

## AMALGAMATION AGREEMENT

**THIS AMALGAMATION AGREEMENT** is made and effective as of November 16, 2015.

### AMONG:

**IBERIAN MINERALS LTD.**, a body corporate, incorporated under the laws of the Province of Alberta, having an office in the City of Calgary, in the Province of Alberta ("**Iberian**");

### AND

**MINEWORX TECHNOLOGIES INC.**, a body corporate, incorporated under the laws of the Province of British Columbia, having an office in the City of Vancouver, in the Province of British Columbia ("**Mineworx**");

### AND

**1054442 B.C. LTD.**, a body corporate, incorporated under the laws of the Province of British Columbia, having an office in the City of Vancouver, in the Province of British Columbia ("**SubCo**");

### RECITALS:


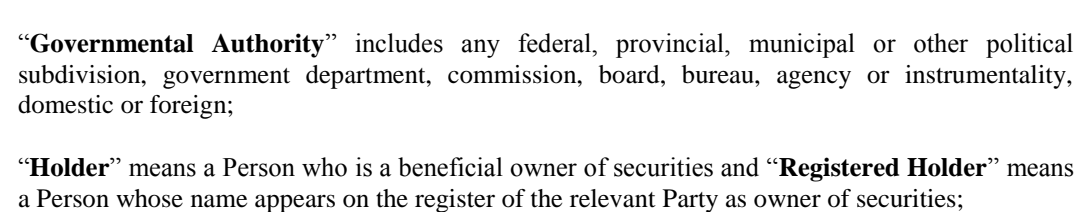
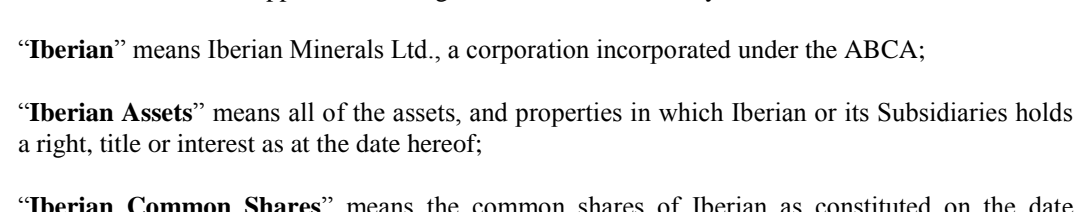
- A. Iberian is a public junior mining company trading on the Exchange (as defined herein).
- B. Mineworx is a private mining and technology company.
- C. SubCo is a wholly-owned subsidiary of Iberian.
- D. Iberian, Mineworx and SubCo propose a business combination whereby Mineworx and SubCo will amalgamate (the "**Amalgamation**") under the BCBCA on the terms described in this Agreement and continue as one corporation ("**Amalco**"), which will be a wholly-owned subsidiary of Iberian.
- E. Iberian proposes to issue Iberian Common Shares (as defined herein) to the Mineworx Shareholders (as defined herein) as hereinafter provided in connection with the Amalgamation.

**NOW THEREFORE IN CONSIDERATION** of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

## ARTICLE 1 DEFINITIONS

- 1.1 In this Agreement, unless the context otherwise requires:
  - (a) "**Agreement**" means this agreement, including the recitals and all Schedules to this agreement, as amended or supplemented from time to time, and "**hereby**", "**hereof**", "**herein**", "**hereunder**", "**herewith**" and similar terms refer to this Agreement and not to any particular provision of this Agreement;
  - (b) "**Amalco**" means the amalgamated corporation following the Effective Time created by the Amalgamation;
  - (c) "**Amalgamation**" means the amalgamation of Mineworx and SubCo under the provisions of Division 3 of Part 9 of the BCBCA contemplated by this Agreement;

- (d) “**Amalgamation Application**” means the amalgamation application as contemplated by the BCBCA and in substantially the form set out in Schedule E hereto;
- (e) “**Applicable Laws**” means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, including all applicable corporate and securities laws, regulations and rules, all policies thereunder and rules of applicable stock exchanges;
- (f) “**BCBCA**” means the *Business Corporations Act* (British Columbia);
- (g) “**Business**” means all of the business and Mineworx Assets, including without limitation, its producing and non-producing properties and lands, facilities and related equipment and all other Mineworx Assets;
- (h) “**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Calgary and the City of Vancouver for the transaction of banking business;
- (i) “**Certificate of Amalgamation**” means the certificate to be issued by the Registrar pursuant to subsection 281(a) of the BCBCA giving effect to the Amalgamation;
- (j) “**CIOH**” means Cehegin Iron Ore Holdings, S.L., a corporation incorporated under the laws of Spain;
- (k) “**Closing**” means the completion of the Amalgamation;
- (l) “**Depository**” means Computershare Investor Services Inc.;
- (m) “**Dissent Rights**” means the rights of dissent in respect of the Mineworx Special Resolution provided pursuant to Section 238 of the BCBCA;
- (n) “**Dissenting Shareholder**” means a Mineworx Shareholder, who, in connection with the Mineworx Special Resolution at the Mineworx Meeting which approves and adopts this Agreement, has sent to Mineworx a written objection and a demand for payment within the time limits and in the manner prescribed by section 238 of the BCBCA respectively with respect to such shareholder’s shares;
- (o) “**Effective Date**” means the effective date indicated upon the Certificate of Amalgamation;
- (p) “**Effective Time**” means the effective time indicated upon the Certificate of Amalgamation;
- (q) “**Encumbrance**” includes, without limitation, any mortgage, pledge, assignment, charge, lien, security interest, claim, trust, royalty or carried, participation, net profits or other Person interest and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;
- (r) “**Environmental Laws**” includes any applicable federal, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters;
- (s) “**Exchange**” means the TSX Venture Exchange;
- (t) “**Exchange Ratio**” means 2.53646 Iberian Common Shares exchanged for each one (1) Mineworx Common Share;

- (u) 
- (v) 
- (w) 
- (x) **“Governmental Authority”** includes any federal, provincial, municipal or other political subdivision, government department, commission, board, bureau, agency or instrumentality, domestic or foreign;
- (y) **“Holder”** means a Person who is a beneficial owner of securities and **“Registered Holder”** means a Person whose name appears on the register of the relevant Party as owner of securities;
- (z) **“Iberian”** means Iberian Minerals Ltd., a corporation incorporated under the ABCA;
- (aa) **“Iberian Assets”** means all of the assets, and properties in which Iberian or its Subsidiaries holds a right, title or interest as at the date hereof;
- (bb) **“Iberian Common Shares”** means the common shares of Iberian as constituted on the date hereof;
- (cc) **“Iberian Counsel”** means DLA Piper (Canada) LLP, or such other legal counsel as may be designated by Iberian;
- (dd) **“Iberian Financial Statements”** means the audited financial statements of Iberian as at and for the year ended December 31, 2014 and the unaudited financial statements of Iberian as at and for the interim period ended June 30, 2015;
- (ee) **“Iberian Option Plan”** means the stock option plan of Iberian;
- (ff) **“Iberian Options”** means the options to purchase Iberian Common Shares granted under the Iberian Option Plan;
- (gg) **“Iberian Parties”** means, collectively, Iberian and SubCo;
- (hh) **“Iberian Public Documents”** means all documents or information filed by or on behalf of Iberian in compliance with or intended compliance with Applicable Laws;
- (ii) **“Iberian Warrants”** means warrants entitling the holders thereof to purchase Iberian Common Shares upon the terms and conditions stated in each such warrant;
- (jj) **“IFRS”** means International Financial Reporting Standards as issued by the International Accounting Standards Board;
- (kk) **“Loan Agreement”** means the loan agreement to be entered into between Iberian and Mineworx, in substantially the form attached as Schedule E;
- (ll) **“Material”** means, where used in relation to Iberian or Mineworx, as the case may be, a fact, transaction or circumstance concerning the business, assets, rights, properties, condition (financial or otherwise), liabilities, capitalization, operations, prospects, or results of operations of Iberian or Mineworx, as the case may be, that: (i) would be reasonably likely to have a significant effect on the value of the Iberian Common Shares or the Mineworx Common Shares, as the case may be; or (ii) would prevent or materially delay completion of the Amalgamation in accordance with this Agreement;

- (mm) **“Material Adverse Change”** or **“Material Adverse Effect”** means, with respect to any Person, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial condition, licenses, permits, concessions, rights, privileges, liabilities or prospects, whether contractual or otherwise, of such Person and its Subsidiaries, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) a matter that has, prior to the date hereof, been publicly disclosed or disclosed to the Other Party; (ii) conditions affecting the mining industry as a whole; (iii) general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (iv) any matter consented to, or that results from a matter that is consented to, in writing by the Other Party hereto;
- (nn) **“MDC”** means Magnetitas del Cehegin, S.L., a corporation incorporated under the laws of Spain;
- (oo) **“Mineworx”** means Mineworx Technologies Inc., a corporation incorporated under the BCBCA;
- (pp) **“Mineworx Assets”** means the Business and all of the assets and properties in which Mineworx or its Subsidiaries holds a right, title or interest as at the date hereof;
- (qq) **“Mineworx Common Shares”** means the common shares of Mineworx as constituted on the date hereof;
- (rr) **“Mineworx Counsel”** means McMillan LLP, or such other legal counsel as may be designated by Mineworx;
- (ss) **“Mineworx Financial Statements”** means the unaudited financial statements of Mineworx as at and for the period ended September 30, 2015;
- (tt) **“Mineworx Meeting”** means the special meeting of Mineworx Shareholders, and any adjournments thereof, to consider and, if determined advisable, approve the Mineworx Special Resolution;
- (uu) **“Mineworx Option Plan”** means the stock option plan of Mineworx;
- (vv) **“Mineworx Options”** means the share purchase options exercisable into Mineworx Common Shares on the terms and conditions stated in each respective option commitment form or option agreement and in accordance with the Mineworx Option Plan;
- (ww) **“Mineworx Shareholder”** means a holder of Mineworx Common Shares;
- (xx) **“Mineworx Special Resolution”** means the special resolution of the Mineworx Shareholders, substantially in the form of the resolution set out in Schedule C, approving the Amalgamation, to be considered by Mineworx Shareholders at the Mineworx Meeting;
- (yy) **“Mineworx Superior Proposal”** has the meaning ascribed thereto in Section 9.4 hereof;
- (zz) **“Mineworx Take-Over Proposal”** means, other than pursuant to the Amalgamation, any take-over bid or offer for 20% or more of the issued and outstanding Mineworx Common Shares or securities convertible into Mineworx Shares, or any proposal, offer or agreement (whether or not subject to conditions) for a merger, consolidation, amalgamation, arrangement, recapitalization, liquidation, dissolution, reorganization or similar transaction or other business combination involving Mineworx or any Subsidiary or any proposal, offer or agreement (whether or not subject to conditions) to acquire in any manner, or to require Mineworx to issue, 20% or more of the outstanding Mineworx Shares or securities convertible into Mineworx Shares;
- (aaa) [REDACTED]

- (bbb) **“Misrepresentation”** includes any untrue statement of a material fact, any omission to state a material fact that is required to be stated and any omission to state a material fact that is necessary to be stated in order for a statement not to be misleading;
- (ccc) **“Other Party”** means with respect to the applicable Iberian Party(ies), Mineworx and, with respect to Mineworx, the applicable Iberian Party(ies);
- (ddd) **“Option Cancellation Agreement”** means the agreements to be entered into between Mineworx and each holder of Mineworx Options, in a form satisfactory to Iberian, acting reasonably, whereby each holder of Mineworx Options agrees for nominal consideration to surrender such Mineworx Options for cancellation;
- (eee) **“Parties”** means Iberian, Mineworx and SubCo, and **“Party”** means any one of them;
- (fff) **“Permitted Encumbrances”** has the meaning ascribed to such term in Section 7.1(cc);
- (ggg) **“Person”** includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government, regulatory authority or other entity;
- (hhh) **“Principal MW Shareholders”** means [REDACTED]  
[REDACTED]
- (iii) **“Registrar”** means the Registrar of Corporations appointed pursuant to Section 400 of the BCBCA;
- (jjj) **“SME”** means Solid Mines Espana, S.A.U., a corporation incorporated under the laws of Spain;
- (kkk) **“SubCo”** means 1054442 B.C. Ltd., a corporation incorporated under the laws of the Province of British Columbia;
- (lll) **“Subsidiary”** means, when used to indicate a relationship with another body corporate,
  - (i) a body corporate which is controlled by: (A) that other; or (B) that other and one or more bodies corporate, each of which is controlled by that other; or (C) two or more bodies corporate each of which is controlled by that other; or
  - (ii) a subsidiary of a body corporate that is the other’s subsidiary;
- (mmm) **“Support Agreements”** means agreements between Iberian and each of the Principal MW Shareholders in the form attached hereto as Schedule D pursuant to which the Principal MW Shareholders agree to vote the Mineworx Common Shares beneficially owned or controlled by the Principal MW Shareholders in favour of the Amalgamation and to otherwise support the Amalgamation, as provided therein;
- (nnn) **“Tax Act”** means the *Income Tax Act* (Canada), RSC 1985 c1 (5<sup>th</sup> supp), as amended, including the regulations promulgated thereunder;
- (ooo) **“U.S. person”** has the meaning as set forth in Regulation S under the U.S. Securities Act; and
- (ppp) **“U.S. Securities Act”** means the *United States Securities Act of 1933*, as amended, and the rules and regulations promulgated thereunder.

1.2 The following Schedules are included and form part of this Agreement:

Schedule A – Articles of Amalco  
Schedule B – Mineworx Exceptions  
Schedule C – Mineworx Special Resolution

Schedule D - Support Agreement  
Schedule E - Loan Agreement  
Schedule F – Amalgamation Application

## **ARTICLE 2**

### **INTERPRETATION**

2.1 The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

2.2 Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph, clause, subclause or schedule by number or letter or both refer to the article, section, subsection, paragraph, clause, subclause or schedule, respectively, bearing that designation in this Agreement.

2.3 In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders.

2.4 In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.

2.5 References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

2.6 Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

2.7 All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, reorganization and other laws affecting creditors rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief).

2.8 All references to the date of this Agreement, “the date hereof” or similar expressions or references shall mean November 16, 2015 except as is expressly provided herein.

2.9 This Agreement together with the agreements and documents herein referred to, constitutes the entire agreement among the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the Parties with respect to the subject matter hereof.

## **ARTICLE 3**

### **AMALGAMATION OF MINEWORX AND SUBCO**

3.1 *General.* Subject to the terms and conditions of this Agreement, each of the Parties hereto agrees to use its reasonable commercial efforts prior to the Effective Date to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to complete the transactions contemplated by this Agreement and the Amalgamation.

3.2 *Steps to be taken by Mineworx.*

(a) Mineworx covenants in favour of Iberian that:

(i) Mineworx shall assist Iberian in its application to the Exchange and in complying with Exchange policies so that the Iberian Common Shares issued or issuable in connection with the transactions contemplated herein are accepted for listing by the Exchange pursuant to such policies; and

- (ii) Mineworx shall mail the notice of meeting on or before November 30, 2015 and lawfully convene and hold the Mineworx Meeting for the purpose of considering the Mineworx Special Resolution (and for no other purpose unless approved in writing by Iberian, as may be set out in the notice for such meeting) as soon as reasonably practicable and in any event, on or before December 15, 2015; and except to the extent required by a Governmental Authority having jurisdiction or as specifically contemplated herein, not adjourn, postpone or cancel (or propose for adjournment, postponement or cancellation) the Mineworx Meeting without the prior written consent of Iberian, such consent not to be unreasonably withheld. If necessary, Mineworx shall take all action necessary in accordance with Applicable Laws (including making all necessary applications to Canadian securities regulatory authorities that may be necessary to consummate the transactions contemplated by this Agreement, including the Amalgamation), Mineworx's constating documents and any other regulatory authority having jurisdiction to duly call, give notice of, convene and hold the Mineworx Meeting no later than December 15, 2015.
- (b) Subject to obtaining the approval of the Mineworx Shareholders to the Amalgamation and subject to the satisfaction or waiver of the conditions herein contained in favour of Mineworx, Mineworx agrees that it shall, with the co-operation and participation of Iberian, use its commercially reasonable efforts to make such arrangements with the Registrar as may be necessary or desirable to permit:
  - (i) the filing with the Registrar of the Amalgamation Application to be made effective at the Effective Time (and in any event, on or before December 31, 2015); and
  - (ii) the obtaining of the Certificate of Amalgamation in that regard.
- (c) In the event that there is a failure to obtain, or if Iberian reasonably anticipates that there will be a failure to obtain, a consent, order or other approval of a Governmental Authority required in connection with the approval of the Amalgamation, then Mineworx shall, upon the request of Iberian, use its reasonable commercial efforts to assist Iberian to successfully implement and complete any alternative transaction structure that does not have negative financial consequences for either Party. In the event that the transaction structure is modified as a result of any event contemplated pursuant to this Subsection 3.2(c) or otherwise, the relevant provisions of this Agreement shall forthwith be deemed modified as necessary in order that it shall apply with full force and effect, *mutatis mutandis*, to reflect the revised transaction structure and the Parties hereto shall, upon the reasonable request of any Party hereto, execute and deliver an agreement in writing giving effect to and evidencing such amendments as may be reasonably required as a result of such modifications.

### 3.3 *Steps to be taken by Iberian.*

- (a) Iberian covenants in favour of Mineworx that Iberian shall comply with Exchange policies so that the Iberian Common Shares issuable in connection with the transactions contemplated herein are accepted for listing by the Exchange pursuant to such policies.
- (b) Iberian agrees that, on the Effective Date and subject to the satisfaction or waiver of the conditions herein contained in favour of Iberian, Iberian shall provide to the Depositary an irrevocable direction to issue the maximum number of Iberian Common Shares issuable pursuant to the Amalgamation so as to permit the Depositary to issue the Iberian Shares to Mineworx Shareholders as contemplated herein.

### 3.4 *Implementation.* SubCo and Mineworx agree to complete the Amalgamation pursuant to Division 3 of Part 9 of the BCBCA and to continue as one corporation as a Subsidiary of Iberian upon the following terms and conditions:

- (a) the name of Amalco shall be “Mineworx Technologies Inc.” or such other name as selected by the board of directors of Iberian;
- (b) the registered office of Amalco shall be located at the registered office of SubCo at the Effective Time;
- (c) the articles of Amalco shall be substantially in the form set forth in Schedule A;
- (d) each issued and outstanding Mineworx Common Share (other than Mineworx Common Shares held by Dissenting Shareholders) shall be exchanged for Iberian Common Shares at the Exchange Ratio;
- (e) the directors of Amalco shall be as follows:
  - (i) Duane Nelson of [REDACTED]
  - (ii) Greg Pendura of [REDACTED]
  - (iii) Don Weatherbee of [REDACTED]

and such persons shall hold office until the first annual or general meeting of the shareholders of Amalco or until their successors are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provided for in the Articles of Amalco. The management and operation of the business and affairs of Amalco shall be under the control of the board of directors as it is constituted from time to time;

- (f) the auditors of Amalco shall be the auditors of Iberian or such other auditors as selected by the board of directors of Iberian; and
- (g) there shall be no restrictions on the business that Amalco may carry on.

3.5 *Effect of Certificate of Amalgamation.* On the Effective Date, subject to the BCBCA:

- (a) the Amalgamation and the continuance of SubCo and Mineworx as one corporation under the terms and conditions prescribed in this Agreement shall be effective;
- (b) the property of each of SubCo and Mineworx shall continue to be the property of Amalco;
- (c) Amalco shall continue to be liable for the obligations of each of SubCo and Mineworx;
- (d) any existing cause of action, claim or liability to prosecution with respect to either or both or all of SubCo and Mineworx shall be unaffected;
- (e) any civil, criminal or administrative action or proceeding pending by or against any of SubCo and Mineworx may be continued to be prosecuted by or against Amalco;
- (f) any conviction against, or ruling, order or judgment in favour of or against, any of SubCo and Mineworx may be enforced by or against Amalco; and
- (g) the Notice of Articles contained in the Amalgamation Application shall be deemed to be the Notice of Articles of Amalco and the Certificate of Amalgamation shall be deemed to be the Certificate of Incorporation of Amalco.

3.6 *General Effects of the Amalgamation.* On the Effective Date:

- (a) subject to Subsection 3.6(c), Section 3.8 and Section 3.10, each Mineworx Shareholder (other than dissenting Mineworx Shareholders) shall receive that number of fully paid and non-assessable



Iberian Common Shares equal to the product determined by multiplying the number of Mineworx Common Shares held by such Mineworx Shareholder by the Exchange Ratio, following which all such Mineworx Common Shares shall be cancelled;

- (b) Iberian shall receive one (1) fully paid and non-assessable Amalco common share for each one (1) SubCo common share held by Iberian, following which all such SubCo common shares shall be cancelled;
- (c) no fractional Iberian Common Shares shall be issued to holders of Mineworx Common Shares; in lieu of any fractional entitlement, the number of Iberian Common Shares issued to each former Mineworx Shareholder shall be rounded up to the next greater whole number of Iberian Common Shares if the fractional entitlement is equal to or greater than 0.5 and shall, without any additional compensation, be rounded down to the next lesser whole number of Iberian Common Shares if the fractional entitlement is less than 0.5 and, in calculating such fractional interests, all Iberian Common Shares registered in the name of or beneficially held by such Mineworx Shareholder or their nominee shall be aggregated;
- (d) Iberian shall add an amount to the paid-up capital maintained in respect of the Iberian Common Shares equal to the aggregate paid-up capital for income tax purposes of the Mineworx Common Shares immediately prior to the Effective Time (less the paid-up capital of any Mineworx Common Shares held by Dissenting Shareholders who do not exchange their Mineworx Common Shares for Iberian Common Shares on the Amalgamation); and
- (e) Amalco shall add an amount to the paid-up capital maintained in respect of the Amalco common shares such that the paid-up capital of the Amalco common shares shall be equal to the aggregate paid-up capital for income tax purposes of the SubCo common shares and Mineworx Common Shares immediately prior to the Effective Time.

3.7 *Amalgamation Application and Filing.* Subject to the provisions hereof, SubCo and Mineworx will jointly file, with the Registrar, the Amalgamation Application and such other documents as may be required by the BCBCA to give effect to the Amalgamation as contemplated herein on or before December 31, 2015 or such later date as may be agreed to by the Parties.

3.8 *Share Certificates.* On the Effective Date:

- (a) the register of transfers of Mineworx Common Shares shall be closed;
- (b) subject to Section 3.6, the Mineworx Shareholders shall cease to be holders of Mineworx Common Shares and shall be deemed to be the registered holders of the Iberian Common Shares to which they are entitled, calculated in accordance with the provisions hereof;
- (c) certificates representing Iberian Common Shares issuable to each Mineworx Shareholder pursuant to the Amalgamation will, as soon as practicable, but no later than five (5) Business Days following the Effective Date be forwarded by the Depositary to that holder, at the address specified in the central securities register of Mineworx, by first class mail (postage prepaid);
- (d) Iberian, as the registered holder of SubCo common shares, shall cease to be the holder of SubCo common shares and shall be deemed to be the registered holder of the Amalco common shares; and
- (e) all share certificates formerly representing Mineworx Common Shares shall be deemed cancelled and any former non-certificated entry or position on the central securities register of Mineworx shall be cancelled.

3.9 Subject to the conditions in ARTICLE 4 and ARTICLE 5, Iberian covenants that on the Effective Date it will issue the Iberian Common Shares to Mineworx Shareholders as specified in this ARTICLE 3.

3.10 *Mineworx Options.* Mineworx agrees that prior to November 30, 2015 it shall use all reasonable commercial efforts to obtain Option Cancellation Agreements, in a form satisfactory to Iberian, acting reasonably, from each holder of Mineworx Options, which Option Cancellation Agreement shall provide that all Mineworx Options held by such holder of Mineworx Options shall for nominal consideration be surrendered for cancellation prior to the Amalgamation.

3.11 *Dissenting Shareholders.*

- (a) Each Mineworx Shareholder may exercise Dissent Rights in connection with the Amalgamation pursuant to and in the manner set forth in section 238 of the BCBCA. Mineworx shall give Iberian (i) prompt notice of any written notices of exercise of Dissent Rights, withdrawals of such notices, and any other instruments served pursuant to the BCBCA and received by Mineworx; and (ii) the opportunity to participate in all negotiations and proceedings with respect to such rights. Without the prior written consent of Iberian, except as required by Applicable Law, Mineworx shall not make any payment with respect to any such rights or offer to settle or settle any such rights.
- (b) Mineworx Common Shares which are held by a Dissenting Shareholder shall not be converted as prescribed by Section 3.6. However, if a Dissenting Shareholder fails to perfect or effectively withdraw its claim under section 238 of the BCBCA or forfeits its right to make a claim under section 238 of the BCBCA or if its rights as a Mineworx Shareholder are otherwise reinstated, such Mineworx Shareholder's shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Section 3.6.

3.12 *Notice of Meeting.* Mineworx shall promptly prepare the notice of meeting for the Mineworx Meeting and the Parties shall, on a timely basis, use their reasonable commercial efforts to co-operate in the preparation of all other documents and filings and the seeking and obtaining of all consents, orders and approvals, including regulatory and judicial orders and approvals and other matters reasonably determined by Mineworx and Iberian to be necessary in connection with this Agreement and the Amalgamation. Mineworx shall ensure that the notice of meeting for the Mineworx Meeting and other documents, filings, consents, orders and approvals contemplated by this Section 3.12 are prepared in compliance with, made and/or obtained in accordance with all Applicable Laws. Mineworx shall mail the notice of meeting for the Mineworx Meeting to the Mineworx Shareholders and to all other persons required by law with respect to the Mineworx Meeting, all in accordance with Applicable Laws, the constating documents of Mineworx and the requirements of any other regulatory authority having jurisdiction.

3.13 *Recommendation of the Mineworx Board of Directors.* Mineworx represents and warrants to Iberian that its board of directors has unanimously determined that:

- (a) the Amalgamation is fair from a financial point of view to the Mineworx Shareholders and is in the best interests of Mineworx and its shareholders; and
- (b) the board of directors of Mineworx will unanimously recommend that Mineworx Shareholders vote in favour of the Amalgamation, which recommendation may not be withdrawn, modified or changed in any manner except as set forth herein.

3.14 *Loan Agreement.* Iberian and Mineworx shall have entered into the Loan Agreement prior to or concurrently with the execution of this Agreement.

3.15 *Support Agreement.* Each of the Principal MW Shareholders shall have entered into the Support Agreement prior to or concurrently with the execution of this Agreement.

3.16 *Waiver.* [REDACTED]

3.17 *Debt Conversion.* [REDACTED]

3.18 *Acknowledgement of Assumption of Debt.* The Parties acknowledge and agree that prior to the Closing Time, Mineworx shall agree to accept the transfer and responsibility for payment of the debts owned by

#### **ARTICLE 4**

#### **CLOSING CONDITIONS OF MINEWORX**

4.1 The obligation of Mineworx to complete the transactions contemplated herein is subject to the fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

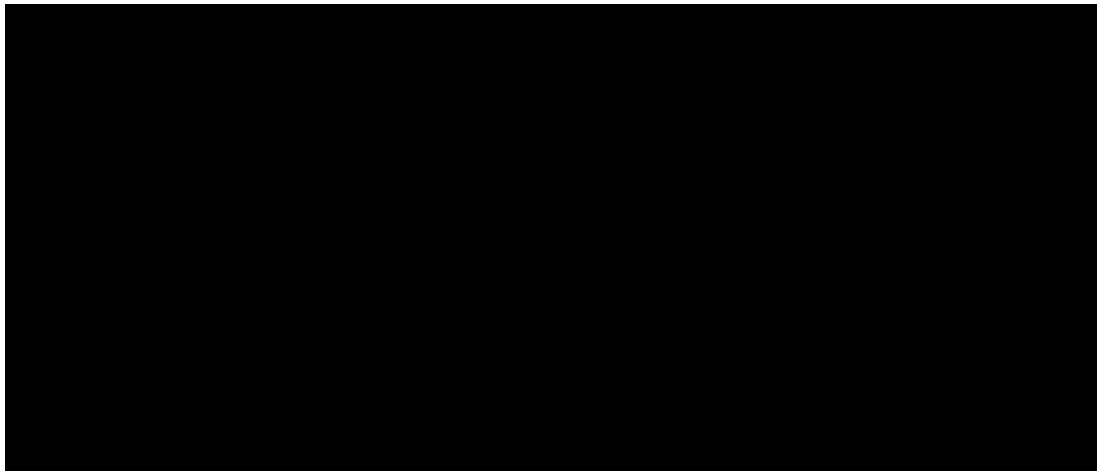
- (a) the representations and warranties made by each of Iberian and SubCo in Section 8.1 shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date), and Iberian shall have provided to Mineworx a certificate of one officer of Iberian certifying as to such matters on the Effective Date and Mineworx shall have no actual knowledge to the contrary;
- (b) each of Iberian and SubCo shall have complied in all material respects with their respective covenants in this Agreement and Iberian shall have provided to Mineworx a certificate of an officer of Iberian certifying as to such compliance as of the Effective Date and Mineworx shall have no actual knowledge to the contrary;
- (c) before giving effect to the transactions contemplated herein, there shall have been no Material Adverse Change in respect of Iberian and SubCo since the date hereof;
- (d) Iberian shall have furnished Mineworx with:
  - (i) certified copies of the resolutions duly passed by the board of directors of Iberian and SubCo approving this Agreement and the consummation of the transactions contemplated herein; and
  - (ii) certified copies of the resolutions duly passed by the board of directors of Iberian conditionally allotting the aggregate number of Iberian Common Shares that may be required to be issued in accordance with the terms of this Agreement upon the Amalgamation taking effect;
- (e) the Iberian Common Shares to be delivered pursuant to the Amalgamation shall have been deposited with the Depositary together with an irrevocable direction authorizing and directing the Depositary to deliver Iberian Common Shares pursuant to the Amalgamation, to the Mineworx Shareholders who are entitled to receive such consideration in accordance with Section 3.8 and upon completion of the Amalgamation; and
- (f) the Iberian Common Shares to be delivered pursuant to the Amalgamation shall be issued as fully paid and non-assessable common shares in the capital of Iberian, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those pursuant to any relevant Exchange policies or applicable securities laws.

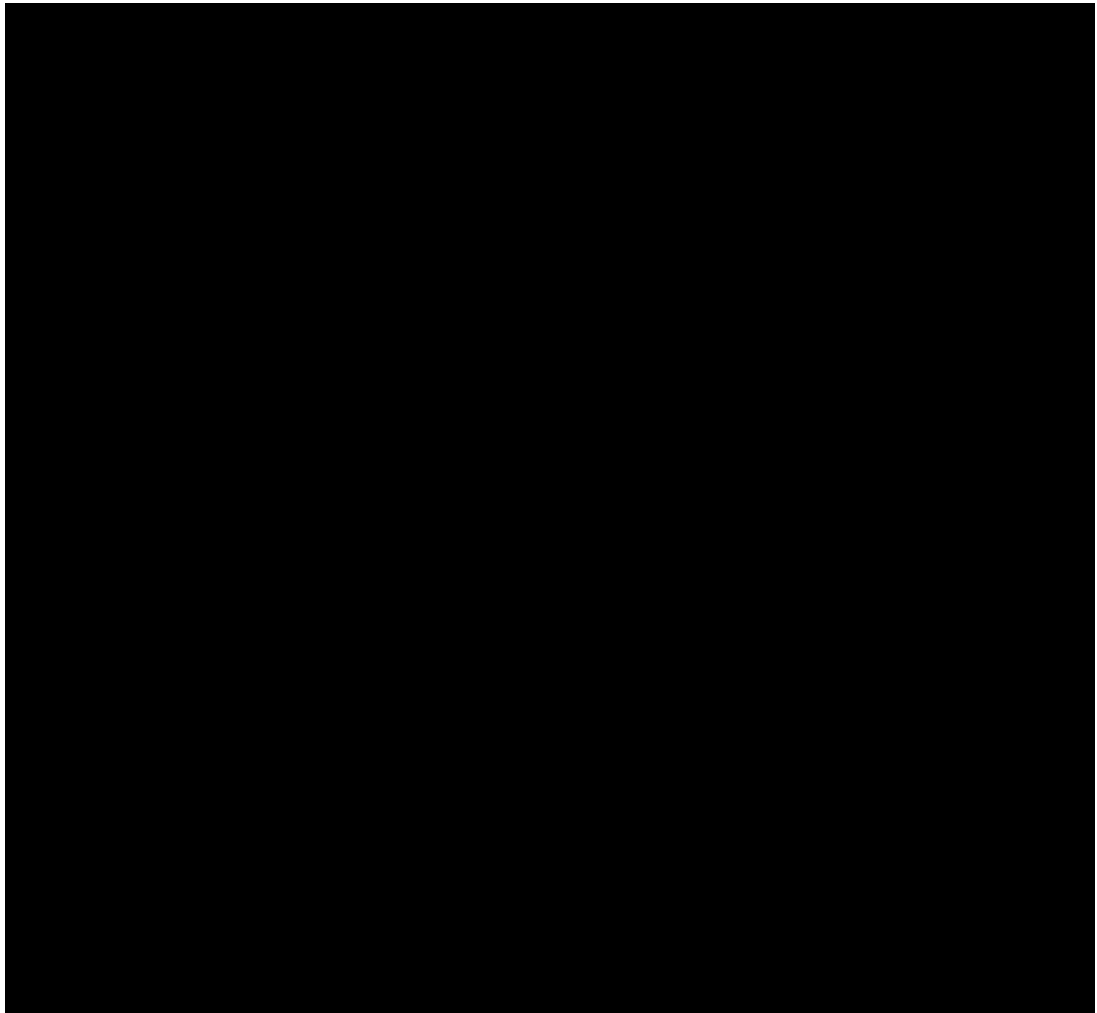
The foregoing conditions precedent are for the benefit of Mineworx and may be waived, in whole or in part, by Mineworx in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Mineworx on or before the date required for the performance thereof, Mineworx may, in addition to the other remedies it may have at law or equity, rescind and terminate this Agreement by written notice from Mineworx to Iberian pursuant to ARTICLE 11.

**ARTICLE 5**  
**CLOSING CONDITIONS OF IBERIAN**

5.1 The obligation of Iberian to complete the transactions contemplated herein is subject to fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

- (a) the representations and warranties made by Mineworx in Section 7.1 shall be true in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties which refer to another date, which shall be true as of that date) and Mineworx shall have provided to Iberian a certificate of one officer of Mineworx certifying as to such matters on the Effective Date and Iberian shall have no knowledge to the contrary;
- (b) Mineworx shall have complied in all material respects with its covenants in this Agreement and Mineworx shall have provided to Iberian a certificate of an officer certifying as to such compliance as of the Effective Date;
- (c) before giving effect to the transactions contemplated by this Agreement, there shall have been no Material Adverse Change in respect of Mineworx or the Business since the date hereof;
- (d) Mineworx shall have furnished Iberian with:
  - (i) certified copies of the resolutions duly passed by the board of directors of Mineworx approving this Agreement and the consummation of the transactions contemplated hereby and directing the submission of the Amalgamation for approval by Mineworx Shareholders and recommending that Mineworx Shareholders vote in favour of the Amalgamation; and
  - (ii) certified copies of the Amalgamation Resolution, duly passed by not less than 66 2/3% of the votes cast by a quorum of Mineworx Shareholders at the Mineworx Meeting;
- (e) Mineworx shall have mailed the notice of meeting and other documentation required in connection with the Mineworx Meeting on or before November 30, 2015;
- (f) the Principal MW Shareholders shall have complied in all material respects with their covenants in the Support Agreement and the representations and warranties given in favour of Iberian shall remain true in all material respects;
- (g) Mineworx shall have complied in all material respects with its covenants in the Loan Agreement and the representations and warranties given in favour of Iberian shall remain true in all material respects and Mineworx shall have provided to Iberian a certificate to that effect;
- (h)





- (i) immediately prior to the Effective Time the aggregate number of Mineworx Common Shares issued and outstanding on a fully diluted basis shall not be in excess of 33,116,998 (which accounts for no Mineworx Options outstanding immediately prior to the Effective Time);
- (j) immediately prior to the Effective Time there shall be no Mineworx Options outstanding;
- (k) the [REDACTED] shall have been terminated prior to the Effective Time;
- (l) all rights of first refusal or similar contractual obligations relating to the Mineworx Assets shall have been waived, terminated or otherwise expired;
- (m) the board of directors of Mineworx shall not have withdrawn, modified or changed any of its recommendations, approvals, resolutions or determinations referred to in Section 3.13;
- (n) holders of not greater than 5% of the outstanding Mineworx Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date;
- (o) Mineworx shall not have amended, modified, changed or replaced any of its employment agreement terms, severance policies, or other employment agreements from the date hereof until the Effective Time except as provided herein or with the prior written consent of Iberian;
- (p) Mineworx shall enter into an employment agreement with each of Gavin Watkins and Wyatt Kivela, in a form satisfactory to Iberian, acting reasonably;

- (q) Duane Nelson shall have agreed to waive any entitlement to receive a change of control payment in connection with the Amalgamation pursuant to his employment agreement with Mineworx;
- (r) there shall be no action taken under any existing law, regulation, rule or order, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or regulatory authority or similar agency, that will impose any material limitations on the ability of Iberian at the Effective Date to effectively exercise full rights of ownership of the common shares of Amalco including, without limitation, the right to vote any such shares, or the ability of Iberian to operate, use and exploit the Business; and
- (s) Iberian shall be satisfied, acting reasonably, that the Iberian Common Shares issuable to Mineworx Shareholders that are U.S. persons shall be issuable in accordance with Applicable Laws and in accordance with transactions that do not require registration under the U.S. Securities Act or applicable state securities laws.

The foregoing conditions precedent are for the benefit of Iberian and may be waived, in whole or in part, by Iberian in writing at any time. If any of the said conditions precedent shall not be complied with or waived by Iberian on or before the date required for the performance thereof, Iberian may, in addition to the other remedies it may have at law or equity, rescind and terminate this Agreement by written notice to Mineworx, pursuant to ARTICLE 11.

## **ARTICLE 6**

### **MUTUAL CLOSING CONDITIONS**

6.1 The obligations of Iberian, Mineworx and SubCo to complete the transactions contemplated herein are subject to fulfilment of the following conditions precedent on or before the Effective Date or such other time as is specified below:

- (a) the Mineworx Special Resolution approving the Amalgamation shall have been passed by Mineworx Shareholders on or before December 15, 2015, in form and substance satisfactory to each of Iberian and Mineworx, acting reasonably;
- (b) the Amalgamation Application filed with the Registrar shall be in form and substance satisfactory to each of Iberian and Mineworx, acting reasonably;
- (c) the Amalgamation and the issuance of the Iberian Common Shares to the Mineworx Shareholders shall have been conditionally approved by the Exchange on or before December 15, 2015;
- (d) the Effective Date shall have occurred on or prior to December 31, 2015;
- (e) there shall be no action taken under any existing Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority or similar agency, domestic or foreign, that:
  - (i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Amalgamation or any other transactions contemplated herein; or
  - (ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein;
- (f) Mineworx, SubCo and Iberian shall have obtained all consents, approvals and authorizations (including, without limitation, all stock exchange, securities commission and other regulatory approvals) required or necessary in connection with the transactions contemplated herein on terms and conditions reasonably satisfactory to Mineworx and Iberian; and

- (g) Mineworx shall have entered into an employment agreement with Duane Nelson, which will replace Duane Nelson's existing employment agreement dated January 27, 2014, on terms substantially similar and no less favourable to Duane Nelson than the terms provided in his existing employment agreement.

The foregoing conditions are for the mutual benefit of Iberian, Mineworx and SubCo and may be waived, in whole or in part, by Iberian, Mineworx and SubCo together, at any time. If any of the said conditions precedent shall not be complied with or waived as aforesaid on or before the date required for the performance thereof, Iberian, Mineworx and SubCo may, in addition to the other remedies it may have at law or in equity, rescind and terminate this Agreement by written notice to the Other Party, pursuant to ARTICLE 11.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES OF MINEWORX**

7.1 Mineworx represents, warrants and covenants to Iberian and SubCo that, except as disclosed in Schedule B:

- (a) each of Mineworx, FNMC Environmental and FNMC Arizona are duly organized and validly existing under the laws of the jurisdiction of its incorporation, has the capacity, power and authority to own or lease its property and assets and to carry on its business as now conducted by it;
- (b) each of Mineworx, FNMC Environmental and FNMC Arizona is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary, except where the failure to be so qualified is not material;
- (c) Mineworx does not have any Subsidiaries other than FNMC Environmental and FNMC Arizona;
- (d) each of Mineworx, FNMC Environmental and FNMC Arizona has complied with and is in compliance with all laws or regulations applicable to the operation of its business, including all Applicable Laws, except where failure to do so is not material and Mineworx has all licenses, permits, orders or approvals of, and has made all required registrations with any government or regulatory body that are material to the conduct of its business;
- (e) Mineworx has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;
- (f) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
  - (i) result in the breach of or violate any term or provision of the notice of articles, articles or governing documents of Mineworx;
  - (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Mineworx is a party or by which it is bound or to which its property is subject, subject to obtaining any required consents to the "change of control" of Mineworx arising from the Amalgamation;
  - (iii) result in the creation of any Encumbrance upon any of the Mineworx Assets; or
  - (iv) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to any of Mineworx or the Mineworx Common Shares or the Mineworx Assets,

except to the extent such results or occurrences as set forth in this Subsection 7.1(f) collectively are not material;

- (g) this Agreement has been duly authorized, executed and delivered by Mineworx and all documents to be executed and delivered by Mineworx pursuant hereto to Iberian shall be duly executed and delivered and this Agreement constitutes, legal, valid and binding obligations of Mineworx enforceable against it in accordance with its terms;
- (h) Mineworx has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agents commission, financial advisory fees or other similar forms of compensation with respect to the transactions contemplated herein;
- (i) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Mineworx contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Mineworx or the Mineworx Assets, which is material and, to the best of the knowledge, information and belief of Mineworx, there are no grounds upon which any such actions, suits or proceedings may be commenced with a reasonable likelihood of success;
- (j) as of the date hereof the authorized capital of Mineworx consists of an unlimited number of Common Shares and an unlimited number of preferred shares without par value. As of the date hereof, there are no preferred shares of Mineworx issued and outstanding, there are 33,116,998 Mineworx Common Shares issued and outstanding and there are 3,000,000 Mineworx Common Shares issuable pursuant to outstanding Mineworx Options;
- (k) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Mineworx, except for Mineworx Options and pursuant to the [REDACTED];
- (l) the minute books of Mineworx, FNMC Environmental and FNMC Arizona are true and correct in all material respects and contain the minutes of all meetings and all resolutions of the directors and shareholders on the date hereof;
- (m) the Mineworx Financial Statements have been prepared in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of prior periods (except as stated therein) and present fairly, in all material respects, the financial position of Mineworx, as of the dates provided therein and the results of its operations and the changes in financial position for the periods then ended in accordance with Canadian generally accepted accounting principles as at the dates thereof;
- (n) no securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of Mineworx and Mineworx is not in default of any requirement of Applicable Laws which is material;
- (o) since September 30, 2015, Mineworx has:
  - (i) not amended its articles or other governing documents, other than in connection with the change of Mineworx corporate name to "Mineworx Technologies Inc.";
  - (ii) not disposed of any property or assets out of the ordinary course of business;
  - (iii) conducted its Business in all material respects in the usual, ordinary and regular course and consistent with past practices;



- (iv) not suffered any Material Adverse Change, financial or otherwise, in its Business, assets, rights, properties, condition (financial or otherwise), liabilities, capitalization, operations, prospects or results of operation or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;
- (v) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;
- (vi) maintained in effect salary and other compensation levels in accordance with its then existing salary administration program;
- (vii) neither paid any bonuses or other payments nor entered into any agreements, whether in writing or verbal, providing for payments to be made to any employees, consultants, officers or directors of Mineworx in respect of loss of office or loss of employment in connection with the transactions contemplated hereby;
- (viii) except for agreements relating to the issuance and cancellation of Mineworx Options, not entered into any agreement or transactions with any director, officer, employee, consultant or any party not at arm's length with Mineworx;
- (ix) not issued any guarantees or made any commitments outside the normal course of business other than as disclosed elsewhere in this Agreement or in writing to Iberian prior to the date hereof;
- (x) not entered into or closed any hedge, swap or other like transaction; and
- (xi) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by Canadian generally acceptable accounting principles to be reflected on the balance sheet of Mineworx;
- (p) no officer, director, employee or consultant of Mineworx, any associate or affiliate of any such Person or any party not at arm's length to Mineworx owns, has or is entitled to any royalty, net profits interest, carried interest or other Encumbrances of any nature whatsoever which are based on production from Mineworx's properties or assets or any revenue or rights attributed thereto;
- (q) except for employment agreements, copies of which have been made available to Iberian or Iberian's Counsel and agreements relating to Mineworx Options, there are no contracts or arrangements to which Mineworx is a party with any director, officer, employee or consultant of Mineworx, or any associate or affiliate of any such director, officer, employee or consultant, nor is there any indebtedness owing by Mineworx to any such parties or by any such parties to Mineworx other than legal fees payable to Mineworx Counsel;
- (r) Mineworx is not aware of any defects, failures or impairments in the title of Mineworx or its Subsidiaries to their mining properties or facilities, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any Person, which in aggregate could have a Material Adverse Effect, financial or otherwise, on the Business of Mineworx or the Mineworx Assets or the anticipated cash-flow of Mineworx;
- (s) subject to the rights, covenants, conditions and stipulations in the title documents and any agreement pertaining to the Mineworx Assets and on the lessee's or holder's part thereunder to be paid or performed and observed, Mineworx, FNMC Environmental and FNMC Arizona, as applicable, may enter into and upon, hold and enjoy its property and assets for the remainder of their respective terms and all renewals or extensions thereof for its own use and benefit without any lawful interruption of or by any other Person whomsoever claiming by, through or under it;

- (t) each of Mineworx, FNMC Environmental and FNMC Arizona has duly and timely filed, in proper form, returns in respect of taxes under the Tax Act, the *Income Tax Act* (British Columbia), the income tax legislation of any other province of Canada, or any foreign country in which it carries on business or to the jurisdiction of which it is otherwise subject (including but not limited to the United States), the *Mineral Tax Act* (British Columbia), the *Mineral Land Tax Act* (British Columbia), and similar legislation of other provinces having jurisdiction over the affairs of Mineworx, FNMC Environmental and FNMC Arizona, and, as applicable, the *Excise Tax Act* (Canada) for all prior periods in respect of which such filings have heretofore been required, and all taxes shown thereon and all taxes owing with respect to periods ending on or prior to December 31, 2014, have been paid or accrued on the books of Mineworx and its Subsidiaries, calculated in accordance with Canadian generally acceptable accounting principles, or US generally acceptable accounting principles, as applicable, and all payments by Mineworx and its Subsidiaries to any non-resident have been made in accordance with all applicable legislation in respect of withholding tax; and Mineworx and its Subsidiaries have withheld from each payment made to any of its officers, directors, former directors and employees the amount of all taxes (including, without limitation, income tax) and other deductions required to be withheld therefrom and has paid the same to the proper tax or other authority within the time required under any applicable tax legislation;
- (u) all filings made by each of Mineworx, FNMC Environmental and FNMC Arizona under which it has received or is entitled to government incentives, have been made in accordance, in all material respects, with all applicable legislation, contain no Misrepresentation which could cause any amount previously paid to it or previously accrued on the accounts thereof to be recovered or disallowed;
- (v) there are no outstanding agreements or waivers material to Mineworx or its Subsidiaries extending the statutory period of limitations applicable to any federal, provincial or other income tax return for any period and there are no issued, or to the knowledge of Mineworx proposed, assessments or reassessments respecting Mineworx or its Subsidiaries pursuant to which there are amounts owing or discussions in respect thereof with any taxing authority;
- (w) except for employment agreements, copies of which have been made available to Iberian or Iberian's Counsel, Mineworx is not a party to any written contract of employment or collective bargaining agreement and there are no currently existing employment benefit plans, arrangements or agreements, other than the Mineworx Option Plan, to which Mineworx is a party or by which it is bound;
- (x) Mineworx is not a "reporting issuer" and does not have equivalent status in any province or territory of Canada;
- (y) except to the extent that any violations or other matters referred to in this paragraph are not material:
  - (i) each of Mineworx, FNMC Environmental and FNMC Arizona is not in violation of any applicable Environmental Laws;
  - (ii) each of Mineworx, FNMC Environmental and FNMC Arizona has operated its Business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
  - (iii) to the best of the knowledge of Mineworx, there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes which have not been rectified or are in the process of being rectified on any of the real property owned or leased by Mineworx or its Subsidiaries or under their control;
  - (iv) to the best of the knowledge of Mineworx, there have been no releases, deposits or discharges, in violation of Environmental Laws, of any hazardous or toxic substances,

contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by each of Mineworx, FNMC Environmental and FNMC Arizona;

- (v) to the best of the knowledge of Mineworx, no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of each of Mineworx, FNMC Environmental and FNMC Arizona;
- (vi) each of Mineworx, FNMC Environmental and FNMC Arizona has not failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law; and
- (vii) each of Mineworx, FNMC Environmental and FNMC Arizona holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and except for notifications and conditions of general application to assets of the type owned by it, it has not received any notification pursuant to any Environmental Laws that any work, repairs, construction or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any licence, permit or approval issued pursuant thereto, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (z) Mineworx or its Subsidiaries, as applicable, is the legal and beneficial owner of and has good title to the exploitation permits, mining claims, concessions, licenses, leases, options or other instruments conferring mineral rights to Mineworx or its Subsidiaries in respect of the properties in which Mineworx or its Subsidiaries has an interest, comprising part of the Mineworx Assets, and all agreements by which Mineworx or its Subsidiaries holds an interest in the Mineworx Assets are in good standing according to their respective terms and, to the knowledge of Mineworx, the Mineworx Assets are in good standing under Applicable Laws and all filings and work commitments required by Mineworx or its Subsidiaries to maintain the Mineworx Assets in good standing have been properly recorded and filed in a timely manner with the appropriate Governmental Authority.
- (aa) Mineworx has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the exploitation permits, mining claims, concessions, licenses, leases or other instruments conferring mineral rights in respect of the Mineworx Assets that would, individually or in the aggregate, result in a Material Adverse Effect on Mineworx and without limiting the generality of the foregoing, Mineworx has obtained all material licences and permits necessary for the operation of the business of Mineworx as presently conducted, and has not taken any action which would impair the ability of Mineworx to obtain necessary licences or permits in the future for the continued operation of such business, in accordance with Applicable Laws and requirements of all Governmental Authority;
- (bb) except as disclosed in Schedule B, there are no landowner's royalties, overriding royalties, net profits interests or similar interests or any other rights or interests whatsoever of third parties by which Mineworx or its Subsidiaries are bound on or in relation to the Mineworx Assets and Mineworx does not have any continuing financial obligations or liabilities in relation to its mining properties;
- (cc) the Mineworx Assets are free and clear of all mortgages, pledges, liens, charges, burdens and encumbrances (other than those in favour of its lenders, those encumbrances incurred in the ordinary course of business and those burdens and encumbrances which do not and will not have a Material Adverse Effect on the ownership or operation of its assets and properties ("**Permitted Encumbrances**")) and other than Permitted Encumbrances, it has done no act or suffered or permitted no action to be done whereby any person has acquired or may acquire an interest in or to

its material properties or assets, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets;

- (dd) Mineworx is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation;
- (ee) all of the data and information in respect of Mineworx, FNMC Environmental and FNMC Arizona provided or disclosed to Iberian or any of its officers, employees, agents or other representatives by or on behalf of Mineworx was and is accurate and correct in all material respects as of the date on which such information was provided;
- (ff) except as disclosed in Schedule B, Mineworx has no obligations or liabilities to pay any amount to its employees, consultants, officers and directors other than salary to employees in the ordinary course, to the Effective Date, in each case in amounts consistent with its historic practices;
- (gg) each of Mineworx, FNMC Environmental and FNMC Arizona has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by it under any leases, or any other agreement pertaining to Mineworx Assets which would be material;
- (hh) Mineworx holds policies of insurance which are in good standing and which are customary in respect of the properties and assets of, and the Business carried on by Mineworx;
- (ii) Mineworx owns all registered and/or beneficial interests in the heavy mineral recovery plant and any equipment needed for use in or by Mineworx in the conduct of the Business; and
- (jj) Mineworx has made available true and complete copies of all contracts that are material to Mineworx and to which it is a party, each of which is a valid and binding obligation of Mineworx, and to the knowledge of Mineworx, of the other party or parties thereto, enforceable in accordance with its terms and Mineworx has not terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation, modification, amendment or waiver is ongoing. Other than the Mineworx Options, such agreements do not contain any "change of control" provision, which would be triggered or affected by the transactions contemplated hereby. Mineworx has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Mineworx has not violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Mineworx under any such material contract, subject to obtaining any required consents to the "change of control" of Mineworx arising pursuant to the Amalgamation.

## **ARTICLE 8**

### **REPRESENTATIONS AND WARRANTIES OF IBERIAN AND SUBCO**

8.1 Each of Iberian and SubCo jointly and severally represent, warrant and covenant to Mineworx that:

- (a) each of Iberian, SME, MDC, CIOH and SubCo are duly organized and validly existing under the laws of the jurisdiction of its organization, has the capacity, power and authority to own or lease its property and assets and to carry on its business as now conducted by it;

- (b) each of Iberian, SME, MDC and CIOH is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary, except where the failure to be so qualified is not material;
- (c) Iberian does not have any Subsidiaries other than SubCo, SME, MDC and CIOH;
- (d) each of Iberian, SME, MDC and CIOH has complied with and is in compliance with all laws or regulations applicable to the operation of its business, including all Applicable Laws, except where failure to do so is not material, and Iberian has all licenses, permits, orders or approvals of, and have made all required registrations with any government or regulatory body that are material to the conduct of its business;
- (e) each of Iberian and SubCo has all requisite corporate power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and, subject to the terms hereof, to perform its obligations hereunder and thereunder;
- (f) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
  - (i) result in the breach of or violate any term or provision of the articles, by-laws or governing documents of any of Iberian or SubCo;
  - (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which Iberian or SubCo is a party or by which any of them are bound or to which any of their property is subject;
  - (iii) result in the creation of any Encumbrance upon any of the Iberian Assets;
  - (iv) give to any Person any material interest or right, including the right of purchase, termination, cancellation or acceleration under any such agreement, instrument, license, permit or authority; or
  - (v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to any of Iberian, SubCo, the Iberian Common Shares or the Iberian Assets,except to the extent such results or occurrences as set forth in this Subsection 8.1(f) collectively are not material;
- (g) this Agreement has been duly authorized, executed and delivered by each of Iberian and SubCo and all documents to be executed and delivered by Iberian and SubCo pursuant hereto to Mineworx shall be duly executed and delivered and this Agreement constitutes, legal, valid and binding obligations of each of Iberian and SubCo enforceable against them in accordance with their respective terms;
- (h) Iberian has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agents commission, financial advisory fees or other similar forms of compensation with respect to the transactions contemplated herein;
- (i) there are no actions, suits, other legal, administrative or arbitration proceedings or government investigations commenced, or to the knowledge of Iberian contemplated, at law or in equity or before or by any court or other Governmental Authority and which involve or affect Iberian or the Iberian Assets, including, without limitation, the title to, or ownership of, the Iberian Assets, which is material and, to the best of the knowledge, information and belief of Iberian, there are no

grounds upon which any such actions, suits or proceedings may be commenced with a reasonable likelihood of success;

- (j) as of the date hereof, the authorized capital of Iberian consists of an unlimited number of Iberian Common Shares and an unlimited number of preferred shares, issuable in series. As of the date hereof, 159,380,137 Iberian Common Shares are issued and outstanding and 17,425,000 Iberian Common Shares are issuable pursuant to outstanding Iberian Options and 29,759,717 Iberian Common Shares are issuable pursuant to outstanding Iberian Warrants;
- (k) Iberian has reserved a sufficient number of Iberian Common Shares for issuance in connection with the Amalgamation based upon the number of Mineworx Common Shares issued and outstanding and authorized for issuance as contemplated by this Agreement and the Iberian Common Shares to be issued in connection with the Amalgamation will, upon issue, be issued as fully paid and non-assessable common shares in the capital of Iberian;
- (l) the authorized capital of SubCo consists of an unlimited number of common shares, of which as at the date hereof, one (1) common share of SubCo is issued and outstanding, which is issued as fully paid and non-assessable and legally and beneficially owned by Iberian;
- (m) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of Iberian other than 17,425,000 Iberian Common Shares issuable pursuant to Iberian Options and 29,759,717 Iberian Common Shares issuable pursuant to Iberian Warrants;
- (n) no Person has any agreement, option, right or privilege (including, without limitation, whether by law, pre-emptive right, contract or otherwise) to purchase, subscribe for, convert into, exchange for or otherwise require the issuance of, nor any agreement, option, right or privilege capable of becoming any such agreement, option, right or privilege, any of the unissued shares or other securities of SubCo;
- (o) the respective minute books of each of Iberian and SubCo are true and correct in all material respects and contain the minutes of all meetings and all resolutions of the directors and shareholders thereof;
- (p) the Iberian Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with that of prior periods (except as stated therein) and present fairly, in all materials respects, the financial position of Iberian, as of the dates provided therein and the results of its operations and the changes in financial position for the periods then ended in accordance with IFRS as at the dates thereof;
- (q) no securities commission, stock exchange or similar regulatory authority has issued any order preventing or suspending trading of any securities of Iberian or SubCo and Iberian and SubCo are not in default of any requirement of Applicable Laws which is material;
- (r) the information and statements set forth in the Iberian Public Documents were true, correct and complete in all material respects and did not contain any Misrepresentation, as of their respective dates, and Iberian has not filed any confidential material change reports which continue to be confidential;
- (s) unless otherwise disclosed in the Iberian Public Documents, since December 31, 2014, Iberian has:
  - (i) not amended its articles, by-laws or other governing documents;
  - (ii) not disposed of any property or assets out of the ordinary course of business;

- (iii) conducted its business in all material respects in the usual, ordinary and regular course and consistent with past practice;
  - (iv) not suffered any Material Adverse Change, financial or otherwise, in its business, assets, rights, properties, condition (financial or otherwise) liabilities, capitalization, operations, prospects or results of operation (taken as a whole) or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;
  - (v) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained;
  - (vi) maintained in effect salary and other compensation levels in accordance with its then existing salary administration program; and
  - (vii) other than Iberian Warrants, Iberian Options, and employment contracts with senior officers and management of Iberian, not entered into any agreement or transactions with any director, officer, employee, consultant or any party not at arm's length with Iberian;
- (t) Since December 31, 2014, Iberian has:
- (i) not issued any guarantees or made any commitments outside the normal course of business other than as disclosed elsewhere in this Agreement or in writing to Mineworx prior to the date hereof;
  - (ii) not entered into or closed any hedge, swap or other like transaction; and
  - (iii) not incurred any material liabilities of any nature, whether accrued, contingent or otherwise or which would be required by IFRS to be reflected on the balance sheet of Iberian;
- (u) Iberian or its Subsidiaries, as applicable, is the legal and beneficial owner of and has good title to the exploitation permits, mining claims, concessions, licenses, leases, options or other instruments conferring mineral rights to Iberian or its Subsidiaries in respect of the properties in which Iberian or its Subsidiaries has an interest, comprising part of the Iberian Assets, and all agreements by which Iberian or its Subsidiaries holds an interest in the Iberian Assets are in good standing according to their respective terms and, to the knowledge of Iberian, the Iberian Assets are in good standing under Applicable Laws and all filings and work commitments required by Iberian or its Subsidiaries to maintain the Iberian Assets in good standing have been properly recorded and filed in a timely manner with the appropriate Governmental Authority.
- (v) Iberian has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the exploitation permits, mining claims, concessions, licenses, leases or other instruments conferring mineral rights in respect of the Iberian Assets that would, individually or in the aggregate, result in a Material Adverse Effect on Iberian and without limiting the generality of the foregoing, Iberian has obtained all material licences and permits necessary for the operation of the business of Iberian as presently conducted, and has not taken any action which would impair the ability of Iberian to obtain necessary licences or permits in the future for the continued operation of such business, in accordance with Applicable Laws and requirements of all Governmental Authority;
- (w) except as disclosed in the Iberian Public Documents, there are no landowner's royalties, overriding royalties, net profits interests or similar interests or any other rights or interests whatsoever of third parties by which Iberian or its Subsidiaries are bound on or in relation to the Iberian Assets and Iberian does not have any continuing financial obligations or liabilities in relation to its mining properties;

- (x) the Iberian Assets are free and clear of all mortgages, pledges, liens, charges, burdens and encumbrances (other than Permitted Encumbrances), and other than Permitted Encumbrances it has done no act or suffered or permitted no action to be done whereby any person has acquired or may acquire an interest in or to its material properties or assets, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets;
- (y) no officer, director, employee or consultant of Iberian, any associate or affiliate of any such Person or any party not at arm's length to Iberian owns, has or is entitled to any royalty, net profits interest, carried interest or other Encumbrances of any nature whatsoever which are based on production from Iberian's properties or assets or any revenue or rights attributed thereto;
- (z) except for employment agreements, copies of which have been made available to Mineworx or Mineworx's Counsel, agreements in respect of the outstanding Iberian Options and agreements in respect of certain of the outstanding Iberian Warrants, there are no contracts or arrangements to which any of Iberian or SubCo is a party with any director, officer, employee or consultant of Iberian or SubCo, or any associate or affiliate of any such director, officer, employee or consultant, nor is there any indebtedness owing by Iberian or SubCo to any such parties or by any such parties to Iberian or SubCo;
- (aa) Iberian is not aware of any defects, failures or impairments in the title of Iberian or its Subsidiaries to their mining properties or facilities, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any Person, which in aggregate could have a Material Adverse Effect, financial or otherwise, on the business of Iberian or the Iberian Assets or the anticipated cash-flow of Iberian;
- (bb) subject to the rights, covenants, conditions and stipulations in the title documents and any agreement pertaining to the Iberian Assets and on the lessee's or holder's part thereunder to be paid or performed and observed, Iberian, SME, MDC or CIOH, as applicable, may enter into and upon, hold and enjoy its property and assets for the remainder of their respective terms and all renewals or extensions thereof for its own use and benefit without any lawful interruption of or by any other Person whomsoever claiming by, through or under it;
- (cc) Iberian has duly and timely filed, in proper form, returns in respect of taxes under the Tax Act, the *Alberta Corporate Tax Act* (Alberta), the income tax legislation of any other province of Canada or any foreign country in which it carries on business or to the jurisdiction of which it is otherwise subject (including but not limited to the United States), the *Mines and Minerals Tax Act* (Alberta), the *Freehold Mineral Rights Tax Act* (Alberta) and similar legislation of other provinces having jurisdiction over the affairs of Iberian, and the *Excise Tax Act* (Canada) for all prior periods in respect of which such filings have heretofore been required, and all taxes shown thereon and all taxes owing with respect to periods ending on or prior to December 31, 2014, have been paid or accrued on the books of Iberian, calculated in accordance with Canadian generally acceptable accounting principles and all payments by Iberian to any non-resident of Canada have been made in accordance with all applicable legislation in respect of withholding tax; and Iberian has withheld from each payment made to any of its officers, directors, former directors and employees the amount of all taxes (including, without limitation, income tax) and other deductions required to be withheld therefrom and has paid the same to the proper tax or other authority within the time required under any applicable tax legislation;
- (dd) all filings made by Iberian under which it has received or is entitled to government incentives, have been made in accordance, in all material respects, with all applicable legislation, contain no Misrepresentation which could cause any amount previously paid to such corporation or previously accrued on the accounts thereof to be recovered or disallowed;
- (ee) there are no outstanding agreements or waivers material to Iberian extending the statutory period of limitations applicable to any federal, provincial or other income tax return for any period and there are no proposed or issued assessments or reassessments respecting Iberian material to Iberian



or the Iberian Assets pursuant to which there are amounts owing or discussions in respect thereof with any taxing authority;

- (ff) except for employment agreements, copies of which have been made available to Mineworx or Mineworx's Counsel, Iberian is not a party to any written contract of employment or collective bargaining agreement and there are no currently existing employment benefit plans, arrangements or agreements, other than the Iberian Option Plan, vacation entitlements, health and group insurance plans and customary government plans such as Canada Pension Plan, Employment Insurance and Workers Compensation, to which Iberian is a party or by which it is bound;
- (gg) Iberian is a "reporting issuer" or has equivalent status in each of the Provinces of Alberta and British Columbia and the Iberian Common Shares are listed on the Exchange and Iberian has not been notified of any default or alleged default by Iberian of any requirement of Applicable Laws that remains outstanding;
- (hh) except to the extent that any violations or other matters referred to in this paragraph are not material:
  - (i) each of Iberian, SME, MDC and CIOH is not in violation of any applicable Environmental Laws;
  - (ii) each of Iberian, SME, MDC and CIOH has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
  - (iii) to the best of the knowledge of Iberian, there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes which have not been rectified or are in the process of being rectified on any of the real property owned or leased by Iberian or its Subsidiaries or under their control;
  - (iv) to the best of the knowledge of Iberian, there have been no releases, deposits or discharges, in violation of Environmental Laws, of any hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by each of Iberian, SME, MDC and CIOH;
  - (v) to the best of the knowledge of Iberian, no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of each of Iberian, SME, MDC and CIOH;
  - (vi) each of Iberian, SME, MDC and CIOH has not failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law; and
  - (vii) each of Iberian, SME, MDC and CIOH holds all licenses, permits and approvals required under any Environmental Laws in connection with the operation of its business and the ownership and use of its assets, all such licenses, permits and approvals are in full force and effect, and except for (A) notifications and conditions of general application to assets of the type owned by it, and (B) notifications relating to reclamation obligations under the *Environmental Protection and Enhance Act* (Alberta), it has not received any notification pursuant to any Environmental Laws that any work, repairs, construction or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any licence, permit or approval issued pursuant thereto, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;

- (ii) Iberian is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, firm or corporation;
- (jj) each of Iberian, SME, MDC and CIOH has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by it under any leases, or any other agreement pertaining to Iberian Assets which would be material;
- (kk) Iberian holds policies of insurance which are in good standing and which are customary in respect of the properties and assets of, and the business carried on by Iberian;
- (ll) Iberian has made available true and complete copies of all contracts that are material to Iberian and to which it is a party, each of which is a valid and binding obligation of Iberian, and to the knowledge of Iberian, of the other party or parties thereto, enforceable in accordance with its terms and Iberian has not terminated, cancelled, renewed or modified in any material respect, any terms or conditions of any material contracts and no proposal or discussions with third parties for such termination, cancellation, modification, amendment or waiver is ongoing. Such agreements do not contain any "change of control" provision, which would be triggered or affected by the transactions contemplated hereby. Except as disclosed to Mineworx or Mineworx's Counsel in writing, Iberian has performed in all material respects the obligations required to be performed by it and is entitled to all the benefits under such material contracts. Iberian has not violated or breached, in any material respect, any terms or conditions of such material contracts and there exists no default or event of default or event, occurrence, condition or act, which with the giving of notice, lapse of time or the happening of any other event or condition, would become a default or event of default by Iberian under any such material contract;
- (mm) all of the data and information in respect of Iberian, SME, MDC, CIOH, SubCo and the Iberian Assets provided or disclosed to Mineworx or any of its officers, employees, agents or other representatives by or on behalf of Iberian was and is accurate and correct in all material respects; and
- (nn) Iberian is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada).

## **ARTICLE 9**

### **COVENANTS OF MINEWORX**

9.1 Mineworx covenants and agrees that, until the earlier of the Effective Date or the date on which this Agreement is terminated and unless otherwise contemplated herein:

- (a) other than as contemplated herein or as otherwise approved by Iberian in writing, Mineworx will not directly or indirectly, do or permit to occur, any of the following unless approved by Iberian:
  - (i) except for (A) payables existing at the date hereof which are disclosed in the Mineworx Financial Statements or in Schedule B, and (B) legal, audit and printing costs in connection with the transactions contemplated by this Agreement, including the Mineworx Meeting, or with the consent of Iberian, acting reasonably, make, commit, or allow commitments to make, any expenditures exceeding, in the aggregate, \$100,000;
  - (ii) issue, sell, pledge, lease, dispose of, encumber or agree to issue, sell, pledge, lease, dispose of or encumber any additional shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares or other securities of, any capital stock or other securities of Mineworx (other than pursuant to the exercise of Mineworx Options currently outstanding);

- (iii) split, combine or reclassify any outstanding shares or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any shares;
- (iv) redeem, purchase or offer to purchase any Mineworx Common Shares or other securities of Mineworx;
- (v) reorganize, amalgamate, arrange or merge Mineworx with any other Person;
- (vi) reduce the stated capital of Mineworx;
- (vii) except as disclosed in writing to Iberian, acquire or agree to acquire (by merger, amalgamation, arrangement, acquisition of securities or assets or otherwise) any Person or division or any assets or properties other than in the ordinary course of business consistent with past practices;
- (viii) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;
- (ix) enter into or modify any employment, severance, collective bargaining or similar agreements or arrangements with, or grant any bonuses, salary increases, benefit increases, severance or termination pay to, any officers, directors, employees or consultants other than pursuant to agreements and arrangements previously entered into or in accordance with this Agreement;
- (x) adopt or amend any bonus, profit sharing, incentive, compensation, stock option, pension, retirement, deferred compensation, employment or other employee benefit plan, agreement, trust, fund or arrangement for the benefit or welfare of any employee;
- (xi) enter into any transaction not in the ordinary course of business or pay any dividends or make any distributions to the Mineworx Shareholders;
- (xii) conduct any activity or operations that would be otherwise detrimental to the completion of the Amalgamation;
- (xiii) other than pursuant to commitments entered into by Mineworx prior to the date of the Agreement and disclosed to Iberian in writing prior to the date hereof, pay, discharge or satisfy any material claims, liabilities or obligations other than in the ordinary course of business consistent with past practices;
- (xiv) enter into or close any hedge, swap or other like transaction;
- (xv) make any payment to any director, officer or employee outside of their ordinary and usual compensation for services provided;
- (xvi) grant any officer, director or employee an increase in compensation in any form or take any action with respect to the amendment or grant of any severance or termination pay policies or arrangements;
- (xvii) disclose to any Person other than officers, directors, key employees and professional advisors of Mineworx, any confidential information relating to Iberian, except for disclosure required to be disclosed by law or otherwise known to Mineworx or the public;
- (xviii) take any action that would render, or that reasonably may be expected to render, any material representation or warranty made by it in this Agreement untrue at any time prior to the Amalgamation becoming effective unless as otherwise contemplated herein; and

- (xix) except as may be required by law or to secure any approvals, consents or authorizations necessary to carry out the transactions contemplated by this Agreement, issue any public statements with respect to the transactions contemplated by this Agreement without the prior consent and approval of Iberian.
- (b) Mineworx shall:
  - (i) use its reasonable commercial efforts to fulfil or cause the fulfillment of the conditions set forth in Sections 5.1 and 6.1 as soon as reasonably possible to the extent the fulfillment of the same is within the control of Mineworx;
  - (ii) conduct its business only in, not take any action except in, the usual, ordinary and regular course of business and consistent with past practice and will not take any action which may reasonably be expected to result in a Material Adverse Change of Mineworx, including, without limiting the generality of the foregoing, the entering into of employment, consultancy or severance agreements or other arrangements with any director or officer of Mineworx without Iberian's written consent or as contemplated herein;
  - (iii) maintain insurance on and in respect of all Mineworx Assets in like kind to, and in an amount not less than the amount of, insurance with respect of the Mineworx Assets in effect on the date hereof;
  - (iv) use its reasonable commercial efforts to preserve intact the business organization and goodwill of Mineworx, to keep available the services of the officers and employees of Mineworx and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with Mineworx;
  - (v) provide to Iberian reports on its operations affairs as may be reasonably requested from time to time by Iberian;
  - (vi) cooperate with Iberian to enable an orderly integration of the business and affairs of Mineworx and Iberian after the Effective Date;
  - (vii) promptly notify Iberian orally and in writing of any Material Adverse Change of Mineworx, and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated) which is material to Mineworx;
  - (viii) make available and cause to be made available to Iberian, its agents and advisors, as Iberian may reasonably request, all documents and agreements (including without limitation, any correspondence between Mineworx and its advisors or any governmental body and all minute books) and access to Mineworx's premises, records, computer systems and employees in any way relating to or affecting the financial status of Mineworx and such other documents or agreements as may be necessary to enable Iberian to verify the truth of the representations and warranties of Mineworx herein and compliance by Mineworx with the terms and conditions hereof, except where Mineworx is contractually precluded from making such document or agreement available, and cooperate with Iberian in securing access for Iberian to any such documentation not in the possession or under the control of Mineworx;
  - (ix) conduct the Mineworx Meeting in compliance with the articles of Mineworx and any instrument governing such meeting, and as otherwise required by Applicable Laws;
  - (x) if applicable, solicit proxies to be voted at the Mineworx Meeting in favour of the matters to be considered at such meeting, including the Mineworx Special Resolution;

- (xi) Mineworx will prepare (in consultation with Iberian), file and distribute to Mineworx Shareholders in a timely and expeditious manner, the notice of meeting for the Mineworx Meeting, as required by law, in all jurisdictions where the same is required, complying in all material respects with all Applicable Laws;
- (xii) Mineworx shall indemnify and save harmless Iberian and the directors, officers and agents of Iberian from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Iberian, or any director, officer or agent thereof, may be subject or which Iberian, or any director, officer or agent thereof, may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of any Misrepresentation or alleged Misrepresentation in the notice of meeting for the Mineworx Meeting;
- (xiii) make other necessary filings and applications under applicable Canadian federal and provincial laws and regulations required on the part of Mineworx in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such laws and regulations; and
- (xiv) will use its reasonable commercial efforts to conduct its affairs so that all of Mineworx's representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made thereon except as otherwise contemplated herein.

9.2 Subject to the provisions of Sections 9.3 and 9.4, Mineworx shall not, directly or indirectly, through officers, directors, employees, affiliates, representatives, advisors, agents, investment bankers, consultants or otherwise, take any action to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, provide any non-public information to any Person or otherwise assist or cause or facilitate anyone else to solicit, initiate, encourage, or participate in any discussions or negotiations with any Person, or provide any non-public information to any Person or otherwise assist with respect to: (A) any transaction that may constitute a Mineworx Take-over Proposal; or (B) any other transaction, the consummation of which would, or could reasonably be expected to, impede, interfere with, prevent or delay the transactions contemplated by this Agreement or which would or could reasonably be expected to reduce the benefits to Iberian under this Agreement and will not waive, or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive or otherwise forbear in respect of, any rights or other benefits of Mineworx under confidentiality agreements, including, without limitation, any standstill provisions thereunder; provided, however, that subject to Sections 9.3 and 9.4 hereof, the board of directors of Mineworx may consider, negotiate, accept, approve or recommend to its shareholders, or enter into an agreement, understanding or arrangement in respect of, an unsolicited Mineworx Superior Proposal (as defined herein).

9.3 Prior to considering, negotiating, accepting, approving or recommending to the Mineworx Shareholders or entering into an agreement, understanding or arrangement in respect of, an unsolicited Mineworx Superior Proposal, Mineworx shall:

- (a) advise Iberian in writing of the existence and terms of any such offer or proposal and provide copies thereof as soon as reasonably possible following receipt thereof by Mineworx;
- (b) provide copies of any information provided to such other party, which has not already been made available to Iberian; and
- (c) if requested by Iberian, prior to accepting, recommending, approving or entering into any agreement to implement the Mineworx Superior Proposal, to negotiate in good faith with Iberian and its legal and financial advisors for a period of up to three (3) Business Days in a manner to permit Iberian to make such adjustments in the terms and conditions of this Agreement as may be necessary or advisable in order to enable Mineworx to proceed with the Amalgamation as amended rather than the Mineworx Superior Proposal. In the event that Iberian proposed to so amend this Agreement to provide substantially equivalent or superior value to that provided under

the Mineworx Superior Proposal, Mineworx shall not accept, recommend, approve or enter into any agreement to implement the Mineworx Superior Proposal.

9.4 Subject to Section 9.3 hereof, if prior to the completion of the Amalgamation, a bona fide Mineworx Take-Over Proposal is proposed, offered or made to the Mineworx Shareholders or to Mineworx which, in the bona fide opinion of Mineworx's board of directors would result in a financially superior transaction, directly or indirectly, for the Mineworx Shareholders than that contemplated by the Amalgamation (any such Mineworx Take-Over Proposal being referred to herein as a "**Mineworx Superior Proposal**"), the board of directors of Mineworx may withdraw, modify or change its approval of the Amalgamation if, in the opinion of such board of directors acting reasonably and upon the written advice of its legal counsel, such withdrawal, modification or change is required or would be consistent with the fiduciary duties of the board of directors of Mineworx under Applicable Laws.

## **ARTICLE 10 COVENANTS OF IBERIAN**

10.1 Iberian covenants and agrees that, until the earlier of the Effective Date or the date on which this Agreement is terminated, and unless otherwise contemplated herein:

- (a) other than as otherwise approved by Mineworx in writing, Iberian will not directly or indirectly, do or permit to occur, any of the following:
  - (i) amend or propose to amend its articles or by-laws or the notice of articles or articles of SubCo;
  - (i) conduct any activity or operations that would be detrimental to the completion of the Amalgamation;
  - (ii) split, combine or reclassify any outstanding shares or declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to any shares;
  - (iii) redeem, purchase or offer to purchase any Iberian Common Shares or other securities of Iberian;
  - (iv) reduce the stated capital of Iberian;
  - (v) take any action that would render, or that reasonably may be expected to render, any material representation or warranty made by it in this Agreement untrue at any time prior to the Amalgamation becoming effective unless as otherwise contemplated herein; and will not pay any dividends or make any other distribution to its shareholders or repay, other than in the ordinary course of business, any outstanding indebtedness;
  - (vi) disclose to any Person, other than officers, directors and key employees and professional advisors of Iberian, any confidential information relating to Mineworx required to be disclosed by law or otherwise known to Iberian or the public; or
  - (vii) except as may be required by law or to secure any approvals, consents or authorizations necessary to carry out the transactions contemplated by this Agreement, issue any public statements with respect to the transactions contemplated by this Agreement without the prior consent and approval of Mineworx provided that the parties agree that this Agreement may be provided to the Exchange and attached to a material change report.
- (b) Iberian shall:

- (i) use its reasonable commercial efforts to fulfil or cause the fulfilment of the conditions set forth in Sections 4.1 and 6.1 as soon as reasonably possible to the extent the fulfilment of the same is within the control of Iberian;
- (ii) will not take any action which may reasonably be expected to result in a Material Adverse Change of Iberian;
- (iii) maintain insurance on and in respect of all the Iberian Assets in like kind to, and in an amount not less than the amount of, insurance in respect of the Iberian Assets in effect on the date hereof;
- (iv) use its reasonable commercial efforts to preserve intact the business organization and goodwill of Iberian, to keep available the services of the officers and employees of Iberian as a group and to maintain satisfactory relationships with suppliers, distributors, customers and others having business relationships with Iberian;
- (v) promptly notify Mineworx orally and in writing of any Material Adverse Change of Iberian, and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated) which may have a Material Adverse Effect, financial or otherwise, on the business, financial condition, assets, properties, liabilities or operations of Iberian;
- (vi) make available and cause to be made available to Mineworx, its agents and advisors, as Mineworx may request, all documents and agreements (including without limitation, any correspondence between Iberian and its advisors or any governmental body and all minute books) and access to the premises of Iberian, field operations, records, computer systems and employees in any way relating to or affecting the Iberian Assets or the financial status of Iberian and such other documents or agreements as may be necessary to enable Mineworx to verify the truth of the representations and warranties of Iberian herein and compliance by Iberian with the terms and conditions hereof, except where Iberian is contractually precluded from making such document or agreement available, and cooperate with Mineworx in securing access for Mineworx to any such documentation not in the possession or under the control of Iberian;
- (vii) except for proxies and other non-substantive communications with the shareholders of Iberian, furnish promptly to Mineworx a copy of each notice, report, schedule or other document delivered, filed or received by Iberian in connection with the Amalgamation, any filings under Applicable Laws and any dealings with regulatory agencies in connection with the transactions contemplated herein; make other necessary filings and applications under applicable Canadian federal and provincial laws and regulations required on the part of Iberian in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such laws and regulations;
- (viii) use its reasonable commercial efforts to conduct its affairs so that all of the representations and warranties of Iberian and SubCo contained herein, shall be true and correct on and as of the Effective Date as if made thereon except as otherwise contemplated herein above; and
- (ix) take all steps necessary to appoint Duane Nelson as a director of Iberian effective as of the Effective Time.

10.2 Iberian and SubCo further covenant and agree that all rights to indemnification existing in favour of present and former directors and officers of Mineworx as provided by contract, in Mineworx's articles, or pursuant to Applicable Laws in effect as of the date of this Agreement, or otherwise, with respect to matters occurring prior to the Effective Time, shall survive and shall continue in full force and effect without modification for a period of not less than the statutes of limitations applicable to such matters.

## **ARTICLE 11 TERMINATION**

11.1 This Agreement may, prior to the filing of the Amalgamation Application, be terminated by mutual written agreement of Iberian, Mineworx and SubCo, without further action on the part of the Mineworx Shareholders.

11.2 Notwithstanding any other rights contained herein, Mineworx may terminate this Agreement provided that it is not materially in default of any of its representations, warranties or covenants under this Agreement, upon notice to Iberian and SubCo:

- (a) if the Amalgamation is not approved by Mineworx Shareholders in accordance with Applicable Laws on or before December 15, 2015;
- (b) in the event the Amalgamation has not become effective on or before December 31, 2015, unless otherwise agreed to by the Parties;
- (c) if a Material Adverse Change in respect of Iberian shall have occurred after the date of this Agreement
- (d) if Iberian shall be in breach of any of its covenants, agreements or representations and warranties contained herein that would have a Material Adverse Effect on Iberian or on the ability of Iberian and Mineworx to consummate the transactions contemplated hereby and Iberian fails to cure such breach within three (3) Business Days after receipt of written notice thereof from Mineworx (except that no cure period shall be provided for a breach which by its nature cannot be cured); or
- (e) upon a right of termination of this Agreement by Mineworx arising pursuant to Sections 4.1 and 6.1 hereof.

11.3 Notwithstanding any other rights contained herein, Iberian may terminate this Agreement provided that it is not materially in default of any of its representations, warranties or covenants under this agreement, upon notice to Mineworx:

- (a) if the Amalgamation is not approved by Mineworx Shareholders in accordance with the terms of the Applicable Laws on or before December 15, 2015;
- (b) in the event the Amalgamation has not become effective on or before December 31, 2015, unless otherwise agreed to by the Parties;
- (c) a Material Adverse Change in respect of Mineworx shall have occurred;
- (d) Mineworx shall be in breach of any of its covenants, agreements or representations and warranties contained herein that would have a Material Adverse Effect on Mineworx or on the ability of Mineworx and Iberian to consummate the transactions contemplated hereby and Mineworx fails to cure such breach within three (3) Business Days after receipt of written notice thereof from Iberian (except that no cure period shall be provided for a breach which by its nature cannot be cured); or
- (e) upon a right of termination of this Agreement by Iberian arising pursuant to Sections 5.1 and 6.1 hereof.

11.4 The exercise by any Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party.

11.5 If this Agreement is validly terminated pursuant to any provision of this Agreement, the Parties shall return all materials and copies of all materials delivered to Iberian and SubCo or Mineworx, as the case may be, or their agents and, except for the obligations set forth in Section 13.2 (which shall survive any termination of this Agreement and continue in full force and effect), no Party shall have any further obligations to any Other Party



hereunder with respect to this Agreement. The covenants contained in this Section 11.5 shall survive any termination of this Agreement and continue in full force and effect.

## **ARTICLE 12 AMENDMENT**

12.1 This Agreement may, at any time and from time to time before or after the date of approval of the Mineworx Special Resolution be amended by written agreement of the Parties without further notice to or authorization on the part of their respective securityholders, and any such amendment may, 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, term or provision contained herein or in any document delivered pursuant hereto; or
- (c) waive compliance with or modify any of the covenants or conditions herein contained and waive or modify performance of any of the obligations of the Parties;

provided that any such amendment may not reduce or materially adversely affect the consideration to be received by the Mineworx Shareholders.

## **ARTICLE 13 COSTS**

13.1 Except as contemplated herein, each Party hereto covenants and agrees to bear its own costs and expenses in connection with the transactions contemplated hereby.

13.2 In the event the Amalgamation does not occur and this Agreement is terminated because of a breach of this Agreement by either Party (the failure to obtain shareholder approval by Mineworx shall not be considered to be a breach of this Agreement), that breaching Party would reimburse the Other Party for its transactions costs (including the fees and costs of professional advisors) incurred in connection with negotiation and performance of this Agreement and related transactions, subject to a maximum expense reimbursement of \$50,000.

## **ARTICLE 14 DISCLOSURE**

14.1 Upon execution of this Agreement, the Parties shall issue a joint press release which announces that the Parties have entered into a formal agreement providing for the implementation of the Amalgamation. No Party shall disclose, by press release, any aspect of the transactions contemplated hereby, without prior written consent of the Other Party. Notwithstanding the foregoing, if either Party is required by law or administrative regulation to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will inform, to the extent reasonably feasible, the Other Party as to the wording of such disclosure prior to its being made.

## **ARTICLE 15 NOTICES**

15.1 Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any Other Party shall be in writing and may be given by delivering same or sending same by facsimile transmission or by hand delivery addressed to the Party to whom the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a business day and, if not, the next succeeding business day) and if sent by facsimile transmission be deemed to have been given and received at the time of receipt unless actually received after 4:00 p.m. at the point of delivery in which case it shall be deemed to have been given and received on the next business day.

15.2 The address for service of each of the Parties shall be as follows:  
CAN: 19965353.9

if to Iberian or SubCo:

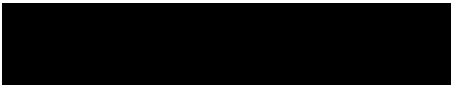
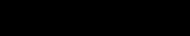
Iberian Minerals Ltd.  
Suite 600, 815 - 8<sup>th</sup> Ave SW  
Calgary, AB T2P 3P2  
Fax No.: (604) 677-5406  
Attention: President

with a copy to:

DLA Piper (Canada) LLP  
1000, 250 – 2nd Street SW  
Calgary, Alberta T2P 0C1  
Fax No.: (403) 698-8708  
Attention: Roy Hudson

if to Mineworx:

Mineworx Technologies Inc.

  
Fax No.:   
Attention: President

with a copy to:

McMillan LLP  
Royal Centre, 1055 W. Georgia Street, Suite 1500  
Vancouver, BC V6E 4N7  
Fax No.: (604) 893-7610  
Attention: Gary Floyd

## **ARTICLE 16**

### **STANDSTILL**

16.1 Prior to termination of this Agreement, neither Mineworx or Iberian, as the case may be, will, nor shall any of its Representatives directly or indirectly, alone or jointly or in concert with any other Person:

- (a) acquire or agree to acquire, or make any proposal or make any offer to acquire, in any manner, either directly or indirectly, any assets or securities of the Other Party or any subsidiary thereof, including, without limitation, commencing any “take-over bid” or “exempt take-over bid” (as such terms are defined in the *Securities Act* (Alberta)) for any securities of the Other Party (provided that the provisions hereof shall not be interpreted to prohibit the Parties or their Affiliates from continuing to conduct business with the Other Party in the ordinary course and consistent with past practice);
- (b) solicit proxies from, or otherwise attempt to influence the conduct of, holders of securities of the Other Party;
- (c) form, join or in any way participate as a “control person” as such term is defined in the *Securities Act* (Alberta) with respect to the equity of the Other Party; or
- (d) engage in any discussions or negotiations or enter into any agreement, commitment or understanding, or otherwise act jointly or in concert with any Person to propose or effect any business combination, equity or asset transaction of any nature or kind with respect to the Other Party or its Affiliates, or to influence the conduct of the Other Party, its Affiliates or its directors.

## ARTICLE 17 PRIVACY ISSUES

17.1 For the purposes of this ARTICLE 17, the following definitions shall apply:

- (i) “**applicable law**” means, in relation to any Person, transaction or event, all applicable provisions of laws, statutes, rules, regulations, official directives and orders of and the terms of all judgements, orders and decrees issued by any authorized authority by which such Person is bound or having application to the transaction or event in question, including applicable privacy laws;
- (ii) “**applicable privacy laws**” means any and all applicable laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including but not limited to the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (Alberta);
- (iii) “**authorized authority**” means, in relation to any Person, transaction or event, any (a) federal provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign, (b) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, (c) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions, and (d) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and
- (iv) “**Personal Information**” means information about an individual.

17.2 The Parties hereto acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of Personal Information acquired by or disclosed to either Party pursuant to or in connection with this Agreement (the “**Disclosed Personal Information**”).

17.3 Neither Party shall use the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Amalgamation.

17.4 Each Party acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining if the Parties shall proceed with the Amalgamation, and that the disclosure of the Disclosed Personal Information relates solely to the carrying on of the business and the completion of the Amalgamation.

17.5 Each Party acknowledges and confirms that it has and shall continue to employ appropriate technology and procedures in accordance with applicable law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.

17.6 Each Party acknowledges and confirms that it has and shall continue to employ appropriate technology and procedures in accordance with applicable law to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.

17.7 Each Party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties’ obligations hereunder.

Each Party shall ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a bona fide need to access such information in order to complete the Amalgamation.

17.8 Each Party shall promptly notify the Other Party to this Agreement of all inquiries, complaints, requests for access, and claims of which the Party is made aware in connection with the Disclosed Personal Information. The Parties shall fully co-operate with one another, with the Persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.

17.9 Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of either Party, the Other Party shall forthwith cease all use of the Personal Information acquired by such Party in connection with this Agreement and will return to the Other Party or, at such Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies).

## **ARTICLE 18 TIME**

18.1 Time shall be of the essence in this Agreement.

## **ARTICLE 19 ENTIRE AGREEMENT**

19.1 This Agreement, from the date hereof constitutes the entire agreement and supersedes all other prior agreements and undertakings, both written and oral, among the Parties with respect to the subject matter hereof, including without limitation the letter agreement dated September 25, 2015, among Iberian, the Principal MW Shareholders and Mineworx, and is not intended to confer upon any other Person any rights or remedies hereunder.

## **ARTICLE 20 SEVERABILITY**

20.1 If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

## **ARTICLE 21 FURTHER ASSURANCES**

21.1 Each Party shall, from time to time, and at all times hereafter, at the request of the Other Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

## **ARTICLE 22 GOVERNING LAW**

22.1 This Agreement shall be governed by, and be construed in accordance with the laws of the Province of British Columbia and applicable laws of Canada but the reference to such laws shall not, by conflict of

laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of British Columbia.

22.2 Each Party hereby irrevocably attorns to the jurisdiction of the Courts of the Province of British Columbia in respect of all matters arising under or in relation to this Agreement.

**ARTICLE 23  
EXECUTION IN COUNTERPARTS**

23.1 This Agreement may be executed in identical counterparts, each of which is and is hereby conclusively deemed to be an original and counterparts collectively are to be conclusively deemed one instrument.

**ARTICLE 24  
WAIVER**

24.1 No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence.

**ARTICLE 25  
ENUREMENT AND ASSIGNMENT**

25.1 This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns. This Agreement may not be assigned by any Party without the prior consent of the Other Parties.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**IBERIAN MINERALS LTD.**

Per: "Greg Pendura"

**MINEWORX TECHNOLOGIES INC.**

Per: "Duane Nelson"

**1054442 B.C. LTD.**

Per: "Greg Pendura"

**SCHEDULE A**  
**ARTICLES OF AMALCO**

[Redacted]

**SCHEDULE B**  
**MINEWORX EXCEPTIONS**

[Redacted]

## SCHEDULE C

### MINEWORX SPECIAL RESOLUTION

“BE IT RESOLVED, as a special resolution that:

1. the amalgamation (the “**Amalgamation**”) pursuant to the provisions of the *Business Corporations Act* (British Columbia) substantially in the form as provided for in the amalgamation agreement (“**Amalgamation Agreement**”), among Iberian Minerals Ltd. (“**Iberian**”), Mineworx Technologies Inc. (“**Mineworx**”) and a wholly-owned subsidiary of Iberian is hereby adopted, approved and authorized;
2. the Amalgamation Agreement with such amendments or variations thereto as may be approved by any director or officer of Mineworx, such approval to be evidenced conclusively by their execution and delivery of such Amalgamation Agreement be and is hereby confirmed, ratified and approved;
3. notwithstanding that this resolution has been duly passed by the shareholders of Mineworx, the board of directors of Mineworx may agree to amend the Amalgamation Agreement (to the extent permitted in the Amalgamation Agreement) or decide not to proceed with the Amalgamation or revoke this resolution at any time prior to the issuance of the certificate giving effect to the Amalgamation without further approval of the shareholders of Mineworx; and
4. any one director or officer of Mineworx, for and on behalf of Mineworx be and is hereby authorized to execute and deliver Articles of Amalgamation and all other documents and instruments and take all such other actions as may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents and instruments and the taking of any such actions.”



**SCHEDULE D**  
**SUPPORT AGREEMENT**

Attached.

**IBERIAN MINERALS LTD.**  
Suite 600, 815 - 8<sup>th</sup> Ave SW  
Calgary, AB T2P 3P2  
Fax: (604) 677-5406  
E-Mail: [info@iberianminerals.ca](mailto:info@iberianminerals.ca)

*Private & Confidential*

November 16, 2015

To: The Securityholder of Mineworx Technologies Inc. ("**Mineworx**") named on the acceptance page hereof

Dear Sir/Madame:

**Re: Iberian Minerals Ltd. – Acquisition of Mineworx Technologies Inc.**

This letter sets out the agreement between Iberian Minerals Ltd. ("**Iberian**"), 1054442 B.C. Ltd. ("**SubCo**") and you (the "**Securityholder**") with respect to the proposed acquisition by Iberian of Mineworx by way of a three-cornered amalgamation ("**Amalgamation**") completed under the *Business Corporations Act* (British Columbia), pursuant to the terms of an amalgamation agreement (the "**Amalgamation Agreement**") among Mineworx, Iberian and SubCo.

Iberian and SubCo have entered into the Amalgamation Agreement with Mineworx providing for the completion of the Amalgamation pursuant to which, among other things, Iberian will acquire all of the outstanding common shares of Mineworx (the "**Mineworx Shares**") in exchange for the issuance by Iberian of 84,000,000 common shares of Iberian (the "**Iberian Shares**"). The Amalgamation will be subject to, among other things, obtaining the requisite approval of the Amalgamation by the shareholders of Mineworx at a meeting of the shareholders of Mineworx (the "**Meeting**") to be convened for that purpose.

All capitalized words and phrases used herein which are not defined herein shall have the meaning given thereto in the Amalgamation Agreement.

In consideration for Iberian and SubCo entering into the Amalgamation Agreement with Mineworx and proceeding with the Amalgamation on the terms contemplated therein, and subject to the terms hereof, the Securityholder agrees as follows:

**1. Support of the Amalgamation**

- (a) Unless this letter agreement is terminated in accordance with Section 5 hereof or except as permitted under Section 6(a) hereof, the Securityholder irrevocably and unconditionally agrees to do all such things and to take all such steps as may reasonably be required to be done or taken by the Securityholder to facilitate the completion of the Amalgamation, including without limitation, to cause all of:
  - (i) the Mineworx Shares beneficially owned, directly or indirectly, by the Securityholder, and all Mineworx Shares controlled, directly or indirectly, by the Securityholder or over which the Securityholder exercises direction, directly or indirectly, including any Mineworx Shares acquired by the Securityholder after

the date hereof, including pursuant to the exercise of options to acquire Mineworx Shares (“**Mineworx Options**”); and

(ii) if applicable, the Mineworx Options owned by the Securityholder,

(such Mineworx Shares and Mineworx Options collectively referred to as the “**Securities**”);

to be voted in favour of the resolutions approving the Amalgamation and any related matters to be put before the Meeting, and to be voted to oppose any proposed action by any person whatsoever which could prevent or delay the completion of the Amalgamation; in each case, subject to any voting restrictions that may be imposed by Applicable Laws or the policies, rules or requirements of the TSX Venture Exchange that prohibit or restrict the voting of some or all of the Securities by the Securityholder in respect of the Amalgamation and related matters.

- (b) Unless this letter agreement is terminated in accordance with Section 5 hereof and until the Effective Time, the Securityholder agrees not to, directly or indirectly, solicit, facilitate, initiate or encourage any inquiry, submission, communication, proposal or offer from any person relating to, or enter into or participate in any negotiations or discussions regarding, or furnish to any person any information with respect to, or otherwise cooperate in any way with or assist or participate in or facilitate or encourage any effort or attempt with respect to, a Mineworx Superior Proposal (as defined in the Amalgamation Agreement), in each case other than as permitted pursuant to the Amalgamation Agreement;
- (c) Unless this letter agreement is terminated in accordance with Section 5 hereof and until the Effective Time, the Securityholder agrees:
  - (i) not to sell, assign, transfer, convey, encumber or otherwise dispose of any of the Securities, provided that for greater certainty, nothing herein shall prohibit the Securityholder from exercising Mineworx Options provided that the Mineworx Shares issued to the Securityholder on exercise thereof shall become subject to this letter agreement;
  - (ii) not to exercise any rights of dissent which might be available to the Securityholder in connection with the Amalgamation; and
  - (iii) not to take any steps, including exercising any Securityholder rights or remedies available at common law or under statute, to delay, hinder, upset or challenge the Amalgamation.
- (d) The Securityholder agrees not to, by action or omission, do anything from the date hereof until the Effective Time or the termination of this letter agreement in accordance with Section 5 that would result in the representations and warranties of the Securityholder set forth herein ceasing to be true and correct in all material respects.
- (e) Until the Effective Time or until this letter agreement is terminated in accordance with Section 5 hereof, except as permitted by Section 6(a) hereof, the Securityholder agrees to refrain from taking or causing to be taken any actions that might reasonably be expected to reduce the likelihood of the Amalgamation being successfully completed.

- (f) The Securityholder hereby revokes any and all previous proxies with respect to the Securities.
- (g) The Securityholder agrees to promptly notify Iberian upon any of the Securityholder's representations or warranties contained in this letter agreement becoming untrue or incorrect in any material respect prior to the termination of this letter agreement pursuant to Article 4, and for the purposes of this provision, each representation and warranty shall be deemed to be given at and as of all times during such period (irrespective of any language which suggests that it is only being given as at the date hereof).

## **2. Representations and Warranties of the Securityholder**

The Securityholder hereby represents, warrants and covenants to Iberian and SubCo as follows:

- (a) the Securityholder is the beneficial owner of, or exercises control or direction over, directly or indirectly, the number of Securities set forth under the Securityholder's name on the acceptance page to this letter agreement, which Securities are all of the Securities beneficially owned by the Securityholder, or over which it exercises control or direction, directly or indirectly, and, to the extent applicable, such Securities are free and clear of any and all liens, pledges, mortgages, charges, claims, options, preferential rights of purchase, encumbrances, hypothecations or other burdens created by, through or under the Securityholder ("**Claims**"), other than Claims that do not and will not prevent the Securityholder from complying with its covenants hereunder;
- (b) none of the Securities is, or will be at the time of the Meeting, subject to any voting trust or voting agreement (other than this letter agreement), and there is not and will not be any proxy in existence with respect to any of the Securities except for any proxy given by the Securityholder for the purpose of fulfilling the Securityholder's obligations hereunder;
- (c) no person, firm or corporation has any agreement or option, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, for the purchase, acquisition or transfer of any of the Securities or any interest therein or right thereto;
- (d) this letter agreement has been duly executed and delivered by the Securityholder and constitutes a valid and binding obligation of the Securityholder enforceable against it in accordance with its terms (subject to the usual exceptions as to bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting creditors' rights generally and the availability of equitable remedies); and
- (e) neither the entering into of this letter agreement nor the performance by the Securityholder of any of the Securityholder's obligations under this letter agreement will constitute a breach of any other agreement to which the Securityholder is a party or by which any of the Securityholder's assets or properties (including the Securities) are bound.

### **3. Representations and Warranties of Iberian and SubCo**

Each of Iberian and SubCo hereby jointly and severally represent, warrant and covenant to the Securityholder as follows:

- (a) Each of Iberian and SubCo is duly authorized to execute and deliver this letter agreement;
- (b) upon acceptance by the Securityholder of this letter agreement, this letter agreement will be a valid and binding agreement, enforceable against Iberian and SubCo in accordance with its terms (subject to the usual exceptions as to bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and the availability of equitable remedies); and
- (c) neither the entering into of this letter agreement nor the consummation by Iberian or SubCo of the transactions contemplated hereby will constitute a violation of or default under, or conflict with, any restriction of any kind or contract, commitment, agreement, understanding to which Iberian or SubCo is a party and by which it is bound.

### **4. Further Assurances**

From time to time, at Iberian's reasonable request and without further consideration, the Securityholder shall execute and deliver such additional documents as may be necessary or desirable to consummate and make effective, in the most expeditious manner practicable, the matters contemplated by this letter agreement.

### **5. Termination**

It is understood and agreed that the respective rights and obligations hereunder of Iberian and the Securityholder shall cease and this letter agreement shall terminate on the earlier of:

- (a) the Effective Time;
- (b) the date on which this letter agreement is terminated by the mutual written agreement of the parties hereto; or
- (c) the date on which the Amalgamation Agreement is terminated in accordance with its terms.

In the circumstances described above in Sections 5(a) and 5(c), this letter agreement shall terminate without any further action by Iberian or the Securityholder.

### **6. Miscellaneous**

- (a) *No Limit On Fiduciary Duty.* Nothing contained in this letter agreement will: (i) restrict, limit or prohibit the Securityholder from exercising, in his capacity as a director or officer of Mineworx, his fiduciary duties to Mineworx under applicable law, or (ii) require the Securityholder, in his capacity as an officer of Mineworx, to take any action in contravention of, or omit to take any action pursuant to, or otherwise take or refrain from taking any actions which are inconsistent with, instructions or directions of Mineworx's Board of Directors undertaken in the exercise of their fiduciary duties to Mineworx under applicable law.

- (b) *Expenses.* Iberian and the Securityholder agree to pay their own respective expenses incurred in connection with this letter agreement.
- (c) *Governing Laws.* This letter agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. Each of the parties hereto hereby attorns to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising in connection with this letter agreement.
- (d) *Entire Agreement.* This letter agreement constitutes the entire agreement between the Securityholder and Iberian with respect to the subject matter hereof and there are no warranties, representations, terms, conditions or collateral agreements, express or implied, between the Securityholder on the one hand and Iberian on the other hand, other than as expressly set forth in this letter agreement.
- (e) *Principal MW Shareholders.* Pursuant to the Amalgamation Agreement, all of the other Principal MW Shareholders, other than the Securityholder, will be signing a Support Agreement in the same form as this letter agreement and the parties acknowledge and confirm that the execution of the additional Support Agreements by the other Principal MW Shareholders does not limit the Securityholder's liability under this letter agreement.
- (f) *Benefit.* All conditions of this letter agreement are inserted for the sole benefit of Iberian and may be waived in whole or in part by Iberian.
- (g) *Specific Performance.* Each of the parties hereto recognizes and acknowledges that a breach by the Securityholder of any covenants or agreements contained in this letter agreement will cause Iberian to sustain damages for which it would not have an adequate remedy at law for money damages, and therefore each of the parties hereto agrees that in the event of any such breach Iberian shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which it may be entitled, at law or in equity.
- (h) *Time of Essence.* Time shall be of the essence of this letter agreement.
- (i) *Assignment.* This letter agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and successors. This letter agreement shall not be assignable.
- (j) *Severability.* Each of the provisions contained in this letter agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.
- (k) *Notice.* Any notice, document or other communication (a "**Notice**") required or permitted to be given to the parties under this letter agreement shall be in writing and be either hand delivered or sent by facsimile or email transmission (with the original to follow by hand delivery or mail) as follows:
  - (i) in the case of a Notice to the Securityholder, at the address, email and facsimile number, if any, listed on the last page of this letter agreement; and

- (ii) in the case of a Notice to Iberian, at the address, email and facsimile number, listed on the face page of this letter agreement;

and shall be deemed to be received by the party to whom such Notice is given on the date of delivery or transmission.

- (l) *Counterparts.* This letter agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original and all executed counterparts taken together shall constitute the letter agreement.
- (m) *Delivery.* This letter agreement may be executed and then delivered by facsimile transmission or email transmission of Adobe Acrobat PDF files without the subsequent delivery of the original copy used to send the facsimile or email transmission.

## **7. Disclosure**

The Securityholder consents to reference to this letter agreement in any press release to be issued and any securities law filings to be made by Iberian and/or Mineworx in connection with the Amalgamation Agreement or the Amalgamation.

Except as required by applicable laws or regulations, or as required by any competent governmental, judicial or other authority, the Securityholder shall not make any public announcement or statement with respect to this letter agreement, the Amalgamation Agreement or the Amalgamation without the prior written approval of Iberian.

***[The balance of this page is intentionally left blank. The execution page follows.]***

**8. Execution**

This letter agreement has been duly executed and delivered by each of the parties hereto.

**IBERIAN MINERALS LTD.**

**1054442 B.C. LTD.**

Per: \_\_\_\_\_  
*Authorized Signatory*

Per: \_\_\_\_\_  
*Authorized Signatory*

**The foregoing is hereby agreed to this \_\_\_\_ day of November, 2015.**

**Name of Securityholder:** \_\_\_\_\_

**Address of Securityholder:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Email address of Securityholder:** \_\_\_\_\_

**Facsimile number of Securityholder:** \_\_\_\_\_

**Number of Mineworx Shares:** \_\_\_\_\_

**Number of Mineworx Options:** \_\_\_\_\_

**Signature of Securityholder:** \_\_\_\_\_



**SCHEDULE E**  
**LOAN AGREEMENT**

Attached.

**LOAN AGREEMENT  
(LINE OF CREDIT)**

This Loan Agreement made as of the 16<sup>th</sup> day of November, 2015

BETWEEN:

**MINEWORX TECHNOLOGIES INC.**, a body corporate,  
incorporated pursuant to the laws of the Province of British  
Columbia

(the “**Borrower**”)

AND:

**IBERIAN MINERALS LTD.**, a body corporate, incorporated  
pursuant to the laws of the Province of Alberta

(the “**Lender**”)

**BACKGROUND:**

- A. The Lender and the Borrower have entered into a definitive amalgamation agreement (the “**Amalgamation Agreement**”) pursuant to which the Lender will acquire, indirectly, all of the issued and outstanding shares of the Borrower (the “**Transaction**”);
- B. The Borrower desires the Lender to provide interim financing prior to completion of the Transaction in the form of a loan (the “**Loan**”) in the principal amount of up to \$500,000 and the Lender has agreed to provide the Loan on the terms and conditions contained herein; and
- C. The Borrower may demand repayment of the Loan, or exercise its conversion rights set forth herein, at any time after the Amalgamation Agreement is terminated in accordance with its terms.

**TERMS OF LOAN AGREEMENT:**

THEREFORE, in consideration of the premises, covenants, conditions and provisions herein contained, the parties hereto mutually covenant and agree as follows:

**ARTICLE 1  
AGGREGATE LOAN COMMITMENT**

- 1.1 **Loans.** The Lender agrees, subject to the terms and conditions of this Loan Agreement, to lend to the Borrower an aggregate outstanding principal amount not to exceed \$500,000 (the “**Aggregate Loan Commitment**”).
- 1.2 **Drawdowns.** The Aggregate Loan Commitment will be disbursed in multiple advance(s), (each a “**Drawdown**”) during the Term of this Loan Agreement, subject to the Lender receiving a request for advance, substantially in the form attached hereto as

Schedule "A" ("**Request for Advance**") and subject to the terms of this Loan Agreement.

- 1.3 **Request for Advance.** The Borrower shall submit a Request for Advance to the Lender, not later than 11:00 a.m. (Calgary Time), at least seven (7) business days before the date of any proposed Drawdown hereunder, unless otherwise agreed by the Lender.

## **ARTICLE 2 AGGREGATE LOAN COMMITMENT TERMS**

- 2.1 **Term and Repayment.** The term of the Aggregate Loan Commitment shall commence on the date of this Loan Agreement and all amounts outstanding in respect thereof, shall be due and payable in full on the date (the "**Repayment Date**") that is the earlier of:
- (a) in the event that the Amalgamation Agreement is terminated in accordance with its terms and the Lender provides the Borrower with written demand for repayment, 10 days following the date of such demand for repayment; and
  - (b) in the event that the Transaction is completed in accordance with the Amalgamation Agreement and the Lender provides the Borrower with written demand for repayment, 10 days following the date of such demand for repayment
- 2.2 **Interest.** The outstanding balance of the Aggregate Loan Commitment will bear interest at the rate of 5% per annum, before and after demand, default and judgment, with interest on overdue interest at the same rate, compounded monthly, computed from the date hereof and calculated until the repayment of the principal amount and payable in full on the Repayment Date.
- 2.3 **Conversion.** The Borrower and the Lender both agree that in the event that the Amalgamation Agreement is terminated in accordance with its terms, the Borrower or the Lender may, at its option by providing seven (7) business days advance written notice to the other, elect to cause all or any portion of the outstanding balance of the Aggregate Loan Commitment plus all accrued but unpaid interest to be converted into common shares in the capital of the Borrower (the "**Common Shares**") by issuing to the Lender the Common Shares at a deemed price of \$0.10 per Common Share. Amounts repaid to the Lender by the issuance of Common Shares will not be available for re-borrowing.

## **ARTICLE 3 SECURITY**

- 3.1 **Security.** As security for the due and punctual payment and performance of all the Borrower's obligations to the Lender hereunder, the Borrower will execute and deliver to the Lender a general security agreement (the "**General Security Agreement**") under which the Borrower will grant to the Lender a security interest in all of its present and after-acquired personal property, subject only to the permitted encumbrances described therein.

**ARTICLE 4**  
**CONDITIONS PRECEDENT TO FUNDING DRAWDOWNS**

- 4.1 **Conditions Precedent.** Notwithstanding any other provisions in this Loan Agreement, the Lender shall have no obligation to advance a Drawdown pursuant to Section 1.2 above, unless and until the following conditions have been satisfied (or waived by the Lender) as of the Effective Date and each Drawdown date:
- (a) the Lender having received the General Security Agreement provided for in this Loan Agreement duly authorized, executed and delivered and registered or recorded wherever required by law and any other documents requiring registration, in the Lender's sole opinion; and no event having occurred which is an Event of Default (as defined in section 8.1 of this Loan Agreement) or any other documents contemplated herein or which would be an Event of Default but for the giving of notice or lapse of time or both;
  - (b) the Borrower having executed and delivered this Loan Agreement; and
  - (c) such other acts having been done (including executing documents, providing opinions or supplying evidence of ownership) as the Lender reasonably requires.

**ARTICLE 5**  
**BORROWER'S COVENANTS**

- 5.1 **Covenants.** Until the Borrower has repaid all amounts payable pursuant to this Loan Agreement, the Borrower agrees to the following:
- (a) to at all times maintain its corporate existence;
  - (b) to duly perform its obligations under this Loan Agreement and the General Security Agreement executed and delivered hereunder;
  - (c) to carry on and conduct its business in a proper business-like manner in accordance with good business practice and will keep or cause to be kept proper books of account in accordance with generally accepted accounting principles, consistently applied;
  - (d) at all times comply with all applicable laws, except such voluntary non-compliance as shall, in its good faith business judgment, not have a material adverse effect on the business of the Borrower or any of its subsidiaries, taken as a whole;
  - (e) to furnish to the Lender (if such is the case) notice that an Event of Default has occurred and, if applicable, is continuing or notice in respect of any event which would constitute an Event of Default hereunder and specifying the nature of same; and

- (f) perform and do all such acts and things as are necessary to perfect and maintain the General Security Agreement provided to the Lender pursuant to this Loan Agreement.
- 5.2 **Fees.** Each party shall pay their own costs and expenses in connection with the matters contemplated by this Loan Agreement.

## **ARTICLE 6 REPRESENTATIONS AND WARRANTIES**

- 6.1 **Representations and Warranties.** The Borrower represents and warrants to the Lender the following:
- (a) that all information contained in the documentation provided to the Lender by or on behalf of the Borrower is now, or if it relates to the future will be, true and correct in all material respects;
  - (b) that it has full power and capacity to enter into this Loan Agreement and to complete the transaction contemplated herein and all corporate steps and proceedings have been taken to authorize the entering into, execution and delivery of this Loan Agreement and the General Security Agreement and other documents and instruments contemplated herein or therein; and
  - (c) this Loan Agreement constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms.

## **ARTICLE 7 EVENTS OF DEFAULT**

- 7.1 **Events of Default.** Each of the following events constitutes a default by the Borrower under this Loan Agreement (each, an “**Event of Default**”), unless the Lender agrees to waive such default:
- (a) the non-payment by the Borrower when due of any sum payable hereunder;
  - (b) if the Borrower defaults in observing or performing any material term, covenant or condition under this Loan Agreement, the General Security Agreement or any other collateral document delivered hereunder;
  - (c) if any of the Borrower’s representations, warranties or other statements in this Loan Agreement are false or misleading in any material respect;
  - (d) the occurrence of any event or condition (including, without limitation, any change in the operations, business or senior management of the Borrower) which has or is reasonably likely to have a **Material Adverse Effect**, as determined by the Lender in its sole discretion. For the purposes of this section, “**Material Adverse Effect**” means, with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration or governmental investigation or proceeding), whether singly or in

conjunction with any one or more other events, acts, conditions or occurrences, whether or not related, a result which adversely alters materially the financial condition or other condition of the Borrower, including the business, property, operations or condition of the Borrower, or materially adversely affects or could, in the sole discretion of the Lender acting reasonably, affect materially the ability of the Borrower to perform its obligations hereunder or under another material Loan Agreement;

- (e) if the Borrower ceases or threatens to cease to carry on business;
- (f) if the Lender in good faith and on commercially reasonable grounds believes that the ability of the Borrower to pay any of the amounts payable to the Lender or to perform any of the covenants contained in this Loan Agreement is impaired or any security granted by the Borrower to the Lender is or is about to be impaired or in jeopardy;
- (g) if the Borrower petitions or applies to any tribunal for the appointment of a trustee, receiver or liquidator or commences any proceedings under any bankruptcy, insolvency, readjustment of debt or liquidation law of any jurisdiction, whether now or hereafter in effect;
- (h) if any petition or application for appointment of a trustee, receiver or liquidator is filed, or any proceedings under any bankruptcy, insolvency, readjustment of debt or liquidation law are commenced, against the Borrower which is not opposed by the Borrower in good faith, or an order, judgment or decree is entered appointing any such trustee, receiver or liquidator, or approving the petition in any such proceeding; or
- (i) if holders of permitted encumbrances shall take possession of any property of the Borrower.

**7.2 Remedies For Events of Default.** Upon the occurrence of an Event of Default, the Lender may:

- (a) if the Lender has not advanced all of the Aggregate Loan Commitment, declare that the loan is cancelled and the Lender will no longer have any obligation to advance the Aggregate Loan Commitment;
- (b) declare immediately due and payable the outstanding balance of the Aggregate Loan Commitment without any further demand or notice of any kind from the Lender; and/or
- (c) exercise any and all rights, powers, remedies and recourses available to the Lender under the Loan Agreement, at law, in equity or otherwise.

**7.3 Waiver of Default.** The Lender may, in writing in its absolute discretion at any time and from time to time, waive any breach by the Borrower of any of its covenants in this Loan Agreement, provided that any such waiver does not constitute a continuing waiver and does not constitute a waiver of any other term or provision of this Loan Agreement.

- 7.4 **No Waiver.** No failure or delay on the part of the Lender in exercising any right, power or privilege under this Loan Agreement operates as a waiver thereof; nor does any single or partial exercise of any right, power or privilege under this Loan Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies in this Loan Agreement expressly specified are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have. The acceptance by the Lender of any payment of or on account of the Loan after a default or of any payment on account of any partial default is not to be construed to be a waiver of any right to take advantage of any future default or of any past default not completely cured thereby. The Lender may exercise any and all rights, powers, remedies and recourses available to it under this Loan Agreement, or any other remedy available to it, concurrently or individually without the necessity of an election.

## **ARTICLE 8 GENERAL**

- 8.1 **No Amendments.** No variations, modifications or changes to this Loan Agreement, the General Security Agreement or any other documents granted in favour of the Lender shall be effective or binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party.
- 8.2 **Enurement.** This Loan Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assignees of the parties hereto.
- 8.3 **No Merger.** It is understood and agreed that the execution and delivery of the documents contemplated herein shall in no way merge or extinguish with this Loan Agreement or the terms and conditions of it or such documents, all of which shall continue in full force and effect.
- 8.4 **Time of Essence.** Time shall be of the essence in all respects.
- 8.5 **Lender's Accounts.** The Lender shall maintain accounts and records evidencing all payments made hereunder, which accounts and records shall constitute, in the absence of manifest error, prima facie evidence thereof.
- 8.6 **Assignment.** This Loan Agreement is not assignable by the Borrower without the Lender's prior written consent. The Lender may assign its interest in the Loan, this Loan Agreement and all Security Documents and all other documents and instruments delivered hereunder or in connection therewith, without the consent of the Borrower.
- 8.7 **No Authority.** The Borrower shall at no time represent itself as being the agent of the Lender or as having any authority in any way to commit or bind the Lender, its officers, directors, employees or associated entities to any obligation nor shall the Borrower enter into any such obligations which purport to be binding upon the Lender, its officers, directors, employees or associated entities.

8.8 **Notices.** In this Loan Agreement:

- (a) Any notice or communication required or permitted to be given under this Loan Agreement will be in writing and will be considered to have been given if delivered by hand, transmitted by e-mail transmission or mailed by prepaid registered post in Canada, to the address or e-mail address of each party set out below:

- (i) if to Lender:

Iberian Minerals Ltd.  
Suite 600, 815 - 8th Ave SW  
Calgary, AB T2P 3P2  
Attention: President  
E-Mail: [info@iberianminerals.ca](mailto:info@iberianminerals.ca)

- (ii) if to Debtor:

Mineworx Technologies Inc.

Attention: President  
E-Mail: [REDACTED]

or to such other address or facsimile transmission number as any party may designate in the manner set out above.

- (b) Any notice or communication will be considered to have been received:

- (i) if delivered by hand during business hours, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of the next business day;
- (ii) if sent by e-mail transmission during business hours, upon the sender receiving confirmation of the transmission, and if not transmitted during business hours, upon the commencement of the next business day; and
- (iii) if mailed by prepaid registered post in Canada, upon the fifth business day following posting; except that, in the case of a disruption or an impending or threatened disruption in postal services every notice or communication will be delivered by hand or sent by facsimile transmission.

- (c) In this Loan Agreement “**business day**” will mean a day which is not a Saturday or defined as a “holiday” under the *Interpretation Act* (Alberta), as amended or replaced from time to time.

8.9 **Governing Law.** This Loan Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The Borrower submits to the non-exclusive jurisdiction of the Courts



of the Province of British Columbia and agrees to be bound by any suit, action or proceeding commenced in such Courts and by any order or judgment resulting from such suit, action or proceeding.

- 8.10 **Counterparts.** This Loan Agreement may be signed in as many counterparts as may be necessary, and may be executed by facsimile or transmitted electronically in either a Tagged Image Format File or Portable Document Format or other means of electronic communications producing a printed copy, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear the date set forth above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BANK]

IN WITNESS WHEREOF the parties hereto have executed this Loan Agreement as of the day and year first above written.

**IBERIAN MINERALS LTD.**

Per: \_\_\_\_\_  
*Authorized Signatory*

**MINEWORX TECHNOLOGIES INC.**

Per: \_\_\_\_\_  
*Authorized Signatory*

**SCHEDULE A**  
**REQUEST FOR ADVANCE**

**Iberian Minerals Ltd.**

Suite 600, 815 - 8th Ave SW

Calgary, AB T2P 3P2

Attention: President

E-Mail: [info@iberianminerals.ca](mailto:info@iberianminerals.ca)

1. This Request for Advance is delivered to you pursuant to Section 2.2 of the Loan Agreement (the "Agreement") dated as of November 16, 2015, entered into between Iberian Minerals Ltd. and Mineworx Technologies Inc. All defined terms set forth in this Request for Advance shall have the respective meanings set forth in the Loan Agreement.
2. We hereby request an advance on the following terms:
  - (a) Proposed Borrowing Date: \_\_\_\_\_; and
  - (b) Amount of Drawdown: \_\_\_\_\_.
3. Except as permitted or required under the Loan Agreement, each of the representations and warranties in Section 7.1 of the Loan Agreement will be true and correct as if made and repeated on the date of this Request for Advance.
4. No Event of Default, or in the event that with notice, lapse of time or a determination under this Agreement or any combination thereof would constitute an Event of Default, has occurred and is continuing as of the date of this Request for Advance.
5. The sum of (i) the principal amount outstanding under the Loan Agreement plus (ii) the amount of the Drawdown requested hereunder, does not exceed the Aggregate Loan Commitment.
6. The Drawdown should be delivered to the Borrower by certified cheque on the Proposed Borrowing Date.

EXECUTED this \_\_\_\_ day of \_\_\_\_\_.

**MINEWORX TECHNOLOGIES INC.**

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE F**  
**AMALGAMATION APPLICATION**

[Redacted]