry on all operations on the Silverton Property in a good and miner-like manner and in compliance with all applicable governmental regulations and restrictions;
- (d) the Lessee shall pay or cause to be paid any rates, taxes, duties, royalties, assessments or fees levied with respect to the Silverton Property or the Lessee's operations thereon;
- (e) the Lessee shall indemnify and hold the Lessor harmless from any and all liabilities, costs, damages or charges arising from the failure of the Lessee to comply with the covenants contained in this article or otherwise arising from its operations on the Silverton Property by the Lessee, its servants or agents, including any environmental clean-up required or ordered pursuant to the laws of Arizona,
- (f) the Lessee shall allow the Lessor or any duly authorized agent or representative of the Lessor to inspect the Silverton Property upon giving the Lessee 48 hours written notice; PROVIDED HOWEVER that it is agreed and understood that the Lessor or any such agent or representative shall not interfere with the Lessee's activities on the Silverton Property and shall be at his own risk and that the Lessee shall not be liable for any loss, damage or injury incurred by the Lessor or its agents or representatives arising from its inspection of the Silverton Property, however caused;
- (g) the Lessee shall allow the Lessor access at all reasonable times and intervals to all factual maps, reports, assay results and other factual technical data prepared or obtained by the Lessee in connection with its operations on the Silverton Property;
- (h) the Lessee shall provide the Lessor with an annual factual progress report, in writing, with respect to

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its operations on the Silverton Property, and shall provide the Lessor with copies of any and all documents filed by the Lessee to record assessment work on the Silverton Property.

9. TERMINATION

9.01 This Agreement shall terminate upon the Lessee, not being at the time in default under any provision of this Agreement, giving five (5) days written notice to the Lessor of termination.

9.02 Notwithstanding paragraph 9.01, if the Lessee fails to make any payment or fails to do anything on or before the last day provided for such payment or performance under this Agreement, the Lessor may terminate this Agreement, but only if:

- (a) it shall have first given to the Lessee written notice of the failure containing particulars of the payment which the Lessee has not made or the act which the Lessee has not performed; and
- (b) the Lessee has not, within 60 days following delivery of such notice, cured such failure or commenced proceedings to cure such failure by appropriate payment or performance (the Lessee hereby agreeing that should it so commence to cure any failure it will prosecute the same to completion without undue delay).

Should the Lessee fail to comply with the provisions of subparagraph 9.02(b), the Lessor may thereafter terminate this Agreement by notice to the Lessee.

9.03 Upon termination of this Agreement, the Lessee shall:

- (a) have completed and recorded sufficient assessment work on the Silverton Property to maintain the Silverton Property in good standing for a period of at least 60 days from the date of termination;
- (b) turn over to the Lessor originals of factual maps, reports, assay results and other factual data and documentation in its possession in connection with its operations on the Silverton Property;
- (c) deliver to the Lessor recordable Bills of Sale or other applicable conveyancing documentation sufficient to effect the transfer of a 100% recorded interest in and to the Silverton Property to the Lessor; and
- (d) leave the Silverton Property in a safe condition in accordance with any applicable requirements of law.

9.04 Upon termination of this Agreement, the Lessee forfeits any and all interest in the Silverton Property hereunder and shall cease to be liable to the Lessor in debt, damages or otherwise save for the performance of those of its obligations which theretofore should have been performed.

9.05 Upon termination of this Agreement, the Lessee shall vacate the Silverton Property within a reasonable time after such termination, but shall have right of access to the Silverton Property for a period of six (6) months thereafter for the purpose of removing its chattels, machinery, equipment and fixtures therefrom.

10. INDEPENDENT ACTIVITIES

10.01 Except as expressly provided herein, each party shall have the free and unrestricted right to independently engage in and receive the full benefit of any and all business endeavors of any sort whatsoever, whether or not competitive with the endeavors contemplated herein without consulting the other or inviting or allowing the other to participate therein. No party shall be under any fiduciary or other duty to the other which will prevent it from engaging in or enjoying the benefits of competing endeavors within the general scope of the endeavors contemplated herein. The legal doctrines of "corporate opportunity" sometimes applied to

persons engaged in a joint venture or having fiduciary status shall not apply in the case of any party as to:

- (a) any opportunity to acquire, explore and develop any mining Silverton Property, interest or right presently owned by it or offered to it outside of the Silverton Property at any time; and
- (b) the erection of any mining plant, mill, smelter or refinery, whether or not such mining plant, mill, smelter or refinery treats ores or concentrates from the Silverton Property.

11. CONFIDENTIALITY OF INFORMATION

11.01 The parties hereto shall treat all data, reports, records and other information relating to this Agreement and the Silverton Property as confidential. While this Agreement is in effect, Lessor shall not, without the express written consent of the other, disclose to any third party any information concerning the results of the operations hereunder nor issue any press releases concerning this Agreement or its exploration operations. Lessee may disclose any information concerning the results of the exploration and operation upon the Silverton property:

- (a) where such disclosure is mandatory under the law or is deemed necessary by the Lessee's counsel for the satisfaction by the Lessee of its obligations to applicable securities regulatory bodies;
- (b) where the Lessee is seeking the participation of such third party in the exploration, development or production of the Silverton Property, and such information is divulged under confidential circumstances;
- (c) where Lessee has assigned the lease and option to purchase to a public entity who discloses information under regulatory rules and requirements.

Due consideration shall be given to present and future governmental regulations with respect to such data disclosures.

12. ASSIGNMENT

12.01 Each party has the right to assign all or any part of its interest in the Silverton Property and in this Agreement. It shall be a condition precedent to any such assignment that the assignee of the interest being transferred agrees in writing to be bound by the terms of this Agreement, as if it had been an original party hereto.

13. UNAVOIDABLE DELAYS

13.01 If any party should be delayed in or prevented from performing any of the terms, covenants or conditions of this Agreement by reason of a cause beyond the control of such party, including fires, floods, earthquakes, subsidence, ground collapse or landslides, interruptions or delays in transportation or power supplies, strikes, lockouts, wars, acts of God, government regulation or interference, including but without restricting the generality of the foregoing, forest or highway closures or any other cause beyond such party's control, then any such failure on the part of such party to so perform shall not be deemed to be a breach of this Agreement, and the time within which such party is obliged to comply with any such term, covenant or condition of this Agreement shall be extended by the total period of all such delays. In order that the provision of this article may become operative, such party shall give notice in writing to the other party, forthwith and for each new cause of delay or prevention and shall set out in such notice particulars of the cause thereof and the day upon which the same arose, and shall give like notice forthwith following the date that such cause ceased to subsist.

14. ARBITRATION

14.01 If there is any disagreement, dispute or controversy (hereinafter collectively called a "Dispute") between the parties with respect to any matter arising under this Agreement or the construction hereof, then the Dispute shall be determined by arbitration in accordance with the following procedures:

- (a) the party on one side of the Dispute shall inform the other party by notice of the names of three impartial and independent persons who are recognized experts in the area which is the subject matter of the Dispute; and
- (b) the other party shall, within seven (7) days of receipt of the notice, inform the party on the other side of the Dispute the name of the one person that it wishes to act as the sole arbitrator.

The arbitration shall be conducted in accordance with Colorado arbitration standard practices and the decision of the arbitrator shall be based exclusively on the advancement of exploration, development and production work on the Silverton Property and not on the financial circumstances of the parties. The costs of arbitration shall be borne equally by the parties to the Dispute unless otherwise determined by the arbitrator in the award.

15. NOTICES

15.01 Any notice, election, consent or other written required or permitted to be given hereunder shall be deemed to be sufficiently given if delivered or if mailed by registered air mail or by telegram or fax, addressed as follows:

In the case of the Lessor: Manuel Montoya
Precious Metals LLC

17030 E. Carr Ave.
Parker, CO 80134
mmontoyaoffice@comcast.net

In the case of the Lessee: Greg Hahn, President
Canamex Resources US, Inc.
PO Box 2428, Cortaro, AZ 85652
Greghahn1@aol.com

and any such notice given aforesaid shall be deemed to have been given to the parties hereto if delivered, when delivered, or if mailed, on the tenth business day following the date of mailing, or, if telegraphed or faxed, on the next succeeding day following the telegraphing or faxing thereof PROVIDED HOWEVER that during the period of any postal interruption in either the country of mailing or the country of delivery, any notice given hereunder by mail shall be deemed to have been given only as of the date of actual delivery of the same. Any party may from time to time by notice in writing change its address for the purpose of this paragraph.

16. GENERAL TERMS AND CONDITIONS

16.01 The parties hereto hereby covenant and agree that they will execute such further agreements, conveyances and assurances as may be requisite, or which counsel for the parties may deem necessary to effectually carry out the intent of this Agreement.

16.02 This Agreement shall represent the entire understanding between the parties with respect to the Silverton Property. No representations or inducements have been made save as herein set forth. No changes,

16.04 The schedules to this Agreement shall be constructed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein.

16.05 All reference to dollar amounts contained in this Agreement are references to U.S. dollars.

16.06 This Agreement shall be governed by and interpreted in accordance with the laws in effect in the Province of British Columbia and the parties hereto refer to the courts of British Columbia for the resolution of any disputes arising out of this Agreement.

16.07 This Agreement may be executed by facsimile and in any number of counterparts. Each counterpart shall be deemed for all purposes to be an original and all such counterparts shall constitute one and the same instrument, binding on all of the parties here to.

16.08 This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the day and year first above written.

PRECIOUS METALS LLC

“Manuel Montoya”

Authorized Signatory

CANAMEX RESOURCES US, INC.

“Greg Hahn”

Authorized Signatory

SCHEDULE "A"



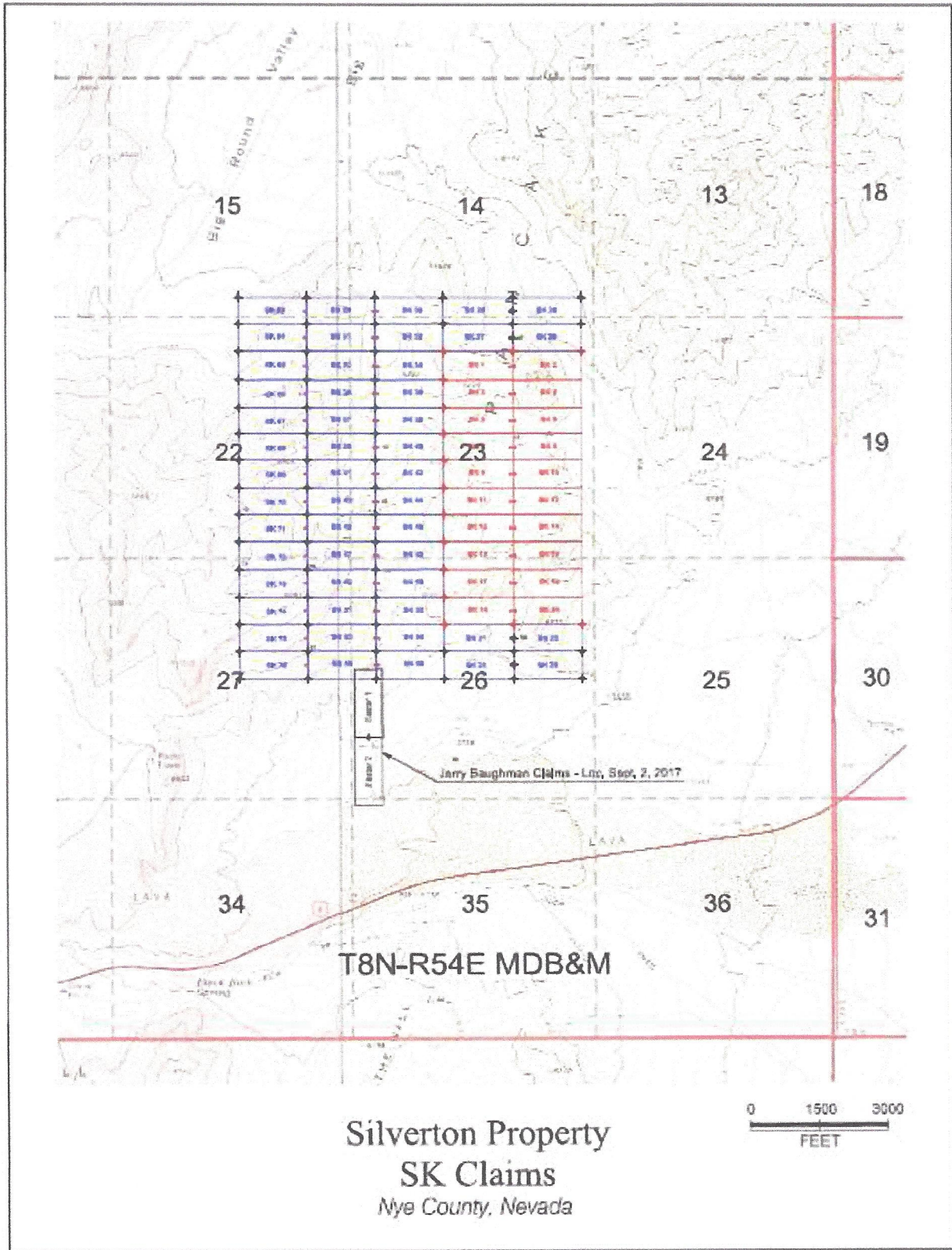
Silverton Property
Nye County, Nevada

<u>Claim Name</u>	<u>BLM Serial Number</u>	<u>Recording Date</u>
SK 1	1153023	16-Oct-17
SK 2	1153024	16-Oct-17
SK 3	1153025	16-Oct-17
SK 4	1153026	16-Oct-17
SK 5	1153027	16-Oct-17
SK 6	1153028	16-Oct-17
SK 7	1153029	16-Oct-17
SK 8	1153030	16-Oct-17
SK 9	1153031	16-Oct-17
SK 10	1153032	16-Oct-17
SK 11	1153033	16-Oct-17
SK 12	1153034	16-Oct-17
SK 13	1153035	16-Oct-17
SK 14	1153036	16-Oct-17
SK 15	1153037	16-Oct-17
SK 16	1153038	16-Oct-17
SK 17	1153039	16-Oct-17
SK 18	1153040	16-Oct-17
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SK 33	1153060	17-Oct-17
SK 34	1153061	17-Oct-17
SK 35	1153062	17-Oct-17
SK 36	1153063	17-Oct-17
SK 37	1153064	17-Oct-17
SK 38	1153065	17-Oct-17
SK 39	1153066	17-Oct-17

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SK 40	1153067	17-Oct-17
SK 41	1153068	17-Oct-17
SK 42	1153069	17-Oct-17
SK 43	1153070	17-Oct-17
SK 44	1153071	17-Oct-17
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SK 69	1153090	17-Oct-17
SK 70	1153091	17-Oct-17
SK 71	1153092	17-Oct-17
SK 72	1153093	17-Oct-17
SK 73	1153094	17-Oct-17
SK 74	1153095	17-Oct-17
SK 75	1153096	17-Oct-17
SK 76	1153097	17-Oct-17

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SCHEDULE "B"



Net Smelter Return

1. The expression "Net Smelter Return" ("NSR") shall mean the value for marketable minerals produced from the Silverton Property and received by the Lessee thereof less the following deductions:
 - (a) all costs to smelt or refine the concentrate or ore, such costs not to exceed the smelting or refining charges which would be levied by a third party smelter for a similar operation, and all charges made by a smelter, refiner, mint or other party engaged by or for Lessee including, without limiting the generality of the foregoing, treatment, sampling and other standard charges, penalties and all other standard deductions;
 - (b) all costs of insurance and transportation of material from the Silverton Property to the Lessee or otherwise as directed;
 - (c) all exercise, severance, sales and/or production taxers applicable to the NSR payments.

2. The reasonably estimated amount of the NSR, if any, payable for each quarter year shall be paid within 60 days after the end of the quarter year to which such relates, accompanied by a statement of the NSR for the quarter year in question. The balance, if any, of the amount of the NSR payable for a full year shall be paid within ninety days after the end of such year, accompanied by a statement of the NSR for such year, duly certified by a Certified Public Accountant appointed for such purpose. Any overpayment made in any year shall be deductible from payments due in any subsequent year(s).