

FIRE RIVER GOLD CORP.

as Borrower

**THE GUARANTORS
FROM TIME TO TIME PARTY HERETO**

as Guarantors and

**WATERTON GLOBAL VALUE, L.P., BY ITS INVESTMENT MANAGER, ALTITUDE
MANAGEMENT LTD.**

as Lender

SENIOR SECURED GOLD STREAM CREDIT AGREEMENT

March 30, 2012

Heenan Blaikie LLP

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SENIOR SECURED GOLD STREAM CREDIT AGREEMENT

This **SENIOR SECURED GOLD STREAM CREDIT AGREEMENT** is dated March __, 2012 (the “**Effective Date**”) and entered into by and between Fire River Gold Corp., a corporation incorporated pursuant to the laws of the Province of British Columbia, as the borrower (the “**Borrower**”), each person that accedes to the terms of this Agreement from time to time by executing a Guarantee, as a guarantor, and Waterton Global Value, L.P., by its Investment Manager, Altitude Management Limited, as the lender (the “**Lender**”).

RECITALS

WHEREAS the Borrower has requested, and the Lender has agreed, to establish in favour of the Borrower, a \$12,750,000 senior secured, non-revolving credit facility (the “**Facility**”) on and subject to the terms and conditions herein set forth.

NOW THEREFORE THIS CREDIT AGREEMENT WITNESSES that for good and valuable consideration, the receipt and sufficiency of which are acknowledged by each of the parties hereto, each of the parties agrees as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

“**Account Control Agreements**” means the account control agreements relating to each of the Credit Party Accounts to be entered into between the Lender, the applicable Credit Party and the applicable bank.

“**Advances**” means, collectively, each of the advances under the Facility made pursuant to the provisions of this Agreement and “**Advance**” means any one of such advances.

“**Affairs**” means the business, affairs, operations, undertaking, property, assets, liabilities, condition (financial or otherwise), prospects, performance and results of operations of a specified Person.

“**Affiliate**” means an affiliated body corporate and, for the purposes of this Agreement, (i) one body corporate is affiliated with another body corporate if one such body corporate is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is Controlled by the same Person and (ii) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

“**Agreed Priority**” means, with respect to a Security Document and a Lien made in favour of the Lender, a senior, first priority Lien in favour of the Lender, meaning that such Security Document and Lien are prior in right to any other Lien, except Permitted Liens in, on, or to the Collateral which is purported to be covered thereby.

“**Agreement**” means this senior secured gold stream credit agreement and all schedules and instruments in amendment or confirmation of it; and the expressions “**Article**”, “**Section**”, “**Subsection**” and “**paragraph**” followed by a number or letter mean and refer to the specified Article, Section, Subsection or paragraph of this Agreement.

“Applicable Law” means any international treaty, any domestic or foreign constitution or any supranational, national, regional, federal, provincial, territorial, state, municipal, tribal or local statute, law, ordinance, code, rule, regulation, order (including any consent decree or administrative order), applicable to, or any directive, guideline, policy or Authorization of any Governmental Entity having jurisdiction with respect to any specified Person, property, transaction or event or any of such Person’s Affairs, and any order, judgment, award or decree of any Governmental Entity, or arbitrator in any proceeding or action to which the Person in question is a party or by which such Person or any of its Affairs is bound.

“Applicable Securities Legislation” means all applicable securities laws of each of the Reporting Jurisdictions and the respective rules and regulations under such laws together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other applicable regulatory instruments of the securities regulatory authorities in any of the Reporting Jurisdictions and such other jurisdictions as may be agreed to between the Borrower and the Lender.

“Authorization” means any authorization, approval, consent, certificate, exemption, licence, permit, franchise, certification, registration or no-action letter from any Governmental Entity having jurisdiction with respect to any specified Person, property, transaction or event, or any of such Person’s Affairs or from any Person in connection with any easements or contractual rights.

“Bankruptcy Law” means all Applicable Laws pertaining or applicable to bankruptcy, insolvency, debtor relief, debtor protection, liquidation, reorganization, winding up, arrangement, receivership, administration, moratorium, assignment for the benefit of creditors or other similar laws applicable in the United States, Canada or other applicable jurisdictions as in effect from time to time.

“Borrower” means Fire River Gold Corp., a corporation incorporated and existing pursuant to the laws of the Province of British Columbia, and its successors and permitted assigns.

“Buildings and Fixtures” means all plant, buildings, structures, erections, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) situated on any of the Subject Properties.

“Business” means the business of the Borrower as conducted as at the date hereof.

“Business Day” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Vancouver, British Columbia.

“Capital Lease” means, with respect to a Person, a lease or other arrangement in respect of real or personal property that is required to be classified and accounted for as a capital lease or debt obligation on a balance sheet of the Person in accordance with IFRS.

“Capital Lease Obligation” means, with respect to a Person, the obligation of the Person to pay rent or other amounts under a Capital Lease and for the purposes of this definition, the amount of such obligation at any date shall be the capitalized amount of such obligation at such date as determined in accordance with IFRS.

“Cash Payment Amount” means, in relation to any Repayment Date, at any time, the product of: the Monthly Repayment Ounces for such Repayment Date, multiplied by the Spot Price for such Repayment Date.

“Change of Control” means the occurrence of any of the following events:

- (a) any person or group of persons “acting in concert” (as interpreted in accordance with applicable securities legislation or regulation) other than the Borrower with respect to its Subsidiaries, shall have acquired legal or beneficial ownership of, or the power to exercise Control or direction over, any Voting Shares of any Credit Party (or securities convertible into such Voting Shares), that together with such person’s existing securities would constitute Voting Shares of such Credit Party representing more than 20% of the total voting power attached to all Voting Shares of such Credit Party then outstanding;
- (b) there is consummated any amalgamation, consolidation, statutory arrangement, merger or similar transaction of a Credit Party (1) in which such Credit Party is not the continuing or surviving corporation or (2) pursuant to which any Voting Shares of such Credit Party would be reclassified, changed or converted into or exchanged for cash, non-voting securities or other non-voting property, other than (in each case) an amalgamation, consolidation, statutory arrangement, merger or similar transaction of such Credit Party in which the holders of the Voting Shares of such Credit Party representing more than 80% of the total voting power attached to all such Voting Shares immediately prior to the amalgamation, consolidation, statutory arrangement, merger or similar transaction have, directly or indirectly, more than 80% of the Voting Shares of the continuing or surviving corporation immediately after such transaction;
- (c) any Person or group of Persons acting in concert shall succeed in having a sufficient number of its nominees elected as Directors such that such nominees, when added to any existing Directors after such election who was a nominee of or is an Affiliate or related Person of such Person or group of Persons, will constitute a majority of the Directors; or
- (d) the Borrower or any other Guarantor shall cease to directly own and control the Equity Interests that any of them has pledged to the Lender pursuant to a Security Document (in fact or by title).

“Code” means the USA Internal Revenue Code of 1986, as amended from time to time.

“Collateral” means any and all real and personal property, assets, rights, titles and interests in respect of which the Lender has or will have a Lien pursuant to a Security Document, whether tangible or intangible, presently held or hereafter acquired, and all products and proceeds of the foregoing, including insurance proceeds related to the foregoing.

“Commitment Amount” means twelve million, seven hundred and fifty thousand dollars (\$12,750,000).

“Compliance Certificate” means a certificate of the Borrower substantially in (i) the form of Exhibit C, signed on its behalf by its chief financial officer or any other officer acceptable to the Lender or (ii) such other form as the Lender may determine.

“Constating Documents” means (i) with respect to a corporation, its articles of incorporation, amalgamation or continuance or other similar documents and its by-laws and (ii) with respect to any

other Person which is an artificial body, the organization and governance documents of such Person in each case as amended and supplemented from time to time.

“**Contaminant**” means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of any of them that may (i) injure or damage property or plant or animal life, (ii) harm or cause a nuisance to any Person, (iii) adversely affect the health of any individual, (iv) impair the safety, of any individual, (v) render any property or plant or animal life unfit for use by humans, (vi) cause loss of enjoyment of normal use of property, or (vii) interfere with the normal course of business, and includes any “Contaminant” within the meaning assigned to such term (or any similar term) in any Environmental Law applicable to the Mining Properties or any of the Credit Parties.

“**Contingent Liability**” means, with respect to a Person, any agreement, undertaking or arrangement by which the Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in a debtor, or otherwise to assure a creditor against loss) the obligation, debt or other liability of any other Person or guarantees the payment of dividends or other distributions upon the shares of any Person. The amount of any contingent liability will, subject to any limitation contained therein, be deemed to be the outstanding principal amount (or maximum principal amount, if larger) of the obligation, debt or other liability to which the contingent liability is related.

“**Control**” of any Person means:

- (a) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of such Person; or
 - (ii) appoint or remove all, or the majority, of the directors or other equivalent officers of such Person; or
 - (iii) give directions with respect to the operating and financial policies of such Person with which the directors or other equivalent officers of such Person are obliged to comply; and/or
- (b) the holding beneficially of more than 50% of the issued share capital of such Person.

“**Credit Documents**” means this Agreement, the Guarantees, the Gold and Silver Supply Agreement, the Security Documents, each Compliance Certificate, and each other Instrument executed by the Borrower or other Credit Party in connection with this Agreement or any of the foregoing Instruments, whether or not specifically identified in this clause, as any of the foregoing may be amended, modified, supplemented, extended or restated from time to time in accordance with their respective terms.

“**Credit Parties**” means, collectively, the Borrower and each Guarantor, and “**Credit Party**” means any of them, together with their permitted successors and assigns.

“**Credit Party Accounts**” means each of the bank accounts used by a Credit Party as of the Effective Date, as set out in Schedule 1.1(cc).

“Debt” of any Person means:

- (a) all obligations of the Person for borrowed money, including debentures, notes or similar instruments and other financial instruments and obligations with respect to bankers’ acceptances and contingent reimbursement obligations relating to letters of credit;
- (b) all Financial Instrument Obligations of the Person;
- (c) all Capital Lease Obligations and Purchase Money Obligations of the Person;
- (d) all obligations to pay the deferred and unpaid purchase price of property or services, which purchase price is due and payable more than 90 days after the date of placing such property or service or taking delivery at the completion of such services;
- (e) all indebtedness of any Person secured by a Lien on any assets of such Person;
- (f) all obligations to repurchase, redeem or repay any shares of such Person; and
- (g) all Contingent Liabilities of the Person with respect to obligations of another Person if such obligations are of the type referred to in paragraphs (a) to (f).

“Default” means an Event of Default or any event which, with the giving of notice or passage of time, or the making of any determination or any combination of the foregoing, would constitute an Event of Default.

“Direct Agreement” means a direct agreement entered into by a Credit Party, the counterparty to a Material Contract and the Lender in respect of the assignment of the rights of the Credit Party and the exercise of step-in rights by the Lender under such Material Contract, in form and substance satisfactory to the Lender.

“Director” means a director of a Credit Party and **“Directors”** means the board of directors of a Credit Party or, whenever duly empowered, a committee of the board of directors of a Credit Party, and reference to action by the Directors means action by the directors as a board or action by such a committee of the board as a committee.

“Discounted Partial Prepayment Amount” has the meaning specified in Section 4.3(c).

“Discounted Prepayment Amount” has the meaning specified in Section 4.1(a).

“Disposal” means a sale, lease, release, abandonment, licence, exchange, transfer, loan, grant, option or other disposal by a Person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions) and **“Dispose”** shall have a corresponding meaning.

“Disposal Proceeds” means the consideration receivable by a Credit Party for any Disposal made by such Credit Party.

“Distribution” has the meaning specified in Section 8.2(h).

“Dollars” and **“\$”** means lawful money of the United States of America.

“**Effective Date**” has the meaning specified in the recitals hereto.

“**Environmental Claims**” means, all liabilities (including costs of remedial actions, natural resource damages and costs and expenses of investigation and feasibility studies, including the cost of environmental consultants and cost of legal fees) that may be imposed on, incurred by, or asserted against a Credit Party as a result of, or related to, any claim, suit, action, investigation, proceeding or demand by any Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law or otherwise, arising under any Environmental Law, any Release or threatened Release of Hazardous Materials, or in connection with any environmental, health or safety condition arising prior to or after the date hereof.

“**Environmental Laws**” means any Applicable Law relating to pollution or protection of the environment, ecology or public health or safety or the Mining Properties, including, Applicable Laws relating to emissions, discharges, Releases or threatened Releases of Hazardous Materials or other pollutants, Contaminants, chemicals, or industrial, toxic or hazardous substances or wastes into the environment (including, ambient air, surface water, ground water, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, pollutants, Contaminants, chemicals or industrial, toxic or hazardous substances or wastes.

“**Equity Interests**” means, with respect to any Person, shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“**ERISA**” means the *Employee Retirement Income Security Act of 1974 (USA)*, as amended, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to sections of ERISA shall be construed to also refer to any successor sections.

“**Event of Default**” has the meaning specified in Section 9.1.

“**Exchange**” means the TSX Venture Exchange and/or any other exchange where the securities of the Borrower may be traded and listed.

“**Expropriation Event**” means the appropriation, confiscation, expropriation, cancellation, seizure or nationalization (by Applicable Law, intervention, court order, condemnation, exercise of eminent domain or other action or form of taking) of ownership or control of a Credit Party or any of its Subsidiaries or of a Mining Property, or any substantial portion thereof, or any substantial portion of the rights related thereto, or any substantial portion of the economic value thereof, or which prevents or interferes with the ability of a Person to own or operate the property subject to such action, including by the imposition of any Tax, fee, charge or royalty.

“**Facility**” shall have the meaning given thereto in the Recitals.

“**Fees**” means the Structuring Fee and all other fees (if any) payable by a Credit Party under this Agreement.

“**Financial Assistance**” has the meaning specified in Section 8.2(i).

“**Financial Instrument Obligations**” means, with respect to any Person, obligations arising under:

- (a) any interest rate swap agreement, forward rate agreement, floor, cap or collar agreement, future or option, insurance or other similar agreement or arrangement, or any combination thereof, entered into or guaranteed by the Person where the subject matter thereof is interest rates or the price, value or amount payable thereunder is dependent or based upon interest rates or fluctuations in interest rates in effect from time to time (but excluding non-speculative conventional floating rate indebtedness);
- (b) any currency swap agreement, cross-currency agreement, forward agreement, floor, cap or collar agreement, future or option, insurance or other similar agreement or arrangement, or any combination thereof, entered into or guaranteed by the Person where the subject matter thereof is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates in effect from time to time; or
- (c) any agreement for the making or taking of any commodity, swap agreement, floor, cap or collar agreement or commodity future or option or other similar agreement or arrangement, or any combination thereof, entered into or guaranteed by the Person where the subject matter thereof is any commodity or the price, value or amount payable thereunder is dependent or based upon the price or fluctuations in the price of any commodity;

or any other similar transaction, including any option to enter into any of the foregoing, or any combination of the foregoing, in each case to the extent of the net amount due or accruing due by the Person under the obligations determined by marking the obligations to market in accordance with their terms.

“**Financial Quarter**” means a period of three consecutive months in each Financial Year ending on January 31, April 30, July 31, October 31, as the case may be, of such year.

“**Financial Year**” means, in relation to the Borrower, its financial year commencing on November 1 of each calendar year and ending on October 31 of the following year.

“**First Interest Repayment Date**” means the last Business Day of the sixth month following the Effective Date.

“**Full Prepayment Amount**” means, as at any date of determination, the aggregate of (i) the Monthly Repayment Figure listed on Exhibit B (or any revised Exhibit B delivered or to be delivered by the Borrower to the Lender in accordance with Section 4.1 or Section 4.3), for the month in which such determination is being made and (ii) all subsequent Monthly Repayment Figures.

By way of example, if the total Commitment Amount is advanced hereunder and the prepayment is to occur in the 22nd month following the Effective Date, the Full Prepayment Amount would be $(708,333 + 708,333 + 708,333) = 2,124,999$

“**Gold**” means gold of a purity of at least 0.999 fine, and otherwise of grade and quality conforming to the stated requirements for good delivery by the London Bullion Market Association.

“**Governmental Entity**” means (i) any multinational, national, federal, provincial, state, territorial, municipal, local, tribal, aboriginal, native or other government, governmental or public department, central bank, court, commission, board, bureau, agency, instrumentality or regulatory authority, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, judicial, expropriation or taxing authority under or for the account of any of the above (including the TSX).

“**Guarantees**” means the guarantee by a Guarantor in favour of the Lender to be delivered in connection with this Agreement and/or any other Credit Document or any of the transactions contemplated herein or therein, together with all amendments, modifications, supplements, extensions and restatements thereof in accordance with its terms.

“**Guarantor**” means each of Mystery Creek Resources, Inc., Fire River Gold Corp., USA and any other Person which becomes a Guarantor in accordance with Section 8.1(w).

“**Hazardous Material**” means any substance or mixture of substances, or any pollutant or Contaminant, toxic or dangerous waste or hazardous material, as defined or listed in, or otherwise classified pursuant to, or give rise to liability under, any Environmental Law or applicable regulations, including any “hazardous substance”, “hazardous material”, “hazardous waste”, “toxic substance”, “contaminant”, “pollutant” or any other similar formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosiveness, reactivity, carcinogenicity, toxicity or dangerousness.

“**Hedging Agreement**” means (i) any currency exchange or interest rate swap agreement, currency exchange or interest rate cap agreement or currency exchange or interest rate collar agreements between any Credit Party and any other Person and (ii) all net forward sale, put/call options, spot deferred sale or other similar arrangement or agreement relating to the sale or purchase of any commodity.

“**IFRS**” means the International Financial Reporting Standards, which are the accounting standards and interpretations adopted by the International Accounting Standards Board, consistently applied.

“**Indemnified Person**” has the meaning specified in Section 10.5(a).

“**Instrument**” means any contract, agreement, undertaking, indenture, mortgage, certificate, document or writing (whether formal agreement, letter or otherwise) under which any obligation, duty, covenant, agreement, affirmation, undertaking or liability is evidenced, assumed or undertaken, or any right or Lien (or right or interest therein) is granted, authenticated, notarized, authorized or perfected, and any notice, registration, recordation or filing associated with or required by any of the foregoing.

“**Insurance Proceeds**” means the proceeds of any insurance claim under any insurance policy maintained by any Credit Party.

“**Interest Payment Amount**” means, in relation to any Interest Payment Date, an amount calculated by the Lender equal to interest on the Loan with respect to the period ending on such Interest Payment Date at a rate of interest per annum equal to the Interest Rate and a year of 365 days, provided that the Interest Payment Amount for the period ending on the First Interest Repayment

Date shall be calculated for the period commencing on the day on which the first Advance is made and ending on the First Interest Repayment Date.

“Interest Payment Date” means each of, (i) the First Interest Repayment Date for the period commencing on the date of the first Advance and ending on the First Interest Repayment Date, (ii) the last Business Day of each calendar month (and for each such Interest Payment Date, for the period, commencing from the preceding Interest Payment Date and ending on such Interest Payment Date), for the period following the First Interest Repayment Date and ending on the Maturity Date, (iii) the Maturity Date, for the period following the last Interest Payment Date and ending on the Maturity Date, without duplication and (iii) any date on which the Borrower makes a voluntary or mandatory prepayment of the Loan, for the period following the last Interest Payment Date and ending on the day of such prepayment.

“Interest Rate” means five percent (5.00%) per annum.

“Leased Properties” means, collectively, the real properties forming the subject matter of the Leases.

“Leases” means the leases, subleases, rights to occupy and licences of real property or Buildings and Fixtures, to which any Credit Party is a party (i) at the date of this Agreement, as listed and described in Schedule 1.1(c), or (ii) after the date of this Agreement.

“Lender” means Waterton Global Value, L.P., together with its successors and assigns.

“Lender’s Counsel” means Heenan Blaikie LLP and, at any time, any other legal counsel retained by the Lender.

“Lender’s Gold Account” shall mean the account of the Lender at Johnson Matthey Account #573, or with such other institution or such other account as designated by the Lender in writing from time to time.

“Lien” means any mortgage, deed of trust, lien, pledge, charge, security interest, hypothecation, indenture, preferential right, assignment, option, claim, royalty, production payment, burden on production or other lien, encumbrance or collateral security Instrument in, on or to, or any right or interest, or the title of any vendor, lessor, lender or other secured party to, or interest or title of any other Person under any conditional sale or other title retention agreement or capital lease with respect to, any property or asset owned or held by a Person, any mortgage, deed of trust, pledge, charge, security agreement, hypothecation, indenture, assignment or similar instrument, or the filing of a financing statement, personal property security act filing or other similar Instrument, which names such Person as debtor, or any security agreement or other similar Instrument authorizing any other party as the secured party thereunder to file any financing statement, personal property security act filing or other similar Instrument or any other arrangement, encumbrance or condition that in substance secures payment or performance of an obligation.

“Loan” means the aggregate principal amount advanced and owing, at any time, under the Facility at such time.

“Mandatory Prepayment Amount” has the meaning specified in Section 4.1.

“Material Adverse Effect” means, when used with reference to any event or circumstance, any event or circumstance which has, had, or could have, a material adverse effect (or a series of adverse effects, none of which is material in and of itself but which cumulatively could result in a material

adverse effect) on (i) any of the Mining Properties, (ii) the business, operations, results of operations, prospects, assets, performance, liabilities or the condition (financial or otherwise) of any Credit Party, (iii) any of the rights or remedies of the Lender or (iv) the ability of any Credit Party to perform its obligations under any of the Credit Documents.

“**Material Contracts**” means, collectively, the agreements set out in Schedule 1.1(d) and any other agreement to which any Credit Party is a party and which is deemed material by the Lender to any of the Affairs of any Credit Party or the operation of the Mining Properties.

“**Maturity Date**” means the Stated Maturity Date, or if the Loan has been accelerated, the date on which the Lender demands repayment of the Loan.

“**Mill**” means that certain structure or building for the crushing, grinding, treatment, processing and concentration of ores, minerals and other materials prior to its shipment to a smelter or refinery, commonly known as a mill or ball mill, which is located on the Nixon Fork Mine, together with all related and associated fixtures, improvements and equipment, and all additions, repairs, renovations, upgrades, constructions, replacements, and new facilities, in whole or in part, whether now or hereafter existing.

“**Mining Properties**” and each individually, a “**Mining Property**”, includes the Nixon Fork Mine and all surface, subsurface and mineral rights, and all surface, subsurface and mineral leases, concessions, licenses, claims, rights, titles or interests owned, leased, held or controlled by a Credit Party, and all related, associated or appurtenant rights, in each case, howsoever characterized or designated, that are owned, leased, held, or controlled, directly or indirectly, by a Credit Party, with such rights, titles and interests described in Schedule 1.1(e).

“**Monthly Repayment Figure**” means, the amount for each month during the applicable Repayment Period set out opposite such month in the column entitled “Monthly Repayment Figure” as set out in Exhibit B (or any revised Exhibit B delivered or to be delivered by the Borrower to the Lender in accordance with Section 4.1 or Section 4.3).

“**Monthly Repayment Ounces**” means, in relation to any Repayment Date, the ounces of Gold equal to the quotient of: (i) the Monthly Repayment Figure for the month to which such Repayment Date relates divided by (ii) the product of: the Spot Price for such Repayment Date multiplied by 0.78.

By way of example, assuming the Spot Price is \$1,500 and the total Commitment Amount is advanced hereunder, the Monthly Repayment Ounces owing to the Lender on the Repayment Date occurring on the 11th calendar month following the Effective Date pursuant to Section 3.1 would be 605.41 ounces of Gold, as demonstrated by the following example calculation:

$$\frac{[(708,333)]}{[(\$1,500 \times 0.78)]} = 605.41 \text{ ounces of Gold}$$

“**Mystery Creek Mining Lease**” means the lease dated February 4, 2003, provided by Margaret L. Mespelt, Theodore J. Almasy and Mespelt & Almasy Mining Company, LLC, in favour of Mystery Creek Resources, Inc.

“**Nixon Fork DOT**” means the deed of trust given by the Borrower for the benefit of the Lender relating to the Nixon Fork Mine, substantially in the form of Schedule 1.1(c) hereto, together with all amendments, modifications, supplements, extensions and restatements thereof in accordance with its terms.

“**Nixon Fork Mine**” means the mining project as further described in Exhibit A hereto.

“**Obligations**” means all duties, covenants, agreements, liabilities, indebtedness and obligations of each of the Credit Parties with respect to the repayment, payment or performance of all indebtedness, liabilities and obligations (monetary or otherwise) of each of the Credit Parties, whenever arising, whether primary, secondary, direct, contingent, fixed or otherwise and whether joint, several, or joint and several, established by or arising under or in connection with this Agreement and each other Credit Document, including, in each case, the payment of principal, interest, fees, expenses, reimbursements and indemnification obligations.

“**Original Currency**” has the meaning specified in Section 10.10(a).

“**Other Currency**” has the meaning specified in Section 10.10(a).

“**Other Taxes**” has the meaning specified in Section 10.7(b).

“**Owned Properties**” means, collectively, (i) the Mining Properties and (ii) after the date of this Agreement, the additional lands and premises which are owned by any of the Credit Parties.

“**Partial Prepayment Amount**” has the meaning specified in Section 4.3(c).

“**Pension Plan**” means any plan or arrangement, whether funded or unfunded, registered or not registered, that provides defined benefit pensions or term-certain annuities in respect of any employees, former employees or retirees of any Credit Party.

“**Performance Bond**” means the performance bond required by the Bureau of Land Management with respect to the Nixon Fork Mine, in the amount of \$6,033,000, which is required to be held in trust for the purpose of funding the eventual reclamation costs of the Nixon Fork Mine.

“**Permitted Debt**” means, in respect of any Person, the following:

- (a) Debt under any of the Credit Documents;
- (b) unsecured account trade payables incurred in the ordinary course of business provided; (i) such trade payables are not secured by any Lien; (ii) payment thereof is not more than 90 days overdue, unless such trade payable obligation is being contested in good faith and by appropriate proceedings; and (iii) the aggregate amount of all such Debt shall not exceed \$2,000,000; and
- (c) purchase money financing for mining equipment used solely to further develop the Nixon Fork Mine in an amount not to exceed \$1,500,000 in the aggregate; and provided further that at least \$600,000 of the foregoing \$1,500,000 amount shall be used to acquire Caterpillar Model 3512C Packaged Diesel Electric Set rated 1476.

“**Permitted Liens**” means, in respect of any Credit Party, any one or more of the following:

- (a) Liens for taxes, assessments or governmental charges or levies if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and where adequate reserves (segregated to the extent required by IFRS), satisfactory to the Lender, have been

established in accordance with IFRS and so long as such Liens could not have a Material Adverse Effect;

- (b) Liens outstanding on the date hereof and described in Schedule 1.1(g);
- (c) Liens imposed by law, such as carriers, warehousemen and mechanics' liens and other similar liens arising in the ordinary course of business associated with amounts not yet due and payable, provided that such Liens are not registered against title to any assets of such Credit Party and in respect of which adequate holdbacks are being maintained as required by Applicable Law or such Liens are being contested in good faith by appropriate proceedings and in respect of which there has been set aside a reserve (segregated to the extent required by IFRS), in an amount satisfactory to the Lender, and provided further that such Liens could not have a Material Adverse Effect;
- (d) Liens of purchase money mortgages and other security interests on equipment acquired, leased or held by such Credit Party in the ordinary course of business to secure the purchase price of or rental payments with respect to such equipment or to secure indebtedness incurred solely for the purpose of financing the acquisition (including the acquisition as lessee under leveraged leases), construction or improvement of any such equipment to be subject to such mortgages or security interests, or mortgages or other security interests existing on any such equipment at the time of such acquisition, or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount, provided that no such mortgage or other security interest shall extend to or cover any equipment other than the equipment being acquired, constructed or improved, and no such extension, renewal or replacement shall extend to or cover any property not theretofore subject to the mortgage or security interest being extended, renewed or replaced;
- (e) Liens in favour of the Lender arising under the Security Documents; and
- (f) in the case of real property, any matters, restrictions, covenants, conditions, limitations, rights, rights of way, easements, encroachments, reservations, easements, agreements and other matters of record, such state of facts of which an accurate survey of the property would reveal, which in the aggregate, are not material in amount and which do not, in the aggregate materially detract from the value of such real property or materially interfere with the ordinary conduct of such Credit Party's business.

“**Person**” means a natural person, partnership, limited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

“**Plan**” means at a particular time, any employee benefit plan that is covered by ERISA and in respect of which a Credit Party is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“**Prepayment Notice**” has the meaning specified in Section 4.3(a).

“**Prior Day Price**” means:

- (a) in relation to any Repayment Date, the settlement per ounce spot price of Gold on the London Bullion Market Association, PM Fix (Bloomberg: GoldLNPM Index) on the trading day immediately preceding such Repayment Date; and
- (b) in relation to any other payment date (which is not a Repayment Date), the settlement per ounce spot price of Gold on the London Bullion Market Association, PM Fix (Bloomberg: GoldLNPM Index) on the trading day immediately preceding such payment date.

“Project Permits” means those Authorizations for the development and operation of the Mining Properties, as defined in Section 7.1(II).

“Prudent Mining Industry Practices” means those practices, standards, methods, techniques and specifications, as they may evolve, change and modify from time to time that (a) are commonly used and generally accepted in the mining industry as good, safe and prudent operational, administrative and engineering practices in connection with the design, construction, operation, maintenance, repair or use of mining projects, mining facilities, mining infrastructure, mining equipment or other components of a mining operation, (b) conform in all respects to Applicable Laws, (c) conform in all material respects to operational and maintenance guidelines and requirements suggested by applicable manufacturers, suppliers and insurance providers (taking into account the size, age, service and type of asset), and (d) are commercially reasonable based on the nature of the Mining Properties.

“Purchase Money Obligation” means, in relation to any Person, indebtedness of such Person issued, incurred or assumed to finance all or part of the cost of acquiring any asset for such Person.

“Real Property Interests” has the meaning set forth in Section 7.1(j).

“Related Party” means, in respect of any Credit Party, (a) a Person which alone or in combination with others holds a sufficient number of securities or an Equity Interest or has contractual rights sufficient to affect materially the Control of such Credit Party, (b) a Person who beneficially owns, directly or indirectly, voting securities of such Credit Party or who exercises Control or direction over voting securities of such Credit Party or a combination of both carrying more than 10% of the voting rights attached to all voting securities of such Credit Party for the time being outstanding, (c) a director or senior officer of a Credit Party or Related Party of any Credit Party, or (d) an Affiliate of any of the foregoing.

“Release” means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any Contaminant), or in, into or out of any vessel or facility, including the movement of any substance through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise.

“Relevant Jurisdiction” means, from time to time, any jurisdiction in which a Credit Party has property or assets, or in which it carries on business including each of the jurisdictions in which the Nixon Fork Mine is located.

“Repayment Date” means the last Business Day of each calendar month during the Repayment Period.

“**Repayment Period**” means the eighteen month period commencing with (and including) the seventh month following the date hereof.

“**Reporting Jurisdictions**” means all of the jurisdictions in Canada in which the Borrower is a “reporting issuer”, including as of the date hereof, the Provinces of British Columbia, Alberta, and Ontario.

“**Secured Assets**” means all of the assets now owned or hereafter acquired by the Borrower and/or each of the other Credit Parties and, without limitation, all personal property (including securities) and real property.

“**Security**” means, at any time, the Liens in favour of the Lender in the Secured Assets securing the Obligations.

“**Security Agreements**” means any security agreement or other Instrument by which the Lender obtains a Lien in or on any property or assets of a Credit Party to secure the Obligations (including the Nixon Fork DOT), together with all amendments, modifications, supplements, extensions and restatements thereof in accordance with its terms.

“**Security Documents**” means the Nixon Fork DOT and each of the other Security Agreements and any other security granted to the Lender by any Credit Party, as security for the payment and performance of the Obligations, in each case, with all modifications, supplements, amendments, extensions or restatements thereto or thereof in accordance with their respective terms, all schedules and exhibits attached thereto and all financing statements, personal property security act filings and other Instruments required to be filed or recorded or notices required to be given in order to authenticate and perfect the Liens created by the foregoing.

“**Silver**” means silver of a purity of at least 0.999 fine, and otherwise of grade and quality conforming to the stated requirements for good delivery by the London Bullion Market Association.

“**Spot Price**” means, in relation to any date, the lesser of (i) the average settlement per ounce spot price of Gold on the London Bullion Market Association, PM Fix (Bloomberg: GoldLNPM) for the previous thirty (30) trading days on the trading day immediately preceding such date and (ii) the Prior Day Price for such date.

“**Sprott Facility**” means the credit facility in the amount of \$7,800,000 provided by Sprott Resource Lending Partnership and/or its associates in favour of the Borrower pursuant to a credit agreement dated November 10, 2011.

“**Stated Maturity Date**” means the last Business Day of the Repayment Period.

“**Structuring Fee**” means, collectively, the structuring fees described in Section 2.1

“**Subject Properties**” means, collectively, all of the Owned Properties and Leased Properties, and each individually a “**Subject Property**”.

“**Subsidiaries**” means the subsidiaries of a Credit Party.

“**subsidiary**” means with respect to any Person (the “**parent**”) at any date, (i) any corporation, limited liability company, association or other business entity of which securities or other ownership interests representing more than 50% of the voting power of all equity interests entitled to vote in the

election of the board of directors thereof are, as of such date, held by the parent and/or one or more subsidiaries of the parent, (ii) any partnership, (x) the sole general partner or the managing general partner of which is the parent and/or one or more subsidiaries of the parent or (y) the only general partners of which are the parent and/or one or more subsidiaries of the parent and (iii) any other Person that is otherwise Controlled by the parent and/or one or more subsidiaries of the parent.

“**Taxes**” has the meaning specified in Section 10.7(a).

“**TSX**” means the TSX Venture Exchange.

“**Voting Shares**” means shares of capital stock of any class of any corporation carrying voting rights under all circumstances, provided that, for the purposes of such definition, shares which only carry the right to vote conditionally on the happening of any event shall not be considered Voting Shares, whether or not such event shall have occurred, nor shall any shares be deemed to cease to be Voting Shares solely by reason of a right to vote accruing to shares of another class or classes by reason of the happening of such event.

“**Warrants**” has the meaning specified in Section 6.1(a)(xv).

“**Waste**” means ashes, garbage and refuse and includes domestic waste, industrial waste, municipal refuse or such other wastes as are designated as such under any Environmental Law.

1.2 Other Usages.

References to “**this Agreement**”, “**the agreement**”, “**hereof**”, “**herein**”, “**hereto**” and like references refer to this Agreement and not to any particular Article, Section, Subsection, paragraph or other subdivision of this Agreement. Any references herein to any agreements or documents shall mean such agreements or documents as amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof and thereof.

1.3 Gender and Number.

Any reference in the Credit Documents to gender includes all genders and words importing the singular number only include the plural and vice versa.

1.4 Headings, etc.

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect the interpretation of this Agreement.

1.5 Currency.

All references in the Credit Documents to dollars, unless otherwise specifically indicated, are expressed in United States of America currency.

1.6 Meaning of certain terms

Any reference in this Agreement to:

- (a) a Default being “**continuing**” means that such Default has not been waived or remedied and an Event of Default being “**continuing**” means that such Event of Default has not been waived;
- (b) unless otherwise indicated, a “**Credit Document**” or any other agreement or instrument is a reference to that Credit Document or other agreement or instrument as amended, modified, novated, supplemented, extended or restated;
- (c) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (d) “**knowledge**” of any Person shall be deemed to mean such knowledge after due and diligent inquiry; and
- (e) “**repay**” (or any derivative form thereof) shall, subject to any contrary indication, be construed to include “prepay” (and, as the case may be, the corresponding derivative form thereof).

1.7 Certain Phrases, etc.

In any Credit Document (i) (x) the words “including” and “includes” mean “including (or includes) without limitation”, and does not create or denote a limitation, (y) the phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of” and (z) the word “asset” includes present and future properties, revenues and rights of every description, and (ii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”.

1.8 Accounting Terms.

All accounting terms not specifically defined in this Agreement shall be interpreted in accordance with IFRS.

1.9 Incorporation of Schedules.

The schedules and exhibits attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

1.10 Conflict.

The provisions of this Agreement prevail in the event of any conflict or inconsistency between its provisions and the provisions of any of the other Credit Documents.

1.11 Certificates.

Whenever the delivery of a certificate is a condition precedent to the taking of any action by the Lender or the occurrence of any event hereunder, the truth and accuracy of the facts and the diligent and good faith determination of the opinions stated in such certificate shall in each case be conditions precedent to have such action taken, and any certificate executed by any Credit Party shall be deemed to represent and warrant that the facts stated in such certificate are true and accurate in all respects.

ARTICLE 2 LOAN

2.1 Fees.

On the date hereof, the Borrower shall pay to the Lender a non-refundable cash structuring fee in an amount equal to two percent (2%) of the Commitment Amount.

2.2 The Facility.

Subject to the terms and conditions hereof, the Facility shall be made available by the Lender to the Borrower by way of a single cash Advance on the Effective Date.

2.3 Non Revolving.

The Facility is a non-revolving facility, and any repayment under the Facility shall not be reborrowed.

2.4 Use of Proceeds.

The Borrower shall solely use the proceeds of the Facility in the following manner:

- (a) firstly, to repay all indebtedness obligations owing by the Borrower to Sprott Resource Lending Partnership or certain of its affiliates, pursuant to the Sprott Facility;
- (b) secondly, in repayment of the Performance Bond, in an amount not exceeding \$827,624; and
- (c) thirdly, the remaining proceeds will be used for working capital purposes at the Nixon Fork Mine.

2.5 Lender's Loan Records.

The Lender shall maintain accounts and records evidencing all Advances made hereunder and all payments received hereunder, which accounts and records shall constitute, in the absence of manifest error, *prima facie* evidence thereof.

ARTICLE 3 PROCEDURE AND PAYMENTS

3.1 Payments.

- (a) On each Repayment Date, the Borrower shall either deliver the Monthly Repayment Ounces (relating to such Repayment Date) to the Lender's Gold Account; or, if requested by the Lender by way of a written notice delivered to the Borrower at least two Business Days prior to such Repayment Date, pay to the Lender the Cash Payment Amount (relating to such Repayment Date) in lieu of the Monthly Repayment Ounces.
- (b) On each Interest Payment Date, the Borrower shall pay the Lender the Interest Payment Amount relating to the period ending on such Interest Payment Date.

- (c) The Borrower shall deliver all Monthly Repayment Ounces on or before the date when due, whether on a Repayment Date or by prepayment, by the delivery of physical ounces of Gold to the Lender at the Lender's Gold Account, except as otherwise expressly provided herein; provided, that the Borrower, if requested by the Lender, shall pay to the Lender the Cash Payment Amount in Dollars in lieu of the applicable Monthly Repayment Ounces. The Borrower represents and warrants, and covenants and agrees, that all Gold delivered to the Lender as payment of any amount due hereunder shall be owned by the Borrower, with good and marketable title thereto, free and clear of all Liens and adverse claims of any nature or description, and upon delivery to the Lender's Gold Account, the Borrower shall convey and transfer to the Lender good and marketable title thereto, free and clear of all Liens and adverse claims of any nature or description. The Borrower agrees to convey and properly transfer all legal and beneficial right, interest and title in all Gold delivered to the Lender, and upon each delivery of Gold pursuant to this Agreement, all legal and beneficial right, title and interest in and to such Gold will pass irrevocably from the Borrower to the Lender free and clear of any Liens and adverse claims of any nature or description. All costs, charges or expenses associated with the production, transport, refining, conveyance, transfer and delivery of any Gold by the Borrower to the Lender shall be borne and paid by the Borrower. Until delivery of Gold has occurred in accordance with the terms hereof, all costs of transport, warehousing (including insurance), storage, customs, export and import licences and Taxes and any other related costs and expenses shall be borne by the Borrower. The Borrower will have and bear all risk of loss of, or damage to, any Gold to be delivered by the Borrower to the Lender pursuant hereto until such Gold has been deposited to the Lender's Gold Account in accordance with the terms hereof, at which time the risk of loss or damage thereto shall transfer to the Lender. The Lender shall have the right to reject any gold that does not conform to the definition of Gold, as defined herein. Any such rejected gold shall not be considered delivered by the Borrower and the payment amount associated therewith shall not be considered paid by the Borrower.

ARTICLE 4 PREPAYMENTS

4.1 Mandatory Prepayments.

The Borrower shall, and shall ensure that each Credit Party shall, prepay the Loan in cash with the following amounts (each, a "**Mandatory Prepayment Amount**") and at the following times:

- (a) the amount of all Disposal Proceeds with respect to a Disposal or series of Disposals generating Disposal Proceeds in excess of \$50,000 simultaneously upon receipt; and
- (b) the amount of all Insurance Proceeds received by or on behalf of any Credit Party, simultaneously upon receipt, other than Insurance Proceeds which the Borrower indicated to the Lender in writing, has been previously re-invested in replacement assets, and provided that such Insurance Proceeds are actually reinvested in such replacement assets within thirty days of receipt of such proceeds and such replacement assets are subject to perfected Liens with the Agreed Priority, failing which, all Advances shall immediately be prepaid in an amount equal to such Insurance Proceeds;

and together with any of the foregoing prepayments of the Loan under (a) or (b) above, the Borrower shall simultaneously pay the Lender any accrued and unpaid interest on any part of the Loan so prepaid together with all other fees, charges and costs and other amounts payable hereunder and on the day any such prepayment is made, the Loan shall be deemed repaid in an amount equal to the product of the Mandatory Prepayment Amount multiplied by 0.78 (the “**Discounted Prepayment Amount**”) and, for the purpose of determining the remaining Monthly Repayment Ounces, the remaining Monthly Repayment Figures shall be reduced by the Discounted Prepayment Amount in a manner determined by the Lender, acting reasonably and in its sole discretion. Promptly (and in any event within five Business Days) after such prepayment the Borrower shall deliver to the Lender a revised Exhibit B, showing the adjusted Monthly Repayment Figures, all in form and substance satisfactory to the Lender. Furthermore, immediately and automatically upon such Disposal Proceeds or Insurance Proceeds first arising, the Commitment Amount shall be reduced by the Mandatory Prepayment Amount.

4.2 Change of Control.

In the event that a Change of Control occurs, the Lender may, in its sole discretion, by written notice to the Borrower, require the Borrower to repay the Loan in full. If the Lender requires the Borrower to repay the Loan in full, the Borrower shall do so by paying to the Lender an amount in cash equal to the amount arrived at by (i) dividing the Full Prepayment Amount by the product of 0.78 multiplied by the Spot Price for the date the Lender requires such prepayment and (ii) multiplying the result of (i) by such Spot Price. Together with the foregoing prepayment of the Loan, the Borrower shall simultaneously pay the Lender any accrued and unpaid interest on any part of the Loan so prepaid together with all other fees, charges and costs and other amounts payable hereunder.

4.3 Voluntary Prepayments.

- (a) The Borrower may prepay the Loan (in whole or in part) at any time on five Business Days prior written notice to the Lender (each, a “**Prepayment Notice**”).
- (b) The Borrower shall make such prepayment no later than five Business Days following delivery of the Prepayment Notice, together with all other costs, fees, interest payments or charges then due.
- (c) Each Prepayment Notice shall be irrevocable and shall state whether the prepayment contemplated therein is for the full amount outstanding hereunder or for a part of the amount outstanding hereunder. In the event such prepayment is a partial prepayment, the Prepayment Notice shall stipulate the amount of such proposed prepayment (the “**Partial Prepayment Amount**”). In any case, such prepayment shall be made as follows:
 - (i) if such prepayment is of the entire outstanding amount of the Loan, the Borrower shall pay to the Lender an amount in cash equal to the amount arrived at when (i) dividing the Full Prepayment Amount by the product of 0.78 multiplied by the Spot Price for the date on which such prepayment is required to be made and (ii) multiplying the result of (i) by such Spot Price; and

- (ii) if such prepayment is a partial prepayment of the outstanding amount of the Loan, the Borrower shall pay to the Lender an amount in cash equal to the Partial Prepayment Amount;

and together with any of the foregoing prepayments of the Loan under (c)(i) or (c)(ii) above, the Borrower shall simultaneously pay the Lender any accrued and unpaid interest on any part of the Loan so prepaid together with all other fees, charges and costs and other amounts payable hereunder and on the day any Partial Prepayment Amount is paid to the Lender, the Loan shall be deemed to be repaid in an amount equal to the product of such Partial Prepayment Amount multiplied by 0.78 (the “**Discounted Partial Prepayment Amount**”) and, for the purpose of determining the remaining Monthly Repayment Ounces, the remaining Monthly Repayment Figures shall be reduced by the Discounted Partial Prepayment Amount in a manner determined by the Lender acting reasonably and in its sole discretion. Promptly and (in any event within five Business Days) after such partial prepayment, the Borrower shall deliver to the Lender a revised Exhibit B, showing the adjusted Monthly Repayment Figures, all in form and substance satisfactory to the Lender. Furthermore, immediately and automatically upon such prepayment, the Commitment Amount shall be reduced by the Partial Prepayment Amount.

ARTICLE 5 PAYMENTS UNDER THIS AGREEMENT

5.1 Payments.

- (a) The Borrower shall make any payment required to be made by it to the Lender without set-off, deduction, withholding, or counterclaim or cross-claim, by, as the case may be: (a) delivering the amount of Gold that is then due to the Lender’s Gold Account or (b) depositing the Cash Payment Amount or other amount of cash then due (including with respect to each Interest Payment Amount) with the Lender, in each case by not later than 12:00 p.m. (Toronto time) on the date the payment is due, to an account designated by the Lender.
- (b) Unless otherwise expressly provided in this Agreement, the Lender shall make Advances and other payments to the Borrower under this Agreement by crediting a Credit Party Account designated by the Borrower (or causing a Credit Party Account designated by the Borrower to be credited) with the amount of the payment not later than 3:00 p.m. (Toronto time) on the date the payment is to be made.
- (c) Any prepayment under this Agreement shall be made together with payment of all interest and fees then due and payable and any and all other amounts which may then be due and payable under any other provision hereof.
- (d) The Lender and the Borrower acknowledge and agree that the payment of all amounts and costs payable hereunder and any further consideration to the Lender is a fair payment based on the business terms of this transaction. Notwithstanding the foregoing, if any provision of this Agreement or any agreement related hereto (including any other Credit Document) would obligate any Credit Party to make any payment of interest or other amount payable to the Lender in an amount or calculated at a rate which would be illegal under Applicable Laws, or would result in a receipt by the Lender of interest at a criminal rate (as such terms are interpreted under the

Criminal Code (Canada)) then, notwithstanding such provision, such amount or rate shall be adjusted to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Applicable Laws or so result in a receipt by the Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: (1) firstly, by reducing the amount or rate of interest required to be paid to the Lender and (2) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to the Lender which would constitute “interest” for purposes of Section 347 of the *Criminal Code* (Canada).

- (e) Whenever any payment or delivery to be made hereunder shall be stated to be due on a day that is not a Business Day, the payment shall be made on the preceding Business Day.

5.2 Computations of Interest and Fees.

All computations of interest and fees shall be made by the Lender on the basis of a year of 365 days taking into account the actual number of days (including the first day and the last day) occurring in the period for which the fees are payable.

ARTICLE 6 CONDITIONS OF LENDING

6.1 Conditions Precedent to Advance.

- (a) The obligation of the Lender to make the Advance hereunder is subject to the following conditions precedent being satisfied, fulfilled or otherwise met to the satisfaction of the Lender at the time such Advance is made:
 - (i) the representations and warranties made by the Credit Parties in the Credit Documents or which are contained in any certificate furnished at any time under or in connection herewith, or therewith, shall be true and correct on and as of the date of such Advance as if made on and as of such date, except for representations and warranties expressly stated to relate to a specific earlier date;
 - (ii) no Default or Event of Default shall have occurred and be continuing on such date or after giving effect to such Advance and the Lender has received a certificate of a senior financial officer of the Borrower so certifying to the Lender;
 - (iii) immediately after giving effect to the making of any such Advance (and the application of the proceeds thereof), the aggregate sum of the Advances shall not exceed the Commitment Amount;
 - (iv) there shall not exist any litigation, investigation, bankruptcy or insolvency, injunction, order or claim affecting or relating to any Credit Party or any of its Subsidiaries, or any Mining Property, which has had or could be expected to have, a Material Adverse Effect, or which could be expected to affect the legality, validity or enforceability of this Agreement or any other Credit Document, that has not been settled, dismissed, vacated, discharged or terminated;

- (v) no Material Adverse Effect shall have occurred and the Lender has not become aware of any facts which, in the Lender's opinion, could have a Material Adverse Effect;
- (vi) each of the Security Documents has been duly executed and delivered by each party thereto and is in full force and effect enforceable against the Credit Parties, as applicable, in accordance with its respective terms;
- (vii) delivery of all discharges, subordination agreements, waivers and confirmations as may be required by the Lender and notified to the Borrower in advance of the Effective Date;
- (viii) delivery of an irrevocable direction to pay with respect to the Advance;
- (ix) all fees (including the Structuring Fee owing under Section 2.1) and all other costs and expenses and other amounts then payable under any of the Credit Documents have been paid in full;
- (x) delivery of evidence that (i) the Lender is first loss payee and additional insured under the insurance policies of each of the Credit Parties in respect of the Nixon Fork Mine and (ii) such insurance policies are in compliance with Section 8.1(o);
- (xi) delivery of a solvency certificate from the chief financial officer or the chief executive officer of the Borrower in the form of Exhibit D, certifying that none of the Credit Parties (i) is legally prohibited or restricted from entering into and performing its obligations under the Credit Documents to which it is a party, (ii) is unable to pay its debts as they become due in the ordinary course of business, (iii) will be rendered insolvent by virtue of any Advance to be made hereunder, (iv) will be left with an unreasonably small amount of capital or (v) has incurred Debt which cannot be satisfied on a timely basis;
- (xii) delivery of a certificate of an officer of the Borrower certifying that all necessary Authorizations relating to the development and operation of the Mining Properties have been obtained and none have been rescinded, cancelled or otherwise terminated in any respect;
- (xiii) evidence satisfactory to the Lender confirming the validity of the Security Documents and their application to the Loan and the Obligations as well as the validity and perfection of the Liens granted by such Security Documents with the Agreed Priority;
- (xiv) all conditions set forth in Section 2.4 and this Section 6.1 shall have been, and shall remain, satisfied to the satisfaction of the Lender in its sole discretion;
- (xv) the Borrower shall have issued to the Lender 8,250,000 warrants all on terms and conditions satisfactory to the Lender, and for certainty, said warrants will be exercisable at an exercise price equal to \$0.23575 and will have a term of three years (collectively, the "Warrants");

- (xvi) the Borrower shall have received all regulatory approvals from the Exchange and any other necessary Authorization with respect to the issuance of the Warrants;
- (xvii) a gold and silver supply agreement (the “**Gold and Silver Supply Agreement**”) (in form and substance satisfactory to the Lender) between, *inter alia*, the Borrower, Mystery Creek Resources, Inc. and the Lender, permitting the Lender at its option, to purchase all of the Gold and Silver (other than any Gold and Silver recovered as floatation concentrate) produced by the Borrower at the Nixon Fork Mine, shall have been fully executed and delivered to the Lender by the Borrower and each of the other Credit Parties as necessary;
- (xviii) an estoppel from the legal and beneficial owners of the Nixon Fork Mine confirming the status and granting certain rights under the Mystery Creek Mining Lease;
- (xix) receipt by the Lender of the following documents, each in full force and effect, and in form and substance satisfactory to the Lender:
 - (A) all data, reports, maps, surveys, financial statements, Instruments and other information requested by the Lender for its due diligence, including searches of all Lien filings, registrations and records deemed necessary by the Lender, and copies of any documents, filings and Instruments on file in such jurisdictions, shall have been provided, and the Lender shall have completed its technical, legal, financial, permitting, environmental and other due diligence investigation of the Credit Parties and the Mining Properties in scope, and with results, satisfactory to the Lender;
 - (B) executed copies of the Credit Documents, including this Agreement and the Security Documents, together with any filings or other Instruments for filing or registration or notarization thereof, notices with respect thereto or other Instruments determined by the Lender to be necessary or desirable to establish and perfect the Liens established pursuant to the Security Documents;
 - (C) certificates of status or other similar type of evidence for the Borrower from all Relevant Jurisdictions;
 - (D) certified copies of the Constatting Documents of each of the Credit Parties;
 - (E) certified copies of all Material Contracts;
 - (F) a certified copy of the directors’ resolutions of each of the Credit Parties with respect to the authorization, execution and delivery of the Credit Documents, to which each is a party, being delivered in connection herewith;

- (G) a certificate of an officer of the Borrower certifying the names and the true signatures of the officers authorized to sign the Credit Documents;
 - (H) satisfactory searches of all mineral rights and other interests of the Borrower in respect of the Mining Properties;
 - (I) opinions of the counsel to each of the Credit Parties relating to, among other things, the subsistence of each of the Credit Parties, the due authorization, execution, delivery and enforceability of the Credit Documents and the creation, perfection and registration of the Liens under the Security Documents;
 - (J) releases, discharges and postponements (in registrable form where appropriate) covering Liens affecting any of the Secured Assets which are not Permitted Liens, if any;
 - (K) a title opinion of the Borrower's counsel with respect to the Nixon Fork Mine, dated the Effective Date or such other date as the Lender may require and addressed to the Lender in form and substance reasonably acceptable to the Lender;
 - (L) accurate and complete copies of the most recent financial statements of the Credit Parties;
 - (M) all regulatory approvals to the transactions contemplated within each of the Credit Documents; and
 - (N) such other documents, certificates, opinions and agreements which the Lender may reasonably request;
- (xx) the Lender shall have completed and be satisfied with its financial, business, environmental, tax and other due diligence review of each of the Credit Parties, including, without limitation, its review of feasibility studies, mine plans, budgets, pro forma financial statements and all Material Contracts and other documents in respect of the Nixon Fork Mine;
 - (xxi) all Authorizations of Governmental Entities, the shareholders of the Borrower and/or other Persons required in connection with this Agreement and the other Credit Documents shall have been obtained and remain in effect;
 - (xxii) payout and release letter satisfactory to the Lender in respect of outstanding indebtedness owing by the Credit Parties under the Sprott Facility have been delivered to the Lender providing for the termination of such credit facilities and the release and discharge of all security therefore;
 - (xxiii) each Credit Party has performed and complied with all agreements and conditions herein and in the other Credit Documents required to be performed and complied with on or prior to the date of the proposed Advance, except those agreements and conditions waived by the Lender; and

- (xxiv) evidence that all Liens created pursuant to the Security Documents have been duly perfected and registered in all Relevant Jurisdictions and any other relevant jurisdiction as required by the Lender and the Lender's Counsel.

6.2 Waiver.

The conditions in Section 6.1 are inserted for the sole benefit of the Lender and may be waived by the Lender, in whole or in part, with or without conditions, as the Lender may determine in its sole and absolute discretion.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties.

Each of the Credit Parties, for itself and on behalf of each of its Subsidiaries, hereby represents and warrants to the Lender, acknowledging and confirming that the Lender is relying on such representations and warranties without independent inquiry in entering into this Agreement and advancing any Advance that:

- (a) **Incorporation and Qualification.** The Borrower is a corporation duly incorporated, organized and validly existing pursuant to the laws of the Province of British Columbia. Each other Credit Party is a corporation duly incorporated, organized and validly existing under the laws of its jurisdiction of incorporation as set forth in Schedule 7.1(a). Each of the Credit Parties is qualified, licensed or registered to carry on business under the Applicable Laws in all jurisdictions in which such qualification, licensing or registration is necessary.
- (b) **Corporate Power.** Each of the Credit Parties has all requisite corporate power and authority to (i) own, lease and operate its properties and assets (including the Mining Properties) and to carry on its business as now being conducted by it and (ii) enter into and perform its obligations under the Credit Documents to which it is a party.
- (c) **Conflict with Other Instruments.** The execution and delivery by the Credit Parties and the performance of its obligations under, and compliance with the terms, conditions and provisions of, the Credit Documents to which they are a party, will not (i) conflict with or result in a breach of any of the terms or conditions of (w) its Constatng Documents, (x) any Applicable Law, (y) any Instrument or contractual restriction binding on or affecting it or its properties, or (z) any judgment, injunction, determination or award which is binding on it or (ii) result in, require or permit (x) the imposition of any Lien in, on or with respect to any of its assets or properties (except in favour of the Lender), (y) the acceleration or the maturity of any Debt binding on or affecting any Credit Party or (z) any third party to terminate or acquire material rights under any Material Contract.
- (d) **Corporate Action, Governmental Approvals, etc.** The execution and delivery of each of the Credit Documents by each Credit Party and the performance by each Credit Party of its obligations under the Credit Documents, have been duly authorized by all necessary corporate action including, without limitation, the obtaining of all necessary shareholder consents. No authorization, consent, approval, registration, qualification, designation, declaration or filing with any Governmental

Entity or other Person is or was necessary in connection with the execution, delivery and performance of the obligations under the Credit Documents except as are in full force and effect, unamended, at the date of this Agreement.

- (e) **Execution and Binding Obligation.** This Agreement and the other Credit Documents have been duly executed and delivered by each of the Credit Parties which is a party thereto and constitute legal, valid and binding obligations of such Credit Party enforceable against it in accordance with their respective terms, subject only to any limitation under Applicable Laws relating to (i) bankruptcy, insolvency, arrangement or creditors' rights generally and (ii) the discretion that a court may exercise in the granting of equitable remedies.
- (f) **No Default or Event of Default.** No Default or Event of Default has occurred which is continuing.
- (g) **All Authorizations Obtained and Registrations Made.** The Security Documents are effective to create in favour of the Lender, legal, valid and perfected Liens in the Agreed Priority in the Collateral and the proceeds thereof enforceable against third parties and any trustee in bankruptcy and/or any other similar official. All Authorizations and registrations necessary or of advantage to permit each Credit Party to (i) execute, deliver and perform each Credit Document to which it is a party, (ii) create senior first priority perfected Liens (enforceable against third parties and any trustee in bankruptcy and/or any other similar official) in the Collateral and the proceeds thereof, subject only to Permitted Liens, (iii) consummate the transactions contemplated by the Credit Documents, (iv) own its undertaking, property and assets and (v) carry on its business (including Authorizations and registrations necessary or of advantage to permit the Credit Parties to carry on the Business), have been obtained or effected and are in full force and effect. Each Credit Party is in compliance with the requirements of all such Authorizations and registrations and there are no investigations or proceedings existing, pending or, to the knowledge of any of the Credit Parties, threatened which could result in the revocation, cancellation, suspension or any adverse modification of any of such Authorizations or registrations. The Security Documents constitute a fully perfected security interest or fixed charge on all right, title and interest of each Credit Party in the assets and/or property described therein as security for the obligations specified therein in each case prior and superior in right to any other Person, with the Agreed Priority, other than Permitted Liens.
- (h) **Compliance with Contracts.** The Credit Parties are in compliance with, and have at all times complied with, each of the contractual obligations (including those under each Material Contract) owing by each of them to its customers, suppliers and other Persons. No contract or other Instrument to which a Credit Party is a party is in default nor has any counterparty thereto claimed or asserted a default or breach thereof.
- (i) **Material Contracts.** Each Material Contract has been duly executed and delivered by each Credit Party and each other Person party thereto and constitutes a legal, valid and binding obligation of such Credit Party and the counterparty thereto enforceable against it in accordance with its respective terms, subject only to any limitation under Applicable Law relating to (i) bankruptcy, insolvency, arrangement or creditors' rights generally and (ii) the discretion that a court may exercise in the granting of

equitable remedies. Each Material Contract is in full force and effect and no default on the part of any party thereto has occurred thereunder. All Authorizations necessary to permit each party to perform its obligations under each Material Contract and consummate the transactions contemplated thereby are and will continue to be in full force and effect and there are no investigations or proceedings existing, pending or threatened which could result in the revocation, cancellation, suspension or adverse modification of any such Authorization.

(j) **Title; Liens.**

- (i) Schedule 7.1(j) accurately and completely sets forth and describes all real property owned, held or controlled by the Credit Parties, including all fee interests, patented mining claims, unpatented mining claims, unpatented millsite claims and other real property interests;
- (ii) Each of the Credit Parties has good and marketable title to all fee lands, and patented mining claims set forth in Schedule 7.1(j), which title is, subject to Permitted Liens, superior and paramount to any Liens, adverse claim or right of title which may be asserted;
- (iii) With respect to the unpatented mining claims and unpatented millsite claims listed on the attached Schedule 7.1(j): (A) each of the Credit Parties is in possession thereof, free and clear of all Liens, claims, encumbrances or other burdens on production, other than Permitted Liens, subject only to the paramount title of: (x) the United States as to any unpatented federal mining claims and millsite claims located on federal lands and the rights of third parties to the lands within such unpatented mining claims pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955, (y) the State of Alaska as to any unpatented state mining claims, or federal claims that have been converted to state claims, located on State of Alaska lands, and the rights of third parties to lands within such unpatented mining claims pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955, and surface interests, if any, created by the State of Alaska, and (z) Doyon, Ltd. (“**Doyon**”), to any unpatented federal mining claims and millsite claims and the rights of third parties to the lands within such unpatented mining claims pursuant to the Multiple Mineral Development Act of 1954 and the Surface Resources and Multiple Use Act of 1955, to the extent lands subject to such rights were conveyed to Doyon pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. § 1601 et seq.; (B) all such claims were located, staked, filed and recorded on available public domain land, or State of Alaska land, in compliance with all Applicable Laws; (C) all assessment work required for the claims by the federal government, the State of Alaska, and Doyon (if any) have been performed and all filings and recordings of proof of performance and notices of intent to hold required for the claims by the federal government, the State of Alaska, and Doyon (if any) have been made properly and all applicable annual unpatented mining claim maintenance and rental or other fees have been paid properly and timely; (D) claim rental and maintenance fees required to be paid under Applicable Law in lieu of the performance of assessment work, in order to maintain the claims commencing with the assessment year ending on September 1, 1993

and through the assessment year ending on September 1, 2012, have been timely and properly paid, and affidavits or other notices evidencing such payments and required under Applicable Laws have been timely and properly filed and recorded; (E) all filings with the Bureau of Land Management (State of Alaska) with respect to such claims which are required under the Federal Land Policy and Management Act of 1976 have been timely and properly made; and (F) there are no actions or administrative or other proceedings pending or, to the best of each Credit Party's knowledge, threatened in writing against or affecting any of the claims. In addition, with respect to each of the unpatented mining claims listed on Schedule 7.1(j), each Credit Party represents that such unpatented mining claims have been relocated or remonumented as necessary, and that evidence of such relocation or remonumentation has been timely and properly recorded, all in compliance with all Applicable Laws;

- (iv) As to the patented mining claims listed on Schedule 7.1(j): (A) each of the Credit Parties owns such claims free and clear of all Liens, claims, encumbrances, royalties or other burdens on production, except for Permitted Liens; (B) except as specified in Schedule 7.1(j), each of the Credit Parties is in exclusive possession of those claims; and (C) there are no actions or administrative or other proceedings pending or, to each Credit Party's knowledge, threatened in writing against those claims;
 - (v) Each Credit Party, and each Subsidiary thereof, has good and marketable title to its owned real property and has valid and effective rights to its leased property, free and clear of Liens, except for Permitted Liens;
 - (vi) All taxes, charges, rates, levies and assessments that, if unpaid, would create a Lien or charge on any Mining Property or any portion thereof, have been paid in full and will be paid in full subject to Section 8.1(k);
 - (vii) All contractors, subcontractors, agents and other Persons providing services, materials or labour on or for the benefit of any Mining Property have been paid in a timely manner for all work performed or services, goods or labour provided, on or with respect thereto; and
 - (viii) The Security Documents create, or upon their execution and delivery they will create, valid and effective Liens in and on the Collateral purported to be covered thereby, which Liens are currently (or will be upon the filing of appropriate Instruments with appropriate Governmental Authorities) perfected Liens with the Agreed Priority.
- (k) **Ownership of Subject Properties.** None of the Borrower or any of the other Credit Parties (i) owns any real property other than the Owned Properties, (ii) is bound by any agreement to own or lease any real property other than the Leases or (iii) has leased any of its Mining Properties.
- (l) **Leased Properties.** Each Lease is in good standing and all amounts owing under each Lease have been paid by each Credit Party, as applicable.

- (m) **Work Orders.** There are no outstanding work orders, enforcement orders, compliance orders or other similar notices or requirements by or from a Governmental Entity relating to any of the Subject Properties, nor does any of the Credit Parties have notice of any possible impending or future work order, enforcement order, compliance order or other similar notice or requirement.
- (n) **Expropriation.** No part of any of the Subject Properties or the Buildings and Fixtures located on the Subject Properties has been subject to an Expropriation Event, no written notice or proceeding in respect of an Expropriation Event has been given or commenced, nor is any Credit Party aware of any intent or proposal to give any such notice or commence any proceedings.
- (o) **Encroachments.** The Buildings and Fixtures located at each of the Subject Properties are located entirely within such Subject Property and are in conformity with all Applicable Laws, including zoning, building, and set-back codes and coverage requirements. There are no encroachments upon any of the Subject Properties.
- (p) **Compliance with Laws.** Each Credit Party is in compliance in all respects with all Applicable Laws. Each of the Subject Properties has been used, explored and operated by the Credit Parties in compliance in all respects with all Applicable Laws.
- (q) **No Default.** None of the Credit Parties is in violation of any of its Constatng Documents or any shareholders', partnership, joint venture or similar agreement applicable to it.
- (r) **No Material Adverse Agreements.** None of the Credit Parties is a party to any agreement or instrument or subject to any restriction (including any restriction set forth in its Constatng Documents or any shareholders', partnership, joint venture or similar agreement applicable to it) which has, had or, to the best of its knowledge, may have, a Material Adverse Effect.
- (s) **Environmental Compliance.**
 - (i) Other than as set out in Schedule 7.1(s), the Mining Properties have been owned, developed, operated, leased, reclaimed and utilized in compliance with all Applicable Laws, including Environmental Laws.
 - (ii) Other than as set out in Schedule 7.1(s), there are no outstanding or pending consent decrees, clean-up orders, mitigation orders, compliance orders, remediation orders or other orders, decrees, judgments or other administrative or judicial requirements outstanding under any Environmental Law with respect to any Mining Property.
 - (iii) Other than as set out in Schedule 7.1(s), no Credit Party or any Subsidiary thereof has received any written or actual notice of any violation, alleged violation, non-compliance, investigation, liability or potential liability or request for information, with respect to Environmental Law, Hazardous Material or other environmental matter with regard to any Mining Property, nor does any Credit Party have knowledge or reason to believe that any such notice will be received or is being threatened.

- (iv) Other than as set out in Schedule 7.1(s), with respect to the Mining Properties, there have been no past, and there are no pending or threatened, lawsuits, claims, complaints, injunctions, or any other governmental or judicial actions or proceedings with respect to any alleged violation of any Applicable Laws, including Environmental Laws, or any Release or alleged Release of any Hazardous Material.
- (t) **Pension Plans.** None of the Credit Parties maintains any Pension Plan. No Credit Party has incurred any liability pursuant to Title I or IV of ERISA or Chapter 42 of the Code, and no event, transaction or condition has occurred or exists that could reasonably be expected to result in the incurrence of any such liability by any Credit Party, or in the imposition of any Lien on any of the rights, properties or assets of a Credit Party in either case pursuant to Title I or IV of ERISA or Chapter 43 or Section 401(a)(29) or 412 of the Code.
- (u) **Labour Matters.** There are no existing or threatened strikes, lock outs or other disputes relating to any collective bargaining agreement to which any Credit Party is a party. No Credit Party is subject to, or party to, a collective bargaining agreement with respect to any employees.
- (v) **Books and Records.** All books and records of the Credit Parties have been fully, properly and accurately kept and completed and there are no inaccuracies or discrepancies of any kind contained or reflected therein. Each of the Credit Parties' books and records and other data and information are available to it in the ordinary course of its business.
- (w) **Tax Liability.** Each of the Credit Parties has filed all tax and information returns which are required to be filed. Each of the Credit Parties has paid all Taxes, interest and penalties, if any, which have become due pursuant to such returns or pursuant to any assessment received by it other than those in respect of which liability based on such returns is being contested in good faith and by appropriate proceedings where adequate reserves, satisfactory to the Lender, have been established in accordance with IFRS. Adequate provision for payment has been made for Taxes not yet due. There are no tax disputes existing or pending involving any of the Credit Parties or the Business.
- (x) **Corporate Structure.** At the date of this Agreement:
 - (i) Schedule 7.1(x) shows, for each Credit Party, its name, its type of organization, its organizational identification number, if any, its authorized and issued Equity Interests, and the holders of its Equity Interests, and all agreements binding on such holders with respect to their Equity Interests.
 - (ii) Except as disclosed on Schedule 7.1(x), none of the Credit Parties own any Equity Interests.
 - (iii) Except as disclosed on Schedule 7.1(x), in the five years preceding the Effective Date, none of the Credit Parties has acquired any substantial assets from any other Person or been party to any merger, amalgamation, reorganization, combination or similar transaction.

- (iv) Each Credit Party has good title to all Equity Interests in each Subsidiary of such Credit Party, and all such Equity Interests are duly issued, fully paid and non-assessable.
- (v) Other than as disclosed on Schedule 7.1(x), there are no outstanding warrants, options or other agreements which require or may require the issuance of any Equity Interests of any of the Credit Parties or the issuance of any Debt or securities convertible into Equity Interests of any of the Credit Parties and there are no outstanding debt or securities convertible into Equity Interests of any of the Credit Parties.
- (vi) Except as disclosed on Schedule 7.1(x), none of the Credit Parties are, directly or indirectly, a member of, or a partner or participant in, any partnership, joint venture or syndicate.
- (y) **Subsidiaries, etc.** Each of the Credit Parties is a corporation. Except as disclosed on Schedule 7.1(y), none of the shareholders of the Credit Parties are party to any shareholders', voting or other agreement relating to shares of any of the Credit Parties owned by such shareholder.
- (z) **Financial Statements.** The October 31st, 2011 annual audited financial statements of the Borrower, copies of which have been furnished to the Lender prior to the date hereof, fairly present the financial position of the Borrower at such date and the results of the operations and changes in financial position of the Borrower for such period, all in accordance with IFRS.
- (aa) **Debt.** No Credit Party has any Debt except Permitted Debt. There exists no default (howsoever described) under the provisions of any Instrument evidencing such Debt or of any agreement relating thereto.
- (bb) **Insurance.** The Credit Parties maintain insurance of types and in amounts which are customarily maintained by other companies applying Prudent Mining Industry Practices, and the Credit Parties otherwise have and maintain insurance for each of its respective businesses and the Mining Properties in compliance with Section 8.1(o).
- (cc) **No Litigation.** Except as set out in Schedule 7.1(cc), there are no actions, suits or proceedings pending, taken or, to the knowledge of any of the Credit Parties, threatened before or by any Governmental Entity or by or against any elected or appointed public official or Person in any jurisdiction which (i) challenges, or threatens, the validity or propriety of the transactions contemplated under the Credit Documents or the documents, instruments and agreements executed or delivered in connection therewith or related thereto, (ii) alleges the violation of any Applicable Law, (iii) involves any Material Contract, (iv) challenges or threatens the validity of all or any portion of any of the Subject Properties or any Credit Party's legal interest or claim thereto or (v) could reasonably be expected to result, either in any case or in the aggregate, in a Material Adverse Effect.
- (dd) **Schedule Disclosure.** At the date of this Agreement:
 - (i) Schedule 7.1(dd) is a list of all jurisdictions (or registration districts within such jurisdictions) in which each Credit Party (i) has its chief executive

office, head office, registered office and chief place of business, (ii) carries on business, (iii) has any account debtors or (iv) stores any tangible personal property (except for goods in transit in the ordinary course of business).

- (ii) Schedule 7.1(dd) is a list of all Authorizations which are material or necessary to any of the Credit Parties, the Business or the ownership, management and operation of any of the Mining Properties.
 - (iii) Schedule 7.1(dd) is a list of all trademarks, trade names, copyrights and patents (and the registration particulars thereof) which are material or necessary to any the Credit Parties or the Business.
 - (iv) Schedule 7.1(dd) contains a list of all agreements, contracts or similar Instruments to which a Credit Party is a party or to which any of their property or assets could be subject, for which breach, non-performance, cancellation or failure to renew could have a Material Adverse Effect.
 - (v) Schedule 7.1(dd) shows the complete bank account details for each of the Credit Parties.
- (ee) **Insolvency.** No Credit Party has:
- (i) not generally paid its Debts as they become due;
 - (ii) admitted its inability to pay its Debts generally;
 - (iii) made a general assignment for the benefit of creditors;
 - (iv) committed an act of bankruptcy (within the meaning of the *Bankruptcy Code* (United States), the *Bankruptcy and Insolvency Act* (Canada) or any similar legislation or Applicable Law;
 - (v) instituted any proceedings, or had instituted any proceedings against it (x) seeking to adjudicate it a bankrupt or insolvent, (y) seeking liquidation, winding-up, reorganization, compromise, arrangement, adjustment, protection, relief or composition of it or of its Debts under any Applicable Law relating to bankruptcy, insolvency or reorganization or relief of debtors or other similar matters or (z) seeking the appointment of a receiver, manager, receiver and manager, trustee, custodian or other similar official for it or for any part of its undertaking, property or assets; or
 - (vi) taken any corporate action to authorize any of the actions set forth above in this Section 7.1(ee).
- (ff) **No Liabilities.** Except as reflected or reserved against in the Borrower's audited, balance sheet and financial statements for the Financial Year ending October 31st, 2011, none of the Credit Parties has liabilities or obligations of any nature (whether absolute, accrued, contingent or otherwise) except for current liabilities incurred in the ordinary course since October 31st, 2011.

- (gg) **Broker's Fees.** Other than a fee payable to Global Hunter Securities, no broker's or finder's fee or commissions will be payable by reason of any action of any of the Credit Parties with respect to any of the transactions contemplated by the Credit Documents.
- (hh) **Counter-Terrorism Regulations and Anti-Money Laundering.** Each of the Credit Parties is and shall remain in compliance with all applicable economic sanctions laws and all applicable anti-money laundering and counter-terrorism financing laws, including the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *Criminal Code* (Canada), the *United Nations Act* (Canada), the *Trading with the Enemy Act*, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, the *Patriot Act* (United States) and other Applicable Laws relating to "know your customer" and anti-money laundering rules and regulation which apply to it. None of the Credit Parties is (i) a Person designated by any Governmental Entity as being on any list set out in the United Nations, Al-Qaida and Taliban Regulations, the Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism or the Criminal Code (collectively, the "**Terrorist Lists**") with which a Person cannot deal with or otherwise engage in business transactions, (ii) a Person who is otherwise the target of the sanctions of any Governmental Entity or (iii) controlled by (including without limitation by virtue of such Person being a director or owning voting shares or interests), or acts, directly or indirectly, for or on behalf of, any person or entity on any Terrorist List or a foreign government that is the target of economic sanctions of any Governmental Entity such that the entry into, or performance under, this Agreement or any other Credit Document would be prohibited under Applicable Law. No part of the proceeds of any Advance will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Applicable Law.
- (ii) **No Cease Trade Orders.** No order or ruling suspending the sale or ceasing the trading in any securities of any of the Credit Parties has been issued by any securities regulatory authority or, to the best knowledge of the Credit Parties, is pending, contemplated or threatened by any securities regulatory authority.
- (jj) **Affiliate Transactions.** The Credit Parties are not conducting, permitting or suffering to be conducted, any transaction with any Affiliate.
- (kk) **Operation of Mining Properties.** The Credit Parties have heretofore made available to the Lender all feasibility studies and geological, reserve, resource, metallurgical, engineering and financial data and evaluations of each Mining Property prepared by, or for the benefit of, any Credit Party or otherwise in the possession of any Credit Party. The Credit Parties are not aware of any inaccuracy or omission in such information which has not been disclosed to the Lender in writing.
- (ll) **Project Permits.** The Credit Parties possess all Authorizations of Governmental Entities which are necessary to develop and operate the Mining Properties and to undertake and conduct the business of the Credit Parties or any Subsidiary thereof as it is currently being conducted. Each Authorization held by any of the Credit Parties

as at the date hereof is identified in Schedule 7.1(II) hereto (collectively, the “**Project Permits**”). The Credit Parties have obtained and hold all Project Permits necessary to conduct mining operations at each of the Mining Properties and all such Project Permits are in full force and effect in accordance with their terms, free of default. All Project Permits necessary to develop, build and operate each of the Mining Properties and the Mill have been obtained and are in full force and effect in accordance with their terms, free of default, and no written notice alleging a breach or default under any of the Project Permits or challenging or questioning the validity of any such Project Permit has been delivered, except to the extent disclosed to the Lender in Schedule 7.1(II). The Credit Parties have sufficient, legally-enforceable rights of access, entry and egress to and from the Mining Properties and the Mill, including rights sufficient to develop and operate the Mining Properties and the Mill.

- (mm) **Disclosure.** All forecasts, projections and other information supplied to the Lender were prepared in good faith and adequately disclose all relevant assumptions, are true and accurate in all respects, and were based on fair assumptions. There is no fact known to any Credit Party which could have a Material Adverse Effect and which has not been fully disclosed to the Lender. None of the representations or warranties made by the Credit Parties in the Credit Documents as of the date such representations and warranties are made or deemed made, and none of the statements contained in any written exhibit, report, statement or certificate furnished by or on behalf of the Credit Parties in connection with the Credit Documents, contains any untrue statement of a material fact or omits any material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading as of the time when made or delivered.
- (nn) **Authorization re Issuance of Securities.** The Borrower has taken all the corporate steps necessary to duly authorize all matters in connection with the issuance of the Warrants and for that reason has the power and authority to create, issue and deliver the Warrants in favour of the Lender and, upon issuance and exercise, shall deliver validly issued, fully paid and non-assessable common shares in the capital of the Borrower, subject to Applicable Securities Legislation hold periods. The Borrower has complied, and will comply, with all Applicable Securities Legislation in the course of its affairs and particularly in connection with the issuance of the Warrants, including, but not limited to, receiving the conditional approval of the Exchange (on or before the Effective Date) with respect to the listing of the common shares issuable upon exercise of the Warrants, which approval shall be obtained without a prospectus provided that:
- (i) the Borrower is a reporting issuer under Applicable Securities Legislation in at least one of the Reporting Jurisdictions and its common shares are listed for trading on the TSX;
 - (ii) the Borrower has complied and will comply with all Applicable Laws and regulations, including Applicable Securities Legislation and the rules and policies of the TSX in connection with the issuance of the Warrants;
 - (iii) the Borrower is not in default of any Applicable Securities Legislation or the TSX rules or policies nor is it included in a list of defaulting reporting issuers maintained by any securities commissions where the Borrower is a reporting

issuer or other securities regulatory authorities in the provinces and territories of Canada;

- (iv) no order ceasing, halting or suspending trading nor prohibiting the sale of common shares has been issued to and is outstanding against the Borrower or its directors, officers or promoters and, to the best of the Borrower's knowledge, no investigation or proceedings for such purposes are pending or threatened;
- (v) the Borrower has complied with all the requirements of National Instrument 43-101, including, without limitation, with respect to the preparation and filing of any technical reports; and
- (vi) upon delivery, the Warrants are duly and validly issued and fully paid.

7.2 Survival of Representations and Warranties.

The representations and warranties in this Agreement and in any certificates or documents delivered to the Lender in connection therewith shall not merge in or be prejudiced by, and shall survive, any Advance and shall continue in full force and effect so long as any amount is owing by the Borrower to the Lender under this Agreement.

ARTICLE 8 COVENANTS OF THE BORROWER

8.1 Affirmative Covenants.

Until the full and final payment and performance of the Obligations and the termination of this Agreement, the Borrower shall, and (as the case may be) each of the other Credit Parties shall, perform all covenants in this Section 8.1:

- (a) **Financial Statements, Reports and Other Information.** Deliver to the Lender, or cause to be delivered to the Lender:
 - (i) as soon as practicable and in any event within 60 days after the end of each Financial Quarter of each Financial Year, (A) the Borrower's unaudited quarterly financial statements for such Financial Quarter, prepared in accordance with IFRS and TSX rules and regulations and (B) together with each such delivery of financial statements pursuant to this paragraph, a duly completed and executed Compliance Certificate relating thereto;
 - (ii) as soon as practicable and in any event within 120 days after the end of each Financial Year, (A) the annual audited financial statements of the Borrower for such Financial Year prepared in accordance with IFRS and TSX rules and regulations and (B) together with each such delivery of financial statements pursuant to this paragraph, a duly completed and executed Compliance Certificate relating thereto;
 - (iii) as soon as practicable, such other information in the possession of any Credit Party with respect to its financial condition, business and/or operations including copies of all financial statements, proxy statements, material reports and other material disclosure information which any Credit Party

shall send or make available to any of its shareholders or which it is required or elects to file with any Governmental Entity;

- (iv) as soon as practicable but no later than 15 days after the end of each calendar month, the Credit Parties shall submit to the Lender a written report concerning its business and activities with respect to the Nixon Fork Mine and the other Mining Properties and all activities and occurrences with respect thereto during the preceding calendar month and shall include a summary description of actions taken with respect to the Nixon Fork Mine, and the other Mining Properties, a description of actual expenditures (as compared to the budgeted expenditures) and such other data and information requested by the Lender, with such monthly report to be delivered in form and substance acceptable to the Lender. All such reports, descriptions, data and other information provided by the Credit Parties shall be true, complete and accurate in all respects. No such report, description, data or other information shall contain any misstatement of fact or omit to state a material fact, and all projections contained in any such reports, certificates, status updates and otherwise shall be based on information which, when delivered, was true, correct and complete in all respects and shall fairly present such Credit Party's then current estimate of its future business, operations and affairs; the Credit Parties shall provide the foregoing certification in writing upon delivery of any report, certificate, status update or other information and shall be deemed to have done so to the extent that any Credit Party fails to provide written certification thereof; and
- (v) promptly after receiving a request from the Lender, such other certificates, reports, status updates, data and information respecting the condition or operations (financial or otherwise) of any Credit Party and the Nixon Fork Mine as the Lender may from time to time request, with the same to be delivered in form and substance acceptable to the Lender. All such other certificates, reports, status updates, data and information delivered to the Lender shall be true, complete and accurate in all respects.
- (b) **Notice of Litigation.** Give notice to the Lender as soon as it becomes aware of the commencement of any action, litigation, proceeding, arbitration, investigation, grievance or dispute affecting any Credit Party, any Mining Property, any Material Contract or any Affairs of a Credit Party, together with copies of the court filings or other documents associated therewith.
- (c) **Notice of Default.** Give notice to the Lender as soon as it becomes aware of any Default or Event of Default or any event or circumstance which could have a Material Adverse Effect.
- (d) **Notice of Environmental Matters.** Promptly after the filing or receipt thereof, copies of (i) all new Project Permits, together with a description thereof and (ii) all notices with or from any Governmental Entity or any other Person alleging noncompliance with or violation of any Environmental Law or Project Permit and any correspondence in response thereto.
- (e) **Corporate Existence.** Preserve and maintain its corporate existence.

- (f) **Compliance with Laws, etc.** Comply, and shall cause each of its Subsidiaries, agents and third party contractors to comply with, all Applicable Laws.
- (g) **Comply with Environmental Laws.** Own, operate and manage its business and the Mining Properties in compliance with all Applicable Laws, including Environmental Laws, and each Credit Party shall, and shall cause its agents and third party contractors to (i) manage and operate the Mining Properties and the Business in compliance with all Environmental Laws, (ii) maintain all Authorizations and make all registrations required under all Environmental Laws in relation to the Mining Properties and the Business and remain in compliance therewith, (iii) store, treat, transport, generate, otherwise handle and dispose of all Hazardous Materials and Waste owned, managed or controlled by any of the Credit Parties in compliance with all Environmental Laws and (iv) comply with all recommendations contained in any environmental impact assessment.
- (h) **Environmental Remediation.** Complete all environmental remediation of the Mining Properties as required by Applicable Law and/or Governmental Entities. Furthermore, if for any reason the legal and/or beneficial owner of a Mining Property does not comply with its remedial environmental obligations with respect to a Mining Property, the applicable Credit Party shall forthwith, with the prior written consent of the Lender and in such manner as directed by the Lender, acting reasonably, satisfy such remedial obligation on behalf of the legal and/or beneficial owner of such Mining Property.
- (i) **Conduct of Operations and Maintenance of Properties.** Engage solely in the business of developing and operating the Mining Properties, and other prospective mining projects, and in activities incidental thereto, in accordance with Prudent Mining Industry Practices. The Credit Parties shall explore, investigate, develop, mine, operate and use each Mining Property in accordance with Prudent Mining Industry Practices. The Credit Parties shall diligently and continuously work to develop and operate the Mining Properties. The Credit Parties shall, from time to time, make and cause to be made all repairs, renewals, replacements, additions and improvements to the Mining Properties and their properties and assets, such that the Borrower and the other Credit Parties may properly and advantageously conduct the Business at all times in accordance with Prudent Mining Industry Practices.
- (j) **Maintain the Mining Lease and Claims in Good Standing.** Make any and all payments and incur any and all expenses required in relation to the mining lease identified by the Mystery Creek Mining Lease and all other mining claims relating to any of the Mining Properties to ensure they are kept in good standing. The Borrower shall prepare and submit, to all appropriate Governmental Entities, all documentation necessary to renew and maintain the Mystery Creek Mining Lease.
- (k) **Payment of Taxes and Claims.** Pay, or cause to be paid when due, (i) all Taxes, assessments and governmental charges or levies imposed upon it or upon its income, sales, capital or profit or any other property belonging to any of the Credit Parties, and (ii) all claims which, if unpaid, might by Applicable Law become a Lien upon any of the Credit Parties' property or assets except (A) a Lien which relates to a tax, assessment, charge, levy or claim which is being contested in good faith and by proper proceedings and in respect of which the Borrower or any of the Credit Parties have established adequate reserves, satisfactory to the Lender, in accordance with

IFRS or (B) a Lien which is a Permitted Lien and which could not, individually or collectively, in the Lender's opinion, have a Material Adverse Effect.

- (l) **Keeping of Books.** Keep proper books of record and account, in which full and correct entries shall be made in respect of its business and shall promptly notify the Lender of any change in accounting practices or procedures implemented by a Credit Party relative to such practices and procedures as of the execution of this Agreement.
- (m) **Bank Accounts.** (i) Promptly notify the Lender of any change in bank location or its bank accounts, and shall at all times ensure that each of its respective bank accounts remain subject to an Account Control Agreement. (ii) Forthwith upon receipt, pay all cash receipts from the Mining Properties or the Business (including all proceeds of insurance and reinsurance) into a Credit Party Account. Direct all parties to the Material Contracts, insurers and all other Persons from whom any Credit Party may become entitled to receive payments (including, all Disposal Proceeds, all Insurance Proceeds and all proceeds arising from sale of production, business interruption insurance, liquidated damages under any Material Contract, any performance bond, letter of credit or guarantee, any warranty claim, the sale of, or grant of any interest in any part of the Mining Properties, any expropriation or property insurance) to pay all such amounts directly to a Credit Party Account.
- (n) **Rights of Inspection.** At any time and from time to time, permit any employee, officer, agent or other representative of the Lender, at the expense of the Borrower, to examine the Mining Properties and make copies of any abstracts from the records and books of account of any Credit Party and to discuss any of its Affairs with any of its directors, officers, employees, agents, representatives or auditors. At any time and from time to time, upon request of the Lender, each Credit Party shall permit a technical engineer selected by the Lender and any officer, agent or other representative of the Lender, at the cost and expense of the Borrower, to inspect the Mining Properties and the Business and discuss any of the Affairs of any Credit Party with any of its personnel and third party contractors. The Borrower shall pay or reimburse the Lender for all costs and expenses of the Lender in connection with each site visit by the Lender or any of its employees, officers, agents, engineers or other representatives. Notwithstanding the foregoing, the number of times the Lender may exercise its rights of inspection at the cost of the Borrower, pursuant to this Section 8.1(n) is limited to two times per year, provided that no Event of Default has occurred and is continuing.
- (o) **Maintenance of Insurance.** Maintain with financially sound and reputable insurance companies (i) insurance on all its property and assets insuring against at least such risks as are usually insured against in the same or a similar business and as required by Applicable Laws and (ii) liability insurance covering at least such risks as are usually insured against in the same or a similar business and as required by Applicable Laws; and furnish to the Lender, upon request, full information as to the insurance carried. The present insurance coverage of the Credit Parties as of the Effective Date is outlined as to carrier, policy number, expiration date, type and amount on Schedule 8.1(O). Upon the request of the Lender from time to time, each Credit Party shall deliver to the Lender evidence of the insurance then in effect, including a detailed list of such insurance containing the information set forth on Schedule 8.1(O). The insurance policies with respect to the Mining Properties shall name the Lender as first loss payee and/or additional insured, as appropriate, and

shall contain an endorsement providing that such insurance cannot be terminated or amended without at least thirty days prior notice to the Lender.

- (p) **Authorizations.** Obtain and maintain in full force all Authorizations necessary for the exploration, development and production of Gold and Silver at the Mining Properties and the performance of the Credit Parties' obligations and perform and observe all covenants, conditions and restrictions contained in, or imposed on it by, any Authorization and/or Material Contract.
- (q) **Material Adverse Effect.** Immediately notify the Lender of any event or circumstance or any potential event or circumstance that could have a Material Adverse Effect.
- (r) **Deliver Additional Material Contracts and Direct Agreements.** Notify the Lender within five Business Days upon the entering into of any new Material Contract and if requested by the Lender deliver (i) a certified copy of each such Material Contract to the Lender within five Business Days of such request and (ii) a Direct Agreement executed by each of the parties to such Material Contract within 10 days of such request.
- (s) **Perfection and Protection of Security.** Perform, execute and deliver all acts, agreements and other documents as may be requested by the Lender at any time to register, file, signify, publish, perfect, maintain, protect, and enforce the Security or grant a security interest thereon including, without limitation, (i) executing, recording and filing of the Security Documents and financing, change or continuation statements in connection therewith, in form and substance satisfactory to the Lender, (ii) delivering to the Lender the originals of all instruments, documents and chattel paper and all other Collateral of which the Lender determines it should have physical possession in order to perfect and protect the Security, duly endorsed or assigned to the Lender, (iii) delivering to the Lender warehouse receipts covering any portion of the Collateral located in warehouses and for which warehouse receipts are listed, (iv) placing notations on its books of account to disclose the Security, (v) delivering to the Lender all letters of credit on which the Credit Party is named beneficiary and (vi) taking such other steps as are deemed necessary by the Lender to maintain the Security.
- (t) **Additional Security.** Promptly upon the request of the Lender, at the cost and expense of the Borrower, the Borrower shall, and shall ensure that each other Credit Party shall, execute, deliver, create and perfect any and all Security which the Lender may require in relation to any assets of any Credit Party, as the Lender may designate, together with all related documents, instruments, registrations and other evidence the Lender may require to ensure that such Security creates a legal, valid and first priority perfected security interest in relation to such assets, enforceable against third parties and any trustee in bankruptcy.
- (u) **Further Assurances.** Upon request of the Lender, at the cost and expense of the Borrower, execute and deliver, or cause to be executed and delivered, to the Lender such further Instruments and do and cause to be done such further acts as may be necessary or proper in the opinion of the Lender to carry out more effectively the provisions and purposes of the Credit Documents.

- (v) **Purpose of Credit Facility.** Ensure that each Advance shall be used solely for the purposes set out in Section 2.4.
- (w) **Additional Guarantors.** The Borrower and each other Credit Party shall ensure that on or prior to any Person becoming a Subsidiary of any Credit Party:
- (i) such Person shall execute and deliver in favour of the Lender a guarantee of all the obligations of the Credit Parties under this Agreement and all the other Credit Documents;
 - (ii) such Person shall grant any and all Security as the Lender may require;
 - (iii) all shares in the capital of such Person are pledged to the Lender (and all original share certificates are delivered to the Lender, duly endorsed in blank or accompanied by a duly executed stock power transfer form) and all directors of such Person have delivered to the Lender resignations duly executed but undated;
 - (iv) the Lender has received evidence of registration or other perfection of such Security and/or pledge in such jurisdictions as the Lender may require to ensure that such Security and/or pledge creates legal, valid, binding, enforceable and first-priority security interests in the assets or shares to which such Security or pledge relates, enforceable against third parties, trustees in bankruptcy and similar officials;
 - (v) the Lender has received opinions of the counsel to such Person relating to, among other things, its subsistence, the due authorization, execution, delivery and enforceability of the Credit Documents to which such Person is a party and the creation and perfection of the Liens against such Person under the Security Documents;
 - (vi) the Lender has received all discharges, subordination agreements, waivers and confirmations as the Lender may require to ensure that all obligations under the Credit Documents are secured by first priority Liens on the property and assets of such Person; and
 - (vii) the Lender has received such other evidence, certificates and documentation as the Lender may request;
- in each case, in form and substance satisfactory to the Lender.
- (x) **Defense of Title and Rights.** Each Credit Party shall preserve and defend its ownership of and all right, title and interest in its assets, properties and rights, including each Mining Property, as such title is represented and warranted in Section 7.1(j). Each Credit Party shall defend the Liens in favour of the Lender under the Security Documents, and the Credit Parties shall maintain and preserve such Liens as perfected Liens with their Agreed Priority. Each Credit Party shall ensure that the Security Documents shall at all times cover and extend to all assets, properties, rights and interests of each Credit Party.
- (y) **Reporting Issuer Status.** The Borrower shall use its best efforts to maintain:

- (i) the listing of its common shares on the TSX until the expiry date of the Warrants; and
 - (ii) its status as a reporting issuer under Applicable Securities Legislation in at least one of the Reporting Jurisdiction from the date hereof until the expiry date of the Warrants.
- (z) **Lender Representative.** At any time prior to the Maturity Date, the Lender may elect to appoint, by written notice to the Borrower, a Director to the Borrower's Board of Directors (the "**Lender Representative**") and the Borrower shall forthwith execute, acknowledge and deliver to the Lender such further documents and Instruments and do, or cause to be done, such other acts as necessary to effect the immediate appointment of the Lender Representative. Until such time as the Lender exercises its right to appoint a Lender Representative, a non-director representative (an "**Observer**") may be appointed by the Lender to attend and observe all of the Borrower's Board of Directors meetings. Furthermore at all times, the Lender may appoint a representative to attend meetings of the Borrower's management team ("**Management Meetings**") relating to the operational and logistics matters of a Credit Party, by teleconference in a non-voting, observer, capacity. The Borrower shall provide the Lender with copies of all notices (whether formal or informal), minutes, consents and other materials with respect to its board meetings and Management Meetings that it provides to its directors or other relevant meeting attendees (collectively, the "**Attendees**") at the same time and in the same manner as provided to such Attendees. For greater certainty, any Lender Representative, Observer, or other representative appointed by the Lender pursuant to this Section 8.1(z) and the Lender (collectively, the "**Insiders**") will comply with or be caused to comply with all legal and other reasonable duties with respect to the confidentiality of any information obtained by such Insiders as a result of the application of this Section 8.1(z).
- (aa) **Account Control Agreements.** Each of the Credit Parties shall use their commercially reasonable best efforts to cause each of the Credit Party Accounts to be subject to an Account Control Agreement (on terms and conditions satisfactory to the Lender, acting reasonably) within thirty (30) days from the Effective Date.
- (bb) **Title Opinions.** Complete within 30 days of the Effective Date all actions recommended in the title opinion prepared by JP Tangen dated December 9, 2011 including without limitation (i) filing and recording an amended location Certificate for the state claim Ruby #12 containing a corrected legal description, and (ii) recording a memorandum of the 2009 agreement between Ambrian Partners, Ltd. and Fire River Gold Corp. sufficient to complete the chain of title of the 1% NSR royalty interest originally held by Geoinformatics Exploration, Inc. into Fire River Gold Corp., and (iii) recording documents clarifying whether Mystery Creek Resources, Inc. is subject to the 1% NSR royalty interest held by Jones Natural Resources and Greg MacRae.
- (cc) **Equity Offering.**
 - (i) If the Borrower does not produce and sell 1,500 ounces of Gold derived from the Nixon Fork Mine in each of the calendars months of June, July and August of 2012, the Borrower shall complete one or more equity offerings of

its common shares: (A) on or before the Repayment Date following August 31, 2012; and (B) pursuant to which the Borrower raises cumulative aggregate net proceeds sufficient to satisfy the obligations of the Credit Parties under this Agreement, as determined by the Lender acting reasonably.

- (ii) The Borrower shall complete within 15 months from the Effective Date, one or more equity offerings of its common shares pursuant to which the Borrower raises cumulative aggregate net proceeds equal to or greater than the aggregate of (i) the total outstanding amount of the Loan which will be outstanding as of the last day of the 15 month following the Effective Date; and (ii) the amounts needed (as reasonably determined using Prudent Ministry Industry Practices) to fund and effect the mining plan as set out in Schedule 8.1(cc).
- (dd) **Memorandum of Gold and Silver Supply Agreement.** On or before April 13, 2012, Borrower shall fully execute and deliver to Lender (or Lender's counsel in Alaska) the "MEMORANDUM OF GOLD AND SILVER SUPPLY AGREEMENT," evidencing the Gold and Silver Supply Agreement, fully and properly executed and notarized by it and Mystery Creek Resources, Inc. in a manner fully satisfactory to allow it to be recorded (when also signed by Lender) in the Mt. McKinley Recording District of the State of Alaska Recorder's Office in Fairbanks, Alaska.

8.2 Negative Covenants.

Except with the prior written consent of the Lender (acting in its sole and absolute discretion), until the irrevocable, full and final payment and performance of the Obligations and the termination of this Agreement, none of the Borrower or any of the other Credit Parties shall:

- (a) **Debt.** Create, incur, assume or suffer to exist any Debt, other than Permitted Debt.
- (b) **Liens.** Create, incur, assume or suffer to exist, any Lien on any of their respective properties or assets, now owned or hereafter acquired, or assign or otherwise convey any right to receive the production, proceeds or income therefrom, other than Permitted Liens. Notwithstanding the foregoing, if a Credit Party shall grant a Lien on any of its properties or assets in violation of this Section 8.2(b), then it shall be deemed to have simultaneously granted an equal and rateable Lien on any such properties or assets to and in favour of the Lender, to the extent that such a Lien has not already been granted to the Lender.
- (c) **Mergers, Etc.** Enter into any reorganization, consolidation, amalgamation, arrangement, winding-up, merger or other similar transaction or convey, lease or Dispose of all or substantially all of its assets or convey, lease or Dispose of all or any part of any Mining Property without the prior written consent of the Lender.
- (d) **Disposal of Assets Generally.** Directly or indirectly, sell, transfer, assign or otherwise dispose of any of their respective assets or properties, including, without limitation, those assets and properties related to any Mining Properties without the prior written consent of the Lender, other than (i) a disposal resulting from securities being issued directly from the Borrower's treasury, (ii) bona fide sales of inventory, in the ordinary course of business for the purpose of carrying on the Business and at

fair market value, and (iii) the sale of any asset (other than securities) which has no material economic value in the Business and is obsolete provided the fair market value of such asset does not exceed, when aggregated with the fair market value of all other assets sold in reliance on this Section 8.2(d), \$100,000.

- (e) **Joint Venture Agreements, Etc.** Enter into any option, joint venture, royalty or other similar agreement with respect to any of the Mining Properties without the prior written consent of the Lender.
- (f) **Transactions with Related Parties.** Directly or indirectly enter into any agreement with, make any financial accommodation for, or otherwise enter into any transaction with, a Related Party.
- (g) **Change in Business.** Make any change in the nature of the Business.
- (h) **Distributions.** Declare, make or pay any Distribution. For purposes of this Section 8.2(h), “**Distribution**” includes with respect to any Person (i) any dividend or other distribution on issued shares or any other Equity Interest of the Person or any of its Subsidiaries, (ii) any purchase, redemption or retirement of any issued share, warrant or other Equity Interest or any other option or right to acquire any share or other Equity Interest of the Person or any of its Subsidiaries or (iii) any payment whether as consulting fees, management fees or otherwise, to any Related Party of the Person or any of its Subsidiaries, other than the salaries set out in Schedule 8.2(h), provided that such salaries, after the Effective Date may only be adjusted on a reasonable basis.
- (i) **Financial Assistance.** Provide any Financial Assistance to any Person. For the purposes of this Section 8.2(i), “**Financial Assistance**” includes any advances, loans or other extensions of credit, guarantees, indemnities, financial accommodations or other contingent liabilities in the nature of a guarantee or indemnity or capital contributions.
- (j) **Acquisitions.** Purchase any shares, stocks, bonds, notes, debentures, securities or other Equity Interests of any Person other than such Equity Interests which such Credit Party owns as of the date hereof and disclosed on Schedule 8.2(i) hereto, or acquire the undertaking of, or all or substantially all the assets of, any other Person.
- (k) **Hedging.** Enter into any Hedging Agreement on a margined or collateralized basis or of a speculative nature.
- (l) **Business.** Carry on the Business otherwise than through the Borrower.
- (m) **Charter Documents.** Amend or modify its Constating Documents (or equivalent charter documents).
- (n) **Change to Material Contracts.** Terminate, waive, amend, assign or transfer any interest in, any Material Contract, except with the prior written consent of the Lender.
- (o) **Burdens on Production.** Grant, sell, transfer, assign or convey, directly or indirectly, to any Person any royalty (of any kind or nature whatsoever, howsoever

designated), production payment or other interest in any Mining Property, other than to the Lender.

- (p) **Limitation on the Issuance of Shares.** Sell, transfer or issue, and the Credit Parties shall cause each Subsidiary to not sell, transfer or issue, any Equity Interest provided that, subject to the other provisions in this Agreement, the Borrower shall be entitled to issue (i) shares from treasury for cash and on arm's length terms; and (ii) the common shares required to be issued pursuant to Section 8.1(cc).
- (q) **Payment of Debt.** Directly or indirectly, voluntarily or involuntarily, purchase, redeem, defease or pay, repay or prepay any principal, interest or any other amount in relation to any Debt, other than to the Borrower. Provided that a Credit Party may make (i) regularly scheduled payments of interest and principal with respect to Permitted Debt; and (ii) the mandatory and voluntary prepayments pursuant to this Agreement.

ARTICLE 9 EVENTS OF DEFAULT

9.1 Events of Default.

The occurrence of any of the following events shall constitute an "Event of Default" under this Agreement:

- (a) **Non-Payment.** A Credit Party fails to make payment of any Obligation (whether for principal, interest, costs, fees, expenses or any other amount due hereunder or under any other Credit Document) when due and payable pursuant to any of the terms of a Credit Document (whether on a payment date, by prepayment, on demand or otherwise);
- (b) **Misrepresentation.** Any representation or warranty or certification made or deemed to be made by a Credit Party or any of its respective directors or officers in any Credit Document shall prove to have been incorrect, incomplete or misleading in any respect when made or deemed to be made;
- (c) **Breach of Covenants.** A Credit Party fails to perform, observe or comply with:
 - (i) any of the covenants or any other provision or obligation contained in Section 8.2, Section 8.1(u), Section 8.1(v), Section 8.1(w), Section 8.1(x) or Section 8.1(y); or
 - (ii) any other covenant or any other provision or obligation contained in any Credit Document to which it is a party and such failure is not capable of being remedied or, if capable of being remedied, continues for a period of ten (10) Business Days, provided in such case the Credit Party is proceeding diligently to remedy such failure and the Lender is not prejudiced thereby;
- (d) **Cross-Default.**
 - (i) A Credit Party fails to pay the principal of, premium, if any, interest on, or any other amount relating to, any of its Debt, the principal of which Debt

exceeds \$100,000 (or the equivalent amount in any other currency) when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) unless (y) with respect to unsecured Debt, such amount becoming due and payable is (A) being contested in good faith and by appropriate proceedings to the satisfaction of the Lender; and (B) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably; or (z) with respect to secured Debt, such amount becoming due and payable is: (A) being contested in good faith and by appropriate proceedings to the satisfaction of the Lender; and (B) the third party creditor has not taken steps to enforce its rights in its security related to such Debt; and (C) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably;

- (ii) any other event occurs or condition exists if its effect is to accelerate, or permit the acceleration of such Debt unless (y) with respect to unsecured Debt, such amount becoming due and payable is (A) being contested in good faith and by appropriate proceedings to the satisfaction of the Lender; and (B) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably; or (z) with respect to secured Debt, such amount becoming due and payable is: (A) being contested in good faith, by appropriate proceedings to the satisfaction of the Lender; (B) the third party creditor has not taken steps to enforce its rights in its security related to such Debt; and (C) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably; or
 - (iii) any Debt shall be (or may be) declared to be due and payable prior to its stated maturity unless (y) with respect to unsecured Debt, such amount becoming due and payable is (A) being contested in good faith and by appropriate proceedings to the satisfaction of the Lender; and (B) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably; or (z) with respect to secured Debt, such amount becoming due and payable is: (A) being contested in good faith, by appropriate proceedings to the satisfaction of the Lender; (B) the third party creditor has not taken steps to enforce its rights in its security related to such Debt; and (C) the Lender is not prejudiced thereby, as determined by the Lender acting reasonably.
- (e) **Material Contracts.** A Credit Party fails to perform or observe any term, covenant or agreement contained in any Material Contract on its part to be performed or observed; or any Material Contract is amended without the prior written consent of the Lender; or any Material Contract is terminated or revoked or permitted to lapse; or any party to any Material Contract delivers a notice of termination or revocation in respect of such Material Contract and such Material Contract is subsequently terminated or revoked;
- (f) **Judgments.** Any final, judgment or order for the payment of money in excess of \$100,000.00 (or the equivalent amount in any other currency) is rendered against a Credit Party and either (i) enforcement proceedings have been commenced by a creditor upon the judgment or order or (ii) there is any period of five (5) days during which a stay of enforcement of the judgment or order is not in effect;

- (g) **Bankruptcy; Insolvency.** (i) Any Credit Party (or any Subsidiary of a Credit Party) shall initiate or commence any case, proceeding or other action (A) under any existing or future Bankruptcy Law, or otherwise seeking to have it judged bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or (B) seeking appointment of a receiver, receiver manager, liquidator, assignee, trustee, sequestrator, custodian, administrator, conservator or other similar official for it or for all or any part of its assets, or any Credit Party (or any Subsidiary of a Credit Party) shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against any Credit Party (or any Subsidiary of a Credit Party) any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 45 days or (iii) there shall be commenced against any Credit Party (or any Subsidiary of a Credit Party) any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of their assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 30 days from the entry thereof; or (iv) any Credit Party (or any Subsidiary of a Credit Party) shall take any action in furtherance of, or indicating its consent to, approval of, authorization of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; (v) any Credit Party (or any Subsidiary of a Credit Party) generally shall not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due, or (vi) any Credit Party (or any Subsidiary of a Credit Party) has ceased to make payment of its liabilities or the value of its assets shall be less than the aggregate of its liabilities due and accruing due;
- (h) **Dissolution.** Any application is made for, or order, judgment or decree is entered against any Credit Party (or any Subsidiary of a Credit Party) decreeing, the winding-up, dissolution or bankruptcy, insolvency, reorganization, or any similar process of such Credit Party and, in the case of an application, such application remains undischarged or unstayed for any period of 15 days after the application is first made or a resolution is passed for the winding-up, dissolution or liquidation of any of the Credit Parties (or any Subsidiary of any Credit Party);
- (i) **Security Imperilled.** Any Credit Document is declared by a court or tribunal of competent jurisdiction to be void, invalid, illegal or unenforceable or the validity, legality or enforceability thereof is contested by any Credit Party or any other Person party thereto (other than the Lender), or any Credit Party or any other Person party thereto denies that it has any or further obligations thereunder;
- (j) **Agreed Priority of Collateral.** If any one or more of the Credit Documents ceases to be in full force and effect or any Lien in the Collateral created by any Security Document is no longer effective to create in favour of the Lender, a legal, valid and perfected Lien in the Collateral with the Agreed Priority;
- (k) **Change of Control.** A Change of Control occurs;
- (k) **Material Adverse Effect.** Any event, circumstance or condition which could reasonably be expected to have a Material Adverse Effect has occurred;

- (l) **Expropriation/Condemnation.** An Expropriation Event shall have occurred;
- (m) **Regulatory Action.** Any Governmental Entity shall take or attempt to take any action with respect to a Credit Party, or with respect to any Mining Property or any Collateral subject to the Security Documents, which has, had or could reasonably be expected to have a Material Adverse Effect on a Credit Party or the ability of the Borrower or any other Credit Party to satisfy its Obligations in a timely manner unless such action is set aside, dismissed or withdrawn within 5 days of its institution or such action is being contested in good faith, its effect is stayed during such contest, the Credit Parties are allowed to continue the development and operation of each Mining Property during such period, and the same could not be expected to have a Material Adverse Effect;
- (n) **Cessation of Project Operations.** Without the prior written consent of the Lender, any Mining Property, or any portion thereof, shall be abandoned or terminated, or exploration, development or operation of the Nixon Fork Mine or any other Mining Property shall be terminated or reduced; or
- (o) **Financial Statements.** The audited financial statements of any Credit Party (or any Subsidiary of any Credit Party) are qualified in any respect by such Credit Party's or such Subsidiary's independent auditors.

9.2 Acceleration.

Upon the occurrence of an Event of Default which is continuing, the Lender may declare its commitment to advance any part of the Facility to be terminated, whereupon the same shall forthwith terminate but such termination shall not limit or affect any rights or remedies of the Lender hereunder; and the Lender may require (and upon the occurrence of any Event of Default under Section 9.1(g) or 9.1(h), the Lender shall be deemed to have automatically required) the Borrower to repay the Loan in full by paying to the Lender an amount in cash equal to (i) dividing the Full Prepayment Amount by the product of 0.78 multiplied by the Spot Price on the date the Lender requires such prepayment and (ii) multiplying the result thereof by such Spot Price. Together with the repayment of the Loan, the Borrower shall simultaneously pay the Lender any accrued and unpaid interest together with all other fees, charges and costs and other amounts payable hereunder and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

9.3 Remedies.

- (a) Upon the occurrence of an Event of Default, the Lender may commence such legal action and proceedings and exercise all rights and remedies available to it under the Credit Documents and/or Applicable Law which in its sole discretion it deems appropriate or expedient including, the commencement of foreclosure and enforcement proceedings under the Credit Documents, all without any additional notice, presentation, demand, protest, notice of dishonour, entering into of possession of any property or assets, or any other action or notice, all of which are expressly waived by each Credit Party. Upon the occurrence of an Event of Default, the Lender shall have, and may exercise, all of its rights and remedies under this Agreement and the other Credit Documents as well as all other rights and remedies available at law or in equity.
- (b) The rights and remedies of the Lender under the Credit Documents are cumulative and are in addition to, and not in substitution for, any other rights or remedies, and no right or remedy contained herein or in any other Credit Document, or otherwise at law or in equity, is intended to be exclusive. Nothing contained in the Credit Documents with respect to the liability of the Credit Parties to the Lender, nor any act or omission of the Lender with respect to the Credit Documents or its rights or remedies, shall in any way prejudice, impair, limit or otherwise affect the rights, remedies and powers of the Lender under the Credit Documents or otherwise.
- (c) The Borrower is personally obligated and fully liable for the amount due under the Credit Agreement. The Lender has the right to sue on the Credit Agreement and obtain a personal judgment against the Borrower for satisfaction of the amount due under the Credit Agreement either before or after a judicial foreclosure of the Nixon Fork DOT under Alaska Statute 09.45.170 - 09.45.220.

ARTICLE 10 MISCELLANEOUS

10.1 Amendments, etc.

No amendment or waiver of any provision of any of the Credit Documents, nor consent to any departure by any Credit Party or any other Person from such provisions, is effective unless in writing

and approved by the Lender. Any amendment, waiver or consent is effective only in the specific instance and for the specific purpose for which it was given.

10.2 Waiver.

- (a) No failure on the part of the Lender to exercise, and no delay in exercising, any right under any of the Credit Documents shall operate as a waiver of such right; nor shall any single or partial exercise of any right under any of the Credit Documents preclude any other or further exercise of such right or the exercise of any other right.
- (b) Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive each Advance and, notwithstanding any such Advance or any investigation made by or on behalf of any party, shall continue in full force and effect.

10.3 Evidence of Debt.

The indebtedness of the Borrower resulting from the Advances shall be evidenced by the records of the Lender, which shall constitute *prima facie* evidence of such indebtedness.

10.4 Notices, etc.

Any notice, direction or other communication to be given under this Agreement shall, except as otherwise permitted, be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication addressed:

- (a) to any Credit Party at:

Fire River Gold Corp.
Suite 340 - 1200 West 73rd Avenue
Vancouver, British Columbia
V6P 6G5

Attention: Richard Goodwin
Facsimile: 604-261-0583
E-Mail: rgoodwin@firerivergold.com

- (b) to the Lender at:

Waterton Global Value, L.P.
Folio House, Road Town,
Tortola, VG1110
British Virgin Islands

Attention: Peter Poole
Facsimile: (284) 494-8356/7422

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time), otherwise on the next Business Day, (ii) transmitted by facsimile, electronic mail or similar means of recorded communication on the Business Day following the date

of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

10.5 Costs, Expenses General Indemnity and Environmental Indemnity.

- (a) Each Credit Party shall, whether or not the transactions contemplated in this Agreement are completed, indemnify and defend and hold the Lender, the Lender's Affiliates and their respective directors, partners, managers, members, owners, principals, shareholders, officers, employees, agents, consultants and representatives (each an "**Indemnified Person**") harmless from, and shall pay to such Indemnified Person promptly (and in any event within three Business Days of demand) all amounts required to compensate the Indemnified Person for, any cost, expense, liability, obligation, loss, damage, penalty, action, judgment, fine, suit, charge, claim, taxes, payments or disbursements of any kind or nature whatsoever, including attorneys fees and expenses imposed on, incurred by, suffered by or asserted against, the Indemnified Person as a result of, connected with or arising out of (i) the preparation, execution and delivery of, preservation of rights under, enforcement of, or refinancing, renegotiation or restructuring of, any present or future Credit Document and any related amendment, waiver or consent, as well as the consummation of the transactions contemplated thereby, (ii) any advice of counsel as to the rights and duties of the Lender with respect to the administration of the Credit Documents or any transaction contemplated under the Credit Documents, (iii) any default (whether or not constituting a Default or an Event of Default) by a Credit Party, (iv) any proceedings brought by or against the Indemnified Person, or in which the Indemnified Person otherwise participates, due to its entering into or being a party to any of the Credit Documents, or by reason of its exercising or performing, or causing the exercise or performance of, any right, power or obligation under any of the Credit Documents or otherwise in connection with its interest in any Security, whether or not such proceedings are directly related to the enforcement of any Credit Document, and (v) the ownership, management, administration or operation of any Mining Property, except in each case to the extent directly caused by the gross negligence or wilful misconduct of the Indemnified Person.
- (b) Each Credit Party shall, whether or not the transactions contemplated in this Agreement are completed, indemnify and hold harmless and agrees to defend the Indemnified Persons against any cost, expense, liability, obligation, loss, damage, penalty, action, judgment, fine, suit, charge, claim, taxes, payments or disbursements of any kind or nature whatsoever (including strict liability and including costs and expenses of investigation, abatement and remediation and monitoring of spills or Releases or threatened Releases of Hazardous Materials or other Contaminants, and including liabilities of the Indemnified Persons to third parties (including Governmental Entities) in respect of bodily injuries, property damage, damage to or impairment of the environment or any other injury or damage and including liabilities of the Indemnified Persons to third parties for the third parties' foreseeable and unforeseeable consequential damages) incurred as a result of or in connection with the administration or enforcement of this Agreement or any other Credit Document, including the exercise by the Lender of any rights hereunder or under any of the other Credit Documents, which result from or relate, directly or indirectly, to:

- (i) the presence, Release or threatened Release of any Hazardous Material or other Contaminants, by any means or for any reason, whether or not such presence, Release or threatened Release of Hazardous Materials or other Contaminants was under the control, care or management of a Credit Party or of a previous owner, operator, tenant or other Person;
- (ii) any Release, presence, use, creation, transportation, storage or disposal of any Hazardous Material or Contaminant on or with respect to the Subject Property or the business, operations or activities of any Credit Party;
- (iii) any claim or order for any clean-up, restoration, detoxification, reclamation, repair or other securing or remedial action which relates to any Subject Property or the business, operations or activities of any Credit Party;
- (iv) any Environmental Claim with respect to any Subject Property or any Credit Party; or
- (v) the breach or violation or alleged breach or violation of any Environmental Laws by a Credit Party.

For purposes of this Section, “**liability**” shall include (a) liability of an Indemnified Person for costs and expenses of abatement and remediation of spills and releases of Contaminants where such abatement and remediation is prudent for the continued operation of the Business or required by Environmental Laws and to the extent required to maintain the value and use of the Collateral, (b) liability of an Indemnified Person to a third party to reimburse the third party for bodily injuries, property damages and other injuries or damages which the third party suffers, including (to the extent, if any, that the Indemnified Person is liable therefor) foreseeable and unforeseeable consequential damages suffered by the third party, (c) liability of the Indemnified Person for damage suffered by the third party, (d) liability of an Indemnified Person for damage to or impairment of the environment and (e) liability of an Indemnified Person for court costs, expenses of alternative dispute resolution proceedings, and fees and disbursements of expert consultants and legal counsel on a solicitor and own client basis.

- (c) If, with respect to the Lender, (i) any change in any law, rule, regulation, judgment or order or any change in the interpretation, application or administration of such law, rule, regulation, judgment or order, occurring or becoming effective after this date, or (ii) compliance by the Lender with any direction, request or requirement (whether or not having the force of law) of any Governmental Entity made or becoming effective after the date hereof, has the effect of causing any loss to the Lender or reducing the Lender’s rate of return by (w) increasing the cost to the Lender of performing its obligations under any of the Credit Documents (including the costs of maintaining any capital, reserve or special deposit requirements), (x) requiring the Lender to maintain or allocate any capital or additional capital or affecting its allocation of capital in respect of its obligations under any of the Credit Documents, (y) reducing any amount payable to the Lender under any of the Credit Documents or (z) causing the Lender to make any payment or to forego any return on, or calculated by reference to, any amount received or receivable by the Lender under the Credit Documents, then the Lender may give notice to the Borrower specifying the nature of the event giving rise to the loss and the Borrower shall, on demand, pay such

amounts as the Lender specifies are necessary to compensate it for any such loss. A certificate as to the amount of any such loss submitted in good faith by the Lender to the Borrower shall be conclusive and binding for all purposes, absent manifest error.

- (d) Each Credit Party shall pay to the Lender on demand any amounts required to compensate the Lender for any loss suffered or incurred by it as a result of (i) any payment being made in respect of an Advance, (ii) the failure of the Borrower to give any notice in the manner and at the times required by this Agreement, or (iii) the failure of the Borrower to make a payment or a mandatory repayment in the manner and at the time specified in this Agreement. A certificate as to the amount of any loss submitted in good faith by the Lender to the Borrower shall be conclusive and binding for all purposes, absent manifest error.
- (e) The provisions of this Section 10.5 shall survive the termination of this Agreement and the repayment of all Obligations. Each Credit Party acknowledges that neither its obligation to indemnify nor any actual indemnification by it of the Lender or any other Indemnified Person in respect of such Person's losses for the legal fees and expenses shall in any way affect the confidentiality or privilege relating to any information communicated by such Person to its counsel.

10.6 Release.

Upon irrevocable and indefeasible repayment and performance in full of the Obligations, including all indebtedness, obligations and liabilities (direct or indirect, absolute or contingent, matured or not, solely or jointly) of each of the Credit Parties incurred under or in connection with this Agreement and/or any other Credit Documents and the irrevocable payment to the Lender of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Lender in connection with the Security, each of the Credit Parties shall be entitled to a release and discharge of the Security constituted by the Security Documents, other than obligations and/or liabilities that have accrued prior to the date of such release or any other obligation which is expressly stated to survive the termination of the Security Documents, provided that the Lender no longer has any obligations (contingent or otherwise) under or in connection with this Agreement or any other Credit Document.

10.7 Taxes and Other Taxes.

- (a) All payments to the Lender by the Credit Parties under any of the Credit Documents shall be made free and clear of and without deduction or withholding for any and all taxes, levies, imposts, deductions, charges or withholdings and all related liabilities (all such taxes, levies, imposts, deductions, charges, withholdings and liabilities being referred to as "Taxes") imposed by United States of America, Canada or any other relevant jurisdiction (or any political subdivision or taxing authority of it), unless such Taxes are required by Applicable Law to be deducted or withheld. If a Credit Party shall be required by Applicable Law to deduct or withhold any such Taxes from or in respect of any amount payable under any of the Credit Documents (i) the amount payable shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to any additional amounts paid under this 10.7(a)), the Lender receives an amount equal to the amount it would have received if no such deduction or withholding had been made, (ii) the Credit Parties shall make such deductions or withholdings and

- (iii) the Credit Parties shall immediately pay the full amount deducted or withheld to the relevant Governmental Entity in accordance with Applicable Law.
- (b) Each Credit Party shall immediately pay any present or future stamp or documentary taxes or any other excise or property taxes, charges, financial institutions duties, debits taxes or similar levies (all such taxes, charges, duties and levies being referred to as “**Other Taxes**”) which arise from any payment made by any of the Credit Parties under any of the Credit Documents or from the execution, delivery or registration of, or otherwise with respect to, any of the Credit Documents.
- (c) Each Credit Party shall indemnify the Lender for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable by the Credit Parties under this 10.7) arising from the Credit Documents and paid by the Lender and any liability (including penalties, interest and expenses) arising from or with respect to such Taxes or Other Taxes, whether or not they were correctly or legally asserted. Each Credit Party shall, within three Business Days of demand by the Lender, pay the Lender an amount equal to the loss, liability or cost which the Lender has incurred as a result of any actions or payments taken or made by the Credit Parties pursuant to 10.7.
- (d) Payment under this indemnification shall be made within 10 days from the date the Lender makes written demand for it. A certificate as to the amount of such Taxes or Other Taxes submitted to the Borrower by the Lender shall be conclusive evidence, absent manifest error, of the amount due from the Credit Parties to the Lender.
- (e) Each Credit Party shall furnish to the Lender the original or a certified copy of a receipt evidencing payment of Taxes or Other Taxes made by the Credit Parties within 10 days after the date of any payment of Taxes or Other Taxes.
- (f) Nothing contained in this 10.7 shall interfere with the right of the Lender to arrange its tax affairs in whatever manner it deems fit (in its sole and absolute discretion including, funding any Advance through a special purpose vehicle) and in particular, the Lender shall not be under any obligation to claim relief from its corporate profits or similar tax liability in respect of any deduction or withholding in priority to any other relief, claims, credits or deductions available to it and the Lender shall not be obligated to disclose to the Borrower any information regarding its tax affairs, tax computations or otherwise.
- (g) The Lender, at its discretion, shall be entitled to allocate any amounts and costs which it receives hereunder to principal, interest, fees, charges and other similar payments.
- (h) The provisions of this 10.7 shall survive the termination of the Agreement and the repayment of all Obligations.

10.8 Successors and Assigns.

- (a) None of the Credit Parties shall have the right to assign or transfer any of its rights or obligations under this Agreement or any interest in this Agreement without the prior written consent of the Lender, which consent may be unreasonably withheld.

- (b) The Lender may assign or transfer any of its rights, interests or obligations (in whole or in part) under this Agreement and any other Credit Document (i) to any Affiliate of the Lender without the consent of any Credit Party or (ii) to any other Person (A) while a Default is continuing or (B) with the consent of the Borrower (which consent shall not be unreasonably withheld or delayed). If any consent is requested and no response is received by the Lender within five days of such request, the Borrower shall be deemed to have given its consent. In the case of any such assignment or transfer authorized under this Section 10.8, the assignee or transferee (as the case may be) shall have, to the extent of such assignment or transfer, the same rights, benefits and obligations as it would if it were the Lender hereunder and the Lender shall be relieved of its obligations hereunder with respect to the commitments assigned or transferred; provided that an assignee or transferee (as the case may be) shall not be entitled to receive any greater payment under any provision of any Credit Document than the Lender would have been entitled to receive. Each of the Credit Parties hereby acknowledges and agrees that any assignment or transfer will give rise to a direct obligation of the Credit Parties to such assignee or transferee (as the case may be) and that such assignee or transferee (as the case may be) shall be considered to be the “**Lender**” hereunder. The Lender may furnish any information concerning the Credit Parties in its possession from time to time to assignees and transferees provided that any such assignee or transferee agrees to maintain the confidentiality of such information.
- (c) The Credit Parties shall provide such certificates, acknowledgments and further assurances in respect of this Agreement and the Credit Documents as the Lender may reasonably require in connection with any assignment pursuant to this Section 10.8.
- (d) Any assignment or transfer pursuant to this Section 10.8 will not constitute a repayment by the Borrower to the Lender of any Advance or a new Advance to the Borrower by the Lender or by the assignee, as the case may be, and the parties acknowledge that each Credit Party’s obligations with respect to any such Advances will continue and will not constitute new obligations.

10.9 Right of Set-off.

Upon the occurrence and during the continuance of any Event of Default, the Lender is authorized at any time and from time to time, to the fullest extent permitted by law (including general principles of common-law), to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by it to or for the credit or the account of any Credit Party against any and all of the obligations of any Credit Party under any of the Credit Documents, irrespective of whether or not the Lender has made demand under any of the Credit Documents and although such obligations may be unmatured or contingent. If an obligation is unascertained, the Lender may, in good faith, estimate the obligation and exercise its right of set-off in respect of the estimate, subject to providing the applicable Credit Party with an accounting when the obligation is finally determined. The Lender shall promptly notify the applicable Credit Party after any set off and application is made by it, provided that the failure to give notice shall not affect the validity of the set off and application. The rights of the Lender under this Section 10.9 are in addition to any other rights and remedies (including all other rights of set-off) which the Lender may have.

10.10 Judgment Currency.

- (a) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to the Lender in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.
- (b) The obligations of the Credit Parties in respect of any sum due in the Original Currency from it to the Lender under any of the Credit Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Credit Parties agree, as a separate obligation and notwithstanding the judgment, to indemnify the Lender, against any loss, and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the applicable Credit Parties.

10.11 Interest on Amounts.

Except as may be expressly provided otherwise in this Agreement, all amounts owed by the Credit Parties to the Lender (including interest), which are not paid when due (whether at stated maturity, on demand, by acceleration or otherwise) shall bear interest (both before and after default and judgment), from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to the Interest Rate plus 5%.

10.12 Governing Law and Waiver of Jury Trial.

- (a) This Agreement shall be governed by, construed and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the Courts of the Province of British Columbia. Each party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any Court of the Province of British Columbia. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, any *forum non conveniens* defence to the maintenance of such action or proceeding in any such court.
- (b) Each of the Credit Parties hereby irrevocably consents to the service of any and all process in any such action or proceeding by the delivery of copies of such process to the Borrower at its address set out in Section 10.4(a). Nothing in this Section 10.12 affects the right of the Lender to serve process in any manner permitted by Applicable Law.

- (c) Each of the parties to this Agreement hereby irrevocably waives all right to a trial by jury in any action, proceeding or counterclaim arising out of or relating to this Agreement, the other Credit Documents or the transactions contemplated hereby or thereby. The scope of this waiver is intended to be all-encompassing with respect to any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each of the parties hereto (a) acknowledges that this waiver is a material inducement for the parties to the Credit Documents to enter into a business relationship, that the parties to the Credit Documents have already relied on this waiver in entering into same and the transactions that are the subject thereof and that they will continue to rely on this waiver in their related future dealings and (b) warrants and represents that each has reviewed this waiver with its legal counsel and that each knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable and may not be modified either orally or in writing, and this waiver shall apply to any subsequent amendments, modifications, supplements, extensions, renewals and/or replacements of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

10.13 Counterparts.

This Agreement and any amendments, waivers, consents, or supplements may be executed in any number of counterparts in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which counterparts together shall constitute one and the same instrument. This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties. This Agreement may be validly executed and delivered by facsimile, portable document format (.pdf) or other electronic transmission, and delivery of an executed counterpart of a signature page to this Agreement, any amendment, waiver, consent or supplement, or to any other Credit Document, by facsimile, portable document format (.pdf) or other electronic delivery (including e-mail) shall be as effective and binding as delivery of a manually executed counterpart thereof.

10.14 Severability.

If any provision hereof is determined to be ineffective, invalid, illegal or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect, binding on and enforceable against the parties.

10.15 Governing Language.

For all purposes, this English language version of this Agreement shall be the original, governing instrument and understanding of the parties. In the event of any conflict between this English language version of the Agreement and any subsequent translation into any other language, this English language version shall govern and control.

10.16 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of any Advance.

10.17 Entire Agreement; Schedules and Exhibits.

The Schedules to this Agreement and the Exhibits to this Agreement form an integral part of this Agreement and are incorporated herein by reference and expressly made a part hereof. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings, oral or written, relating to such subject matter.

10.18 Credit Party Joint and Several Liability.

Each of the Credit Parties shall be jointly and severally liable for each Obligation. The Borrower and the other Credit Parties are engaged in related businesses and are integrated to such an extent that the financial strength and flexibility of each Credit Party has a direct, tangible and immediate impact on the success of the other Credit Parties. Each Guarantor will derive substantial direct and indirect benefit from the extensions of the Advances to the Borrower hereunder. Each Guarantor waives any right to revoke, terminate or suspend its Guarantee and acknowledges that it entered into such Guarantee in contemplation of the benefits that it would receive by this Agreement.

10.19 Further Assurances.

Each Credit Party shall execute, acknowledge and deliver to the Lender such other and further documents and Instruments and do or cause to be done such other acts as the Lender reasonably determines to be necessary or desirable to effect the intent of the parties to this Agreement or otherwise to protect and preserve the interests of the Lender hereunder, promptly upon request of the Lender, including the execution and delivery of any and all documents and Instruments which are necessary or advisable to create, protect or maintain in favor of the Lender, Liens (with the Agreed Priority) on all Collateral of the Credit Parties as may be required by this Agreement or any Security Document that are duly perfected in accordance with all Applicable Laws.

10.20 Acknowledgements.

Each of the parties hereto hereby acknowledges that:

- (a) it has been advised by its own legal counsel in the negotiation, preparation, execution and delivery of this Agreement and each other Credit Document;
- (b) this Agreement and the other Credit Documents shall not be construed against any party or more favourably in favour of any party based upon which party drafted the same, it being agreed and acknowledged that all parties contributed substantially to the negotiation and preparation of this Agreement and the other Credit Documents;
- (c) the Lender has no fiduciary relationship with or duty to the Borrower or any other Credit Party arising out of or in connection with this Agreement, or any other agreement, arrangement or Instrument, and the relationship between the Lender, on one hand, and the Borrower and the other Credit Parties, on the other hand, in connection herewith is solely that of creditor and debtor;
- (d) neither this Agreement nor any other Credit Document or other Instrument between any Credit Party and the Lender creates a joint venture or partnership among the parties hereto, and no joint venture or partnership exists, or shall be deemed to exist,

among the Lender and the Borrower or among the Lender and the other Credit Parties; and

- (e) each of the Credit Documents are confidential in nature and none of the parties hereto shall disclose any part of the Credit Documents to any third party (other than each party's respective financial and legal advisors), without the prior written consent of the other parties hereto, unless such party is required to do so by a Governmental Entity. If a Governmental Entity expressly mandates the disclosure of any part of the Credit Documents, the Lender shall be provided with written notice, five Business Days prior to the scheduled date of disclosure and shall be permitted to redact certain portions of the Credit Documents which will be disclosed.

10.21 Accredited Investor.

The Lender confirms that it is an accredited investor as such term is defined in National Instrument 45-106 *Prospectus and Registration Exemptions*.

10.22 Waiver.

As at the date hereof, the Credit Parties have Debt as described in paragraph (b) of the definition of Permitted Debt ("**Unsecured Trade Payables**") in the amount of \$ \$2,994,054, which is in excess of the stated limit of \$2,000,000 (the "**Covenant Breach**").

The Lender agrees to waive the Covenant Breach on the basis that the Credit Parties reduce its Unsecured Trade Payables to less than \$2,000,000 within 30 days from the date hereof (and will provide satisfactory evidence of the same if requested by the Lender).

The waiver set provided in this Section 10.22 is without prejudice to any rights the Lender may have under the Credit Documents.

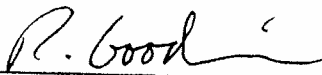
10.23 Language.

The parties acknowledge that they have required that this Agreement, as well as all documents, notices and legal proceedings executed, given or instituted pursuant or relating directly or indirectly hereto, be drawn up in English (except as the parties may otherwise agree in writing). Les parties reconnaissent avoir exigé la rédaction en anglais de cet acte, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directment ou indirectment, à la suite de ou relativement au présent acte.

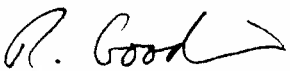
[Signatures on following page.]

IN WITNESS WHEREOF the parties have executed this Senior Secured Gold Stream Credit Agreement.

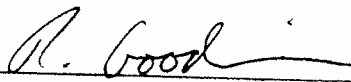
Borrower:
FIRE RIVER GOLD CORP.

By: 
Authorized Signing Officer

Guarantor:
FIRE RIVER GOLD CORP., USA

By: 
Authorized Signing Officer

Guarantor:
MYSTERY CREEK RESOURCES, INC.

By: 
Authorized Signing Officer

LENDER:
**WATERTON GLOBAL VALUE, L.P. BY ITS
INVESTMENT MANAGER ALTITUDE
MANAGEMENT LTD.**

By: _____
Authorized Signing Officer

IN WITNESS WHEREOF the parties have executed this Senior Secured Gold Stream Credit Agreement.

Borrower:
FIRE RIVER GOLD CORP.

By: _____
Authorized Signing Officer

Guarantor:
FIRE RIVER GOLD CORP., USA

By: _____
Authorized Signing Officer

Guarantor:
MYSTERY CREEK RESOURCES, INC.

By: _____
Authorized Signing Officer

LENDER:
WATERTON GLOBAL VALUE, L.P. BY ITS
INVESTMENT MANAGER ALTITUDE
MANAGEMENT LTD.

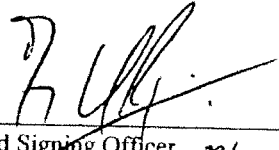
By:  _____
Authorized Signing Officer 29/3/12

EXHIBIT A – NIXON FORK MINE

The Nixon Fork Mine is located 399 km southwest of Fairbanks and 348 km northwest of Anchorage, Alaska at 63°14' N, 154° 46' W. The closest community is McGrath (pop. 350), which is 53 km by air from the mine. McGrath is not connected to the Alaska road system and access is limited to river or air travel. There are no year-round all weather roads from McGrath to the minesite, but an unimproved bulldozer trail provides surface access to the Kuskokwim River at Medfra. The primary access is by charter aircraft, which are readily available in Anchorage, Fairbanks, and McGrath. Bulk cargo, including equipment, supplies and fuel are also brought to site by air using Hercules C-130 and DC-6 aircraft.

The mine is remote and self-sufficient site, not connected to or supplied with any external services, such as water or grid power.

The property is 100% owned by Mespelt-Almasy Mining Co. ("MAMC"). In February 2003, Mystery Creek Resources, Inc. ("MCR") secured a 10-year lease, which can be renewed for an additional 10-year term by written request. MCR's rights under this lease are defined as "*the exclusive, complete and unrestricted right to enter, occupy, use, prospect, drill, sample, tunnel, evaluate, and control the Subject Property in accordance with the Purpose of this Lease, together with the right to explore for, develop, mine (by open pit, strip, underground, solution mining or any other method, including, but without limitation any method hereafter developed), extract, mill, store, process, remove and market from the Subject Property all Mineral Products and the right to place thereon, construct, use and remove such structures, facilities, equipment, roadways, haulageways and such other improvements as Lessee may deem necessary, useful or convenient in conducting its operations when or where in Lessee's sole judgment it is reasonably useful or necessary to do so and to use and consume, for stockpiles, waste dumps, tailings impoundments, rock or ore in connection with exploration, evaluation and development, so much of the Subject Property as may be reasonably necessary, useful or convenient for the full enjoyment of the rights herein granted.*"

The lease is subject to the following conditions:

- an advance minimum production royalty of US\$36,000 per year and work commitments totaling US\$2,000,000 over three years (which have been completed).
- An NSR payment equal to 3% if the gold price is less than \$300/oz to 5% if the gold price is greater than \$450 /oz. All other metals are subject to a 4% NSR.

The Nixon Fork Property is also subject to an additional 1% NSR granted to Jones-MacRea.

The Nixon Fork Property was subject to an additional 1% NSR originally granted to Geoinformatics Exploration Inc, on 5 January 2005, which was sold to Ambrian Partners Ltd. on 2 September 2005, then sold to Fire River Gold on 4 December 2009.

The Nixon Fork Gold Mine and associated Property consist of 95 unpatented mining claims, 15 unpatented placer claims and 81 mostly overlapping State of Alaska mining claims that lie on either side of the line between Township 26 South, Ranges 21 and 22 East, Kateel River Meridian (KRM). All State claims lie within Range 21 East. Thirty-three of the federal claims are located on land administered by a native corporation that obtained the land through the Alaska Native Claims Settlement Act.

EXHIBIT B – MONTHLY REPAYMENT FIGURES

Months After Initial Close	Monthly Repayment Figure
6	0
7	708,333
8	708,333
9	708,333
10	708,333
11	708,333
12	708,333
13	708,333
14	708,333
15	708,333
16	708,333
17	708,333
18	708,333
19	708,333
20	708,333
21	708,333
22	708,333
23	708,333
24	708,333
TOTAL	12,750,000

EXHIBIT C
COMPLIANCE CERTIFICATE

TO: WATERTON GLOBAL VALUE, L.P. (the “Lender”)

The undersigned refers to that certain senior secured gold stream credit agreement dated on or about the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the “**Credit Agreement**”) among Fire River Gold Corp. (the “**Borrower**”), the Guarantors of the Borrower from time to time and the Lender. Capitalized terms used herein without definition are so used as defined in the Credit Agreement.

I, the undersigned, Richard Goodwin, President of the Borrower, certify, without personal liability, to the Lender, that on this ___ day of March, 2012 (the “**Determination Date**”):

1. I have read the provisions of the Credit Agreement which are relevant to this certificate and have made such examinations or investigations as are necessary to enable me to express an informed opinion on the matters contained in this certificate.
2. As at this date:
 - (a) The representations and warranties referred to in Article 7 of the Credit Agreement are true and correct as though made on this date;
 - (b) The Borrower and each of the Credit Parties (if any) have duly performed all the covenants in Article 8 of the Credit Agreement;
 - (c) The Borrower and the Credit Parties (if any) are not in breach of any of the covenants, terms and/or conditions of the Credit Agreement;
 - (d) There have been no changes to the corporate structure as set out in Section 7.1(x) of the Credit Agreement;
 - (e) No Default or Event of Default has occurred which is continuing;
 - (f) The attached financial information is true and correct in all material respects; and
 - (g) The financial statements delivered pursuant to Section 8.1(a)(i) or 8.1(a)(ii), as applicable, have been prepared in accordance with IFRS in effect on the date of such financial statements and the information contained therein is true and correct in all respects, subject only to year end audit adjustments, and present fairly and consistently the results of operations and changes in the financial position of the Borrower, on a consolidated basis, as of and to this date.
3. I acknowledge and agree on behalf of the Borrower that this certificate constitutes a “**Credit Document**” for the purposes of the Credit Agreement.

DATED this __ day of March, 2012.

Name: Richard Goodwin
Title: President

EXHIBIT D - SOLVENCY CERTIFICATE

SOLVENCY CERTIFICATE

TO: WATERTON GLOBAL VALUE, L.P. (the "Lender")

The undersigned refers to that certain senior secured gold stream credit agreement dated on or about the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Credit Agreement**") among Fire River Gold Corp. (the "**Borrower**"), the Guarantors of the Borrower from time to time and the Lender. Capitalized terms used herein without definition are so used as defined in the Credit Agreement.

I, the undersigned, Richard Goodwin, President of the Borrower, certify, without personal liability, to the Lender, that on this __ day of March, 2012 (the "**Determination Date**");

1. I have read Section 7.1(ee) and other provisions of the Credit Agreement which are relevant to this certificate and have made such examinations or investigations as are necessary to enable me to express an informed opinion on the matters contained in this certificate.
2. As at this date the Credit Parties:
 - (a) may legally enter into and perform the Obligations under the Credit Documents to which they are a party;
 - (b) are able to pay their debts and meet their obligations as they become due in the ordinary course of business;
 - (c) will not be rendered insolvent by virtue of any Advance to be made under the Credit Agreement;
 - (d) will not engage, and are not about to engage, in business or transactions which will cause them to be left with an unreasonably small amount of capital;
 - (e) have not incurred Debt or liabilities beyond their ability to pay on a timely basis; and
 - (f) are otherwise solvent under Applicable Law.
3. I acknowledge and agree on behalf of the Borrower that this certificate constitutes a "**Credit Document**" for the purposes of the Credit Agreement.

DATED this __ day of March, 2012.

Name: Richard Goodwin
Title: President

SCHEDULE 1.1(A) – NIXON FORK DEED OF TRUST

AFTER RECORDING, RETURN TO:

**Michael S. McLaughlin
Guess & Rudd P.C.
510 L Street, Suite 700
Anchorage, Alaska 99501**

**DEED OF TRUST WITH POWER OF SALE,
SECURITY AGREEMENT,
FINANCING STATEMENT AND FIXTURE FILING**

FROM

MYSTERY CREEK RESOURCES, INC., TRUSTOR

TO

YUKON TITLE COMPANY, INC.

AND

**WATERTON GLOBAL VALUE L.P., BY ITS INVESTMENT MANAGER
ALTITUDE MANAGEMENT LTD., AS BENEFICIARY**

Dated as of March 29, 2012

**DEED OF TRUST WITH POWER OF SALE,
SECURITY AGREEMENT,
FINANCING STATEMENT AND FIXTURE FILING**

THIS DEED OF TRUST WITH POWER OF SALE, SECURITY AGREEMENT, FINANCING STATEMENT AND FIXTURE FILING, dated as of March 29, 2012 (the "Deed of Trust") is from MYSTERY CREEK RESOURCES, INC., an Alaska corporation having an address of 1600 A Street, Suite 310, Anchorage, Alaska 99501 ("Trustor"), to YUKON TITLE COMPANY, INC., as trustee (the "Trustee"), and WATERTON GLOBAL VALUE L.P., a British Virgin Islands limited partnership, by its Investment Manager Altitude Management Ltd., having an address of Folio House, Road Town, Tortola, VG1110, British Virgin Islands ("Beneficiary").

WITNESSETH:

WHEREAS, the Trustor has entered into that certain Senior Secured Gold Stream Credit Agreement dated March 29, 2012 (as may be amended, revised, modified or restated from time to time, hereinafter referred to as the "Credit Agreement"), that certain Guaranty dated March 29, 2012 (as may be amended, revised, modified or restated from time to time, hereinafter referred to as the "Guaranty"), that certain Security Agreement dated March 29, 2012 (as may be amended, revised, modified or restated from time to time, hereinafter referred to as the "Security Agreement"), and other related loan documents with the Beneficiary evidencing a loan of up to \$12,750,000 (Canadian) by Beneficiary to Trustor's parent company Fire River Gold Corp. (collectively with the Credit Agreement, the Guaranty, and the Security Agreement referred to as the "Agreement");

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by the Trustor, the Trustor undertakes and agrees with the Trustee and the Beneficiary as follows:

Defined Terms. Capitalized terms used but not defined herein (including in the preamble and recitals) have the meanings provided in the Credit Agreement. In this Deed of Trust (including its preamble and recitals), the following terms shall have the following meanings:

Accounts has the meaning given such term in the Uniform Commercial Code.

“Agreement” is defined in the whereas clause above.

“Approvals” means each and every approval, authorization, license, permit, consent, variance, land use entitlement, franchise, agreement, filing or registration by or with any Governmental Agency or other Person necessary for all stages of developing, operating, maintaining and closing a mine on all or any part of the Lands, including construction of a mine and related improvements and all other activities described below in clauses (a) through (i) of the definition of **“Mine”**.

“As Extracted Collateral” has the meaning given such term in the Uniform Commercial Code.

“Assigned Agreements” means any and all agreements relating to the Mine (including those identified on Exhibit A), and any other agreement executed after the date hereof relating to the Mine.

“Beneficiary” is defined in the preamble.

“BLM” is defined in Section 2.3.

“Chattel Paper” has the meaning given such term in the Uniform Commercial Code.

“Commercial Tort Claims” has the meaning given such term in the Uniform Commercial Code.

“Counterparty Notice” means any duly completed notice from the Trustor to the relevant third party and accepted by the Beneficiary substantially in the form of **Exhibit B** attached hereto.

“Credit Agreement” is defined in the whereas clause above.

“DNR” is defined in Section 2.3.

“Deed of Trust” is defined in the preamble.

“Deposit Accounts” has the meaning given such term in the Uniform Commercial Code.

“Documents” has the meaning given such term in the Uniform Commercial Code.

“Encumbered Property” means the properties, rights and interests hereunder described and defined in the Grant clause of this Deed of Trust.

“Environmental Laws” means, any applicable laws relating to pollution or protection of the environment, including laws relating to reclamation of land and waterways and laws relating to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals, or industrial, toxic or Hazardous Materials or wastes into the environment (including air, surface water, ground water, land surface or subsurface strata) or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals, or industrial, toxic or Hazardous Materials or wastes.

“Equipment” has the meaning given such term in the Uniform Commercial Code.

“Event of Default” means any default of the Agreement or any default hereunder.

“Fixtures” has the meaning given such term in the Uniform Commercial Code.

“General Intangibles” has the meaning given such term in the Uniform Commercial Code.

“Goods” has the meaning given such term in the Uniform Commercial Code.

“Governmental Agency” means any supranational, national, federal, state, regional, tribal or local government or governmental department or other entity charged with the administration, interpretation or enforcement of any applicable law.

“Guaranty” is defined in the whereas clause above.

“Hazardous Material” means any substance defined as or included in the definition of “hazardous substances”, “hazardous wastes”, “hazardous materials”, or “toxic substances” under any applicable Environmental Law, and shall include each of the following:

- (i) those substances included within the definitions of “hazardous substances”, “hazardous materials”, “toxic substances”, or “solid

waste” in the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. § 9601 et seq.), as amended by the Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99-499, 100 Stat. 1613), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.), and the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq.;

(ii) those substances listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302);

(iii) any material, waste or substance which is designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317);

(iv) any substance defined as a “hazardous waste” in AS 46.03.900(9) or 18 ACC 62.010 and 62.030 or as a “hazardous substance” in AS 46.03.826(5) or other applicable Alaska statutes or regulations; and

(v) those substances listed as hazardous air pollutants under the Clean Air Act (Pub.L. 101-549, 104 Stat. 2399).

“**Instruments**” has the meaning given such term in the Uniform Commercial Code.

“**Inventory**” has the meaning given such term in the Uniform Commercial Code.

“**Investment Property**” has the meaning given such term in the Uniform Commercial Code.

“**Lands**” means all lands which are either described in **Exhibit A** hereto or the description of which is incorporated in **Exhibit A** hereto by reference to another instrument or document.

“**Leases**” means all leases, subleases, assignments, options, licenses, concessions, occupancy agreements, profits-à-prendre, work agreements, joint venture agreements, partnerships (including mining partnerships), exploration agreements, operating agreements, surface use agreements and surface use and damage agreements, net profits agreements, royalty agreements, nominee agreements, options and all other conveyances, transfers, agreements or arrangements (whether mineral or otherwise, whether previously

or hereafter made, and whether existing now or hereafter), relating to all or any part of the Lands, together with all rentals, royalties and other rights of Trustor thereunder.

“**Lien**” means any security interest, mortgage, pledge, hypothecation, assignment, encumbrance, lien (statutory or otherwise), charge against or interest in property to secure payment of a debt or performance of an obligation or other priority or preferential arrangement of any kind or nature whatsoever.

“**Mine**” means all tangible property (whether now or hereafter existing or acquired, and whether real, personal or mixed) located or found now or hereafter on, in, or under all or any part of the Lands that now or hereafter is (together with all substitutions and replacements for, and all accessions, additions and attachments to any thereof) used or useful in connection with mining gold or Other Minerals (which as used herein shall include ores and ore-bearing concentrates) or in connection with any related activities, including:

- (a) exploration for and evaluation of deposits of gold or Other Minerals,
- (b) the development, operation, shutdown and closure (temporary and permanent) of a mine (whether an underground or a surface mine),
- (c) handling, processing, refining and beneficiation of gold or Other Minerals, including crushing, screening, non-screen classifying, grinding, flotation, washing, gravity separation, magnetic separation, chemical leaching, thickening, filtration, drying, calcining, solvent extraction, electrorefining, electrowinning and smelting,
- (d) storage of gold or Other Minerals,
- (e) transportation of gold or Other Minerals by any means, including haulage within a mine and from a mine to a mill or to any other handling, processing, beneficiation, storage or marketing location, haulage between any of the foregoing locations, haulage of mine waste (including waste rock and overburden) and tailings, slag and other wastes resulting from handling, processing, and beneficiation and loading in connection with any haulage,
- (f) marketing, and readying for market, gold or Other Minerals,

(g) disposal (temporary and permanent) of mine waste (including waste rock and overburden) and tailings, slag and other wastes from handling, processing, and beneficiation,

(h) monitoring, maintaining, restoring and improving environmental quality, including elimination, treatment and mitigation of air and water pollution, and

(i) reclamation of lands and other natural resources affected by any of the foregoing activities.

Without restricting the foregoing, "Mine" shall include the property shown on Exhibit A and the following property (together with all substitutions and replacements for, and all accessions, additions and attachments to any thereof) now or hereafter used or useful in connection with mining gold or Other Minerals or in connection with related activities:

(i) generally – buildings; structures; improvements; furnishings; fixtures; equipment; apparatus; facilities; machinery; tools; vehicles; goods; supplies and inventory; and

(ii) specifically – headframes; mine offices; maintenance and equipment repair shops; carpentry; tool and electrical shops; parts and supplies warehouses; change houses; laboratory and assay facilities; ore bins; air compressors; electrical generators and buildings for same; dynamos; staff, workers', and families' living and eating facilities; ventilation shafts and ducts; fans; refrigeration units; underground workings (including adits; shafts; tunnels; crosscuts; laterals; drifts; raises; winzes; slopes; longwalls; and other openings to ore); pump rooms, underground hoist rooms, level stations; underground equipment and machinery storage and repair areas; escape shafts; ore storage areas; storehouses; hoist houses; drums; controls; and motors; wire rope for hoists; ore skips and man cars; timber; roof supports; track (including branch; cut-off; spur; industrial; switch; connecting; storage; yard; terminal and other railroad tracks); roads and haulage ways; conveyor belts; electrical wire; apparatus; and controls (including transformers and switch boxes); pipe; water and fuel supply tanks and pumps; rolling stock; including locomotives and cars; mine vehicles, drills and related equipment; explosives and explosives storage facilities; continuous miner machines; mucking equipment; loaders and loading equipment; tipples; dewatering facilities; including pumps, sewage facilities; waste water

treatment and disposal facilities; ditches; water drainage courses; dams; and silt ponds; telephones and other communications equipment; pipelines (including slurry and pneumatic pipelines); tractors; scrapers; power shovels; backhoes; bucket-wheel excavators; draglines, dredges; haulage and water and maintenance trucks; inclined skips; graders; electrical power lines; mill or processing plants; ships; barges, port facilities; loading docks; tramways and aerial trams; aircraft; airstrips; recreation facilities; company townsites and buildings; sluices; wells; augers; overburden; waste rock or spoil; and other mine wastes; load-haul-dump vehicles; conveyors (including screw and bucket conveyors); crushers (including jaw crushers; gyratory crushers; wire crushers; impact crushers; roll crushers; hammer mills; shredders and roller mills); screens (including grizzlies); grinding mills (including ball mills; rod mills; autogenous mills and semi-autogenous mills); flotation circuits (including flotation cells; collection troughs and launders and flumes); washers (including hydrocyclones); gravity separation devices (including jigs; sluices; shaking tables; cones; spirals; vanners and heavy liquids); magnets; leaching circuits; thickening tanks; filters (including drum; disk; belt; and plate filters); driers; kilns; smelting furnaces (including reverberatory furnaces and flash smelters); convertors; slag; tailings and tailing ponds.

“Other Minerals” means all minerals other than gold, whether or not similar to gold or found or produced in association with gold, including silver, all existing and future ores, minerals, mineral elements and compounds, veins, lodes and mineral deposits; whether solid, liquid or gaseous; whether organic or inorganic, metallic or nonmetallic, hydrocarbonaceous or non-hydrocarbonaceous; including rock, gravel, sand, methane, water, and geothermal stream, geothermal heat and geothermal resources.

“Patented Mining Claims” means all patented mining claims pertaining to the Lands in which Trustor has or may hereafter have any interest as shown in **Exhibit A** hereto.

“Payment Intangible” has the meaning given such term in the Uniform Commercial Code.

“Permitted Encumbrances” is defined in Section 2.2.

“Person” means any natural person, corporation, partnership, limited liability company, firm, association, trust, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

“Plans” means all those contracts and agreements listed on any of the Exhibits hereto and all future contracts, agreements, plans, specifications, surveys, designs, drawings and other matters executed by Trustor and (or prepared by) any contractor, architect, engineer, surveyor or other consultant in connection with the design, construction or operation of the Mine including all contracts and agreements executed by Trustor and any landscape architect, civil engineer, electrical engineer, soils engineer, mining engineer or mechanical engineer, together with all plans and specifications prepared by any design architect for the construction and improvements comprising the Mine.

“Post-Production Contracts” means contracts, if any, now in effect (including those listed in **Exhibit C** hereto), or hereafter entered into by Trustor, or entered into by Trustor’s predecessors in interest (if any), for the sale, purchase, exchange, supply, handling, processing, refining, beneficiation, marketing and/or transportation of gold or Other Minerals produced from all or any part of the Lands or from any other lands any production from which, or profits or proceeds from such production, is attributable to any interest in the Lands or to any interest described in **Exhibit A** hereto.

“Proceeds” has the meaning given such term in the Uniform Commercial Code.

“Prudent Mining Practices” means, with respect to the operation of the Mine, sound and prudent mining industry practices and at a level of production not significantly lower than what has been projected in the most recent mine plan prepared with respect to the Mine.

“Requirement of Law” means, with respect to any Person, its organic documents and any applicable law or contractual obligation binding on such Person or its property.

“Secured Obligations” is defined in **Section 1.1**.

“Security Agreement” is defined in the whereas clause above.

“Trustee” is defined in the **preamble**.

“Trustor” is defined in the **preamble**.

“Uniform Commercial Code” means the Uniform Commercial Code as in effect from time to time in the State of Alaska.

“Unpatented Mining Claims” means all now existing or hereafter acquired, located, amended or relocated unpatented mining claims and millsites pertaining to the

Lands, that is, possessory rights initiated (i) on the public domain of the United States of America under 30 U.S.C. § 22. et seq., as implemented by regulations and state statutes, and/or (ii) on lands owned by the State of Alaska (including lands tentatively approved for patent to the State of Alaska) under AS 38.05.185-38.05.275, and for the purposes of this Deed of Trust includes lode and placer mining claims, millsites and tunnel sites, state upland mining leases, state mining claims, state leasehold locations, state prospecting sites, and at-risk locations under AS 38.05.275, including amendments and relocations thereof, which Unpatented Mining Claims have been either located by Trustor or its predecessors in interest or are controlled by Trustor by lease, option or other agreement with third parties, all as more particularly described in **Exhibit A** hereto. Unpatented Mining Claims shall include all rights incident thereto as recognized under applicable laws relating to mining and shall include any and all appurtenant rights established by or accruing to the owner thereof, including, to the extent applicable to any individual Unpatented Mining Claim, the right of access, use of water and the right to conduct mineral exploration, development and exploration activities.

“Water Rights” means all now or hereafter existing or acquired water and water rights, reservoirs and reservoir rights, ditches and ditch rights, wells and well rights, whether evidenced or initiated by permit, decree, well registration, appropriation not decreed, shares of stock or other interests in mutual ditch or reservoir companies or carrier ditch or reservoir companies or otherwise, appertaining or appurtenant to or beneficially used or useful in connection with the Lands and/or the Mine, together with all pumps, well casings, wellheads, electrical installations, pumphouses, meters, monitoring wells and systems, parshall flumes or other measuring devices, pipes, pipelines and other structures or personal property which are or may be used to produce, regulate, measure, distribute, store or use water from the said water and water rights, reservoirs and reservoir rights, ditches and ditch rights, wells and well rights.

GRANT

NOW, THEREFORE, Trustor, for and in consideration of the obligations and trusts hereinafter mentioned, and upon and subject to the terms and conditions hereinafter set forth, has granted, bargained, sold, warranted, encumbered, assigned, transferred and conveyed, and by these presents does grant, bargain, sell, warrant, encumber, assign, transfer and convey, unto the Trustee, IN TRUST, WITH POWER OF SALE, for the use and benefit of the Beneficiary, all of Trustor’s right, title and interest, whether now owned or hereafter acquired, in and to all of the hereinafter described properties, rights and interests; and insofar as such properties, rights and interests consist of Equipment, General Intangibles, Accounts, Chattel Paper, Commercial Tort Claims, contract rights, Deposit Accounts, Documents, Inventory, Investment Property, Instruments, Letter-of-Credit Rights, Fixtures, Goods, Payment Intangibles, Proceeds, or any other personal

property of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code, Trustor hereby grants to said Trustee, for the use and benefit of the Beneficiary, and to the Beneficiary directly, a security interest therein to the full extent of Trustor's legal and beneficial interest therein now owned or hereafter acquired, namely:

- (a) the Lands, and the fee, mineral, leasehold, overriding royalty, royalty, net profits and other interests described in **Exhibit A** hereto;
- (b) the Leases;
- (c) the Assigned Agreements, together with:
 - (i) all rights of Trustor to receive moneys due and to become due under or pursuant to each Assigned Agreement;
 - (ii) all rights of Trustor to receive proceeds of any insurance, indemnity, warranty, guaranty or collateral security with respect to each Assigned Agreement;
 - (iii) all claims of Trustor for damages arising out of or for breach of or default under each Assigned Agreement;
 - (iv) all rights of Trustor to terminate the Assigned Agreements, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder; and
 - (v) to the extent not included in the foregoing, all proceeds of any and all of the foregoing;
- (d) the Mine;
- (e) the Unpatented Mining Claims;
- (f) the Patented Mining Claims;
- (g) all Approvals;
- (h) the Plans;
- (i) the Post-Production Contracts;

(j) the Water Rights;

(k) all awards, payments or judgments, including interest thereon, and the right to receive the same, as a result of the exercise or threatened exercise of any right of eminent domain, other injury to, taking up, or decrease in the value of all or any portion of the Lands, the Mine or any other property described herein;

(l) all other property or rights of any kind or character related to the Lands, the Mine or other property described herein; and

(m) all Proceeds and products of the foregoing,

together with any and all corrections or amendments to, or renewals, extensions or ratifications of, or replacements or substitutions for, any of the same, or any instrument relating thereto, and all contracts, contract rights, title instruments, title opinions, land status reports, title abstracts, title insurance commitments or policies, title materials and information, files, records, writings, data bases, information, systems, maps, plans, surveys, geological and geophysical (including electrical, electromagnetic, gravity and seismic), geochemical, and radiometric data and information, drilling data, test data, mineral samples (including drill cores), mineral assay reports, interpretative and analytical reports of any kind or nature (including reserve or deposits studies or evaluations), mine feasibility reports, mine development studies and plans, information concerning exploration and development of deposits of gold and Other Minerals (including information concerning mine operation, shutdown and closure and concerning reclamation of lands and other resources affected by mining), environmental data and related information and reports and studies, computer hardware and software (to the extent such is assignable) and all documentation therefor or relating thereto (including all licenses relating to or covering such computer hardware, software and/or documentation (to the extent such is assignable)), trade secrets, unpatented inventions, patent applications and patents, mining claims (whether unpatented or now or hereafter patented), lease records (including rental and royalty payment records), Unpatented Mining Claim records (including evidence of annual assessment work, payment of rental or maintenance fees, and filings and recordings made with Governmental Agencies), the Approvals and records and information concerning compliance therewith, mine development programs and budgets, financial statements and audits, reclamation plans and related data and reports, insurance policies, commingling agreements, information and data and reports regarding the products and proceeds of mine operations (including quantities produced, proceeds from sale or other disposition, and disbursement of proceeds to persons entitled to a share thereof), information and data and reports regarding all aspects of the Mine (including transportation and marketing of mine

products), rights-of-way, easements, servitudes, permits, licenses, tenements, hereditaments, appurtenances, privileges, liberties, development rights, air rights, parcel maps, extralateral rights, rents, royalties, revenues, income, security deposits, reclamation bonds, bonuses, accounts, returns, issues, profits, advantages, claims against third parties, products, proceeds and all other benefits, whether now or hereafter existing or arising, used or useful in connection with, covering, relating to, or arising from or in connection with, any of the aforesaid in this granting clause referenced, and all other things of value and incident thereto which Trustor might at any time have or be entitled to (including any and all liens, lien rights and security interests, and all properties, rights and interests, whether now or hereafter existing or arising, that may be used or useful in connection with mining gold or Other Minerals from all or any part of the Lands, or any other lands any production from which, or the profits or proceeds from such production, is attributed to any interest in the Lands or to any interest described in **Exhibit A** hereto, or in connection with any related activities); together with all estate, claim, demand, right, title or interest of Trustor in and to any street, road, highway, or alley (vacated or otherwise) adjoining the Lands or any part thereof; all strips and gores belonging, adjacent or pertaining to the Lands; and any after-acquired title, additions and accretions to any of the foregoing, all the aforesaid properties, rights and interests, together with any after-acquired title, additions and accretions to any of the foregoing, being hereinafter called the “Encumbered Property”.

Subject however, to the condition that neither the Trustee nor the Beneficiary shall be liable in any respect for the performance of any covenant or obligation (including measures required to comply with any Environmental Laws) of Trustor in respect of the Encumbered Property.

TO HAVE AND TO HOLD the Encumbered Property unto the Trustee to secure the payment and performance in full of the Secured Obligations and to secure the performance of all of the obligations of the Trustor herein contained.

ARTICLE 1. SECURITY FOR OBLIGATIONS

SECTION 1.1 Secured Obligations. The following obligations are secured by this Deed of Trust:

- (a) The performance of all obligations of the Trustor contained herein;
- (b) The performance of all obligations of Trustor contained in and the payment by Trustor of all amounts payable or other indebtedness under the Guaranty, the

other Credit Documents (as that term is defined in the Credit Agreement), and the other documents comprising the Agreement;

(c) Any sums advanced or expenses or costs incurred (including all attorneys' fees and other legal, management and consulting expenses) by the Trustee or the Beneficiary (or any receiver appointed hereunder) which are made or incurred pursuant to, or permitted by, the terms hereof, plus interest thereon at the rate specified or otherwise agreed upon from the date of such advances or the incurring of such expenses or costs until reimbursed; and

(d) Any extensions, modifications, replacements, or renewals of all such obligations described in clauses (a) through (c) above.

All the above obligations are hereinafter collectively referred to as the "Secured Obligations".

ARTICLE 2. REPRESENTATIONS AND WARRANTIES OF THE TRUSTOR

Trustor represents and warrants to Beneficiary, and covenants and agrees as follows (all of which shall be continuing throughout the term of this Deed of Trust):

SECTION 2.1 Title. Trustor, to the extent of the interest specified in **Exhibit A** hereto, has good and sufficient title (or senior uncontested possessory interest subject only to the paramount title of the United States of America or the State of Alaska, as applicable, in the case of the Unpatented Mining Claims), to each property right or interest constituting the Encumbered Property, subject to Section 2.2 and except to the extent set forth in **Exhibit A**, and has a good and legal right to grant and convey the same to the Trustee.

SECTION 2.2 No Liens. The Encumbered Property is free from all Liens whatsoever, except as may be specifically set forth in **Exhibit A** hereto ("Permitted Encumbrances").

SECTION 2.3 Unpatented Mining Claims. (a) Each Unpatented Mining Claim has been located on the ground in substantial compliance with the location procedures established by applicable law; (b) the certificates of location therefor have been properly recorded in the official records of the Mt. McKinley Recording District and properly filed with the Bureau of Land Management (the "BLM") (as to federal Unpatented Mining Claims) or the Alaska Department of Natural Resources (the "DNR")

(as to state Unpatented Mining Claims) in accordance with applicable law and all fees and charges payable in respect thereof have been properly and timely paid; (c) (i) all assessment work required to be performed to date under applicable law to maintain the Unpatented Mining Claims in good standing, (ii) all payments in lieu of assessment work, all rental payments, all claim maintenance fee payments, and all royalty payments required to be paid to date under applicable law to maintain the Unpatented Mining Claims in good standing, and (iii) all affidavits, statements, returns, or other documents describing or evidencing the same required to be recorded or filed in connection therewith under applicable law to maintain the Unpatented Mining Claims in good standing, have been properly and timely performed, paid, recorded, and filed in the manner and to the extent required by applicable law to maintain the Unpatented Mining Claims in good standing; provided, however, that (i) for all Unpatented Mining Claims not located originally by or for Trustor and for all assessment work, payments, recordings, and filings not performed or made by or for Trustor, the foregoing representations are made by Trustor subject to such title reports as it may have received and provided to the Beneficiary to date and otherwise to the best of its knowledge without benefit of a formal title report therefor, and (ii) the foregoing representations do not include any representations concerning the existence of valuable minerals within the boundaries of any individual Unpatented Mining Claim or the nonmineral character of land included within any federal millsite.

SECTION 2.4 Leases. With regard to each Lease to which Trustor is a party, (a) the term of such Lease (if the same is a material lease of land) extends until or beyond the maturity date of the Agreement; (b) such Lease (if the same is a lease of land, including but not limited to Unpatented Mining Claims) is prior to any deed of trust or other lien upon the fee interest in such land (including but not limited to Unpatented Mining Claims); (c) no material default has occurred under such Lease, nor is there any existing condition which but for the passage of time or the giving of notice or both would result in a material default under the terms of such Lease, and such Lease is in full force and effect; (d) such Lease (if the same is a lease of Unpatented Mining Claims), provides that Trustor shall have the right to amend or relocate in the name of the lessor thereunder any underlying Unpatented Mining Claim which it deems advisable to amend or relocate, and such lessor has agreed to execute any documents necessary for such purpose, and (e) such Lease may be encumbered as provided by this Deed of Trust without the prior written consent of the lessor or may be encumbered as provided by this Deed of Trust with the prior written consent of the lessor which has been obtained.

SECTION 2.5 Operations: Approvals.

(a) Trustor has obtained or will obtain prior to the commencement of mining operations all Approvals (other than those of a non-material nature which Trustor

expects will be obtained as and when necessary in the course of the operation of the Mine) required or advisable to facilitate the operation of the Mine in accordance with Prudent Mining Practices and all such Approvals will be maintained in full force and effect.

(b) Other than the execution of Counterparty Notices by each relevant third party and the recording or filing of this Deed of Trust and UCC-1 financing statements in favor of the Beneficiary pursuant to Section 2.10, no Approval is necessary or advisable either for:

(i) the granting by the Trustor of any Lien over any Encumbered Property pursuant to this Deed of Trust; or

(ii) the exercise by the Beneficiary or the Trustee of its rights and remedies in respect of the Encumbered Property pursuant to this Deed of Trust, except that before the Beneficiary undertakes to exercise any or all of the rights of Trustor in, to or respecting any interest in real property described in **Exhibit A** attached hereto, it must obtain the approval of one or more agencies of the State of Alaska, which approval will be subject to the Beneficiary's (or its assignees) compliance with certain qualification requirements, the transfer provisions of any relevant mining lease or millsite permit/lease and applicable law.

SECTION 2.6 Water Rights. The Encumbered Property contains or is entitled to receive or, when mining operations commence, will receive the benefit of sufficient Water Rights for the planned development and operation of the Mine throughout the planned life of the Mine in order to conduct the operations in accordance with Prudent Mining Practices.

SECTION 2.7 Correct Names, etc.

(a) The cover page to this Deed of Trust lists the correct legal name of the Trustor and Trustor is not now, nor has it been known, by any trade name.

(b) Except for those prior or predecessor names set forth in **Exhibit D**, Trustor has not been known by any legal name different from the one set forth on the cover page of this Deed of Trust, nor has Trustor been the subject of any merger or other corporate reorganization except involving the prior and predecessor entities identified in **Exhibit D**.

SECTION 2.8 Post-Production Contracts. There are no other Post-Production Contracts affecting the Encumbered Property except those listed in **Exhibit C**, copies of which have been provided to the Beneficiary.

SECTION 2.9 Exclusive Possession. The Trustor has the exclusive right to possess the Lands, the Mine, and the other Encumbered Property for the extraction of locatable minerals.

SECTION 2.10 Filings. All recordings, filings and other actions (other than the recording and filing of this Deed of Trust and any financing statements with all appropriate offices as described below) necessary and desirable to perfect and protect the Lien of this Deed of Trust over the Encumbered Property (including Counterparty Notices duly executed by each relevant party thereto, copies of which shall have been delivered to the Beneficiary on or prior to the date hereof) have been duly made and taken. No effective deed of trust, mortgage, financing statement or other instrument similar in effect covering all or any part of the Encumbered Property, except for Permitted Encumbrances, is recorded or on file in any recording or filing office. Immediately following the execution hereof, the Trustor shall cause this Deed of Trust and any financing statements to be recorded and filed with all appropriate offices necessary and desirable to perfect and protect the Lien of this Deed of Trust over the Encumbered Property constituted hereby.

SECTION 2.11 Perfected Lien. Upon the recording and filing of this Deed of Trust and all financing statements with all appropriate offices and the execution of the relevant Counterparty Notices, or notation of the Lien of this Deed of Trust in the case of certificate of title goods, this Deed of Trust will, subject to Section 2.2, create a valid, first-priority, perfected security interest in the Encumbered Property, securing payment of the obligations stated to be secured hereby.

SECTION 2.12 Status of Assigned Agreements. The Assigned Agreements entered into prior to the date hereof, true and complete copies of which (or other evidence thereof) have been furnished to the Beneficiary prior to the Trustor's execution of this Deed of Trust (or on or prior to the effectiveness thereof in the case of any Assigned Agreement which is entered into after the date of this Deed of Trust), have been duly authorized, executed and delivered by the Trustor and, to the best of the knowledge of the Trustor, by the other parties thereto, have not been amended or otherwise modified, and are in full force and effect and are binding upon and enforceable against the parties thereto in accordance with their terms subject as to enforceability, to applicable laws relating to bankruptcy and the enforceability of creditors' rights generally and by the fact that the availability of equitable remedies is discretionary. Trustor has performed in all material respects all of its obligations under the Assigned Agreements executed by it and,

to the best of the knowledge of Trustor, the other parties to such Assigned Agreements have no defense, setoff or counterclaim arising thereunder. To the best of the knowledge of Trustor, there exists no default under any of the executed Assigned Agreements by any other party thereto. All Assigned Agreements may be encumbered as provided by this Deed of Trust without the prior written consents of the parties to such Assigned Agreements or may be encumbered as provided by this Deed of Trust with the prior written consent of such third parties which consent has been obtained.

ARTICLE 3. COVENANTS

Trustor agrees with the Beneficiary that, throughout the term of this Deed of Trust, it shall perform its obligations set forth in this Article.

SECTION 3.1 Payment and Performance of Obligations. Trustor shall duly pay and perform its obligations hereunder and all of the obligations under and in connection with the Agreement as and when required by its terms.

SECTION 3.2 Warrant and Defend Title. Trustor shall warrant and defend the Encumbered Property (except to the extent Trustor is permitted to encumber or dispose of the same pursuant to this Deed of Trust or the Agreement) unto the Trustee and Beneficiary against every Person whomsoever lawfully claiming the same or any part thereof, by, through or under Trustor, and Trustor shall maintain and preserve the Lien hereby created.

SECTION 3.3 Operation of the Encumbered Property. In addition to any similar obligations binding on it pursuant to the Agreement, Trustor shall, at Trustor's own expense:

(a) cause all Equipment and other personal property constituting a portion of the Mine to be kept in good and effective operating condition, and all repairs, renewals, replacements, additions and improvements thereof or thereto, needful to the production of gold and Other Minerals from the Mine in accordance with Prudent Mining Practices, to be promptly made;

(b) upon the reasonable request of the Beneficiary, stamp on its records concerning the Encumbered Property (and/or enter in its computer records concerning the Encumbered Property) and add on all Chattel Paper constituting a portion of the Encumbered Property a notation, in form satisfactory to the Beneficiary, of the Lien of the Beneficiary hereunder;

SECTION 3.4 Trustor Remains Liable. Anything herein to the contrary with respect to the Assigned Agreements notwithstanding:

(a) Trustor shall remain liable under the Assigned Agreements to the extent set forth therein, and shall perform all of its duties and obligations under such Assigned Agreements to the same extent as if this Deed of Trust had not been executed;

(b) except as provided by applicable law, the exercise by the Trustee or the Beneficiary of any of its rights hereunder shall not release Trustor from any of its duties or obligations under any such Assigned Agreements; and

(c) neither the Trustee nor the Beneficiary shall have any obligation or liability under any Assigned Agreement by reason of this Deed of Trust, nor shall the Trustee or the Beneficiary be obligated to perform any of the obligations and liabilities or duties of Trustor thereunder or to take any action to collect or enforce any claim for payment assigned thereunder.

SECTION 3.5 Unpatented Mining Claims.

(a) Trustor shall maintain all Unpatented Mining Claims in good standing in accordance with applicable law, perform all necessary assessment work, pay all fees and take all other actions required in accordance therewith.

(b) In the event of the repeal or substantial modification of the General Mining Law of 1872 (30 U.S.C. § 22 et. seq.) or AS 38.05.185-.275 as currently in effect during the term of this Deed of Trust, such that the interest of Trustor hereunder is modified, reduced or transformed, Trustor shall consult with the Beneficiary to determine how best to preserve the interests of the Beneficiary and the Trustee hereunder. Trustor shall not take any action to replace or consent to the modification or substitution of rights to Unpatented Mining Claims as a result of such repeal or substantial modification without the written consent of the Beneficiary having been first obtained.

SECTION 3.6 Recording and Filing. Trustor shall promptly, and at Trustor's expense, pay all fees, taxes and charges, execute, record, register, deposit and file this and every other instrument in addition or supplemental hereto, including financing statements and continuations thereof, in such offices and places and at such times and as often as may be necessary to create, preserve, protect and renew the Lien as a valid, first Lien on and prior perfected security interest in real or personal property (except as otherwise permitted pursuant to this Deed of Trust), as the case may be, and the rights and remedies of the Trustee and of the Beneficiary, obtain such acknowledgements or consents, notify all obligors or providers of services and materials and otherwise do and observe all things

or matters necessary or expedient to be done or observed by reason of any applicable law, or as the Beneficiary reasonably may request from time to time, for the purpose of effectively creating, maintaining and preserving the Lien hereof on and in the Encumbered Property.

SECTION 3.7 After-Acquired Properties. Trustor shall advise the Beneficiary, within thirty (30) days after each June 30 and December 31 of each calendar year (commencing with June 30, 2010), as to any additional interests in the Encumbered Property it has acquired and any other material assets acquired by Trustor during such preceding six-month period and shall, upon the Beneficiary's request, execute, acknowledge and deliver such other and further instruments and agreements necessary or desirable to include such interests and assets as a part of the Encumbered Property hereunder.

SECTION 3.8 Actions Under Assigned Agreements. Trustor shall not, without the prior consent of the Beneficiary, which shall not be unreasonably withheld or delayed:

- (a) cancel or terminate any Assigned Agreement or consent to or accept any cancellation or termination thereof,
- (b) amend or otherwise modify any Assigned Agreement or give any consent, waiver or approval thereunder,
- (c) waive any default under or breach of any Assigned Agreement, or
- (d) take any other action in connection with the Assigned Agreements which would impair the value of the interest or rights of Trustor thereunder or which would impair the interest or rights of the Beneficiary.

ARTICLE 4. COLLECTION OF THE SECURITY

SECTION 4.1 Upon the occurrence of an Event of Default, the Beneficiary may, at any time upon due notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations, in its own name or as agent or attorney in fact for the Trustor, enter upon and take possession of the Encumbered Property, or any part thereof, less costs and expenses of operation and collection, including attorneys' fees, upon any of the Secured Obligations, in the order of application set out herein or in the Agreement. The entering upon and taking possession of the Encumbered Property, or the application thereof as aforesaid,

shall not cure or waive any default, Event of Default or notice of default or invalidate any act done in response to such default, Event of Default or notice of default.

SECTION 4.2 No Liability of the Beneficiary in Collecting. The Beneficiary is hereby absolved from all liability for failure to enforce collection of any proceeds so assigned (and no such failure shall be deemed to be a waiver of any right of the Beneficiary under this Article) and from all other responsibility in connection therewith, except the responsibility to account to Trustor for funds actually received.

SECTION 4.3 Assignment Not a Restriction on the Beneficiary's Rights. Nothing herein contained shall detract from or limit the absolute obligation of Trustor to make payment of the Secured Obligations regardless of whether the proceeds assigned by this Article are sufficient to pay the same, and the rights under this Article shall be in addition to all other security now or hereafter existing to secure the payment and performance of the Secured Obligations.

SECTION 4.4 Indemnity. In addition to any similar obligations set forth in the Agreement, the Trustor shall indemnify the Trustee and the Beneficiary against all claims, actions, liabilities, judgments, costs, losses, damages, attorneys' fees or other charges or expenses of whatsoever kind or nature (collectively "Claims") made against or incurred by them or either of them as a consequence of the assertion, either before or after the payment in full of the Secured Obligations, that they or any of them received any of the Encumbered Property or the proceeds thereof claimed by third persons, and the Trustee and the Beneficiary shall have the right to defend against any such Claims, employing attorneys therefor, and unless furnished with reasonable indemnity, they or any of them shall have the right to pay or compromise and adjust all such Claims. The Trustor shall indemnify and pay to the Trustee or the Beneficiary any and all such amounts as may be made in respect thereof or as may be successfully adjudged against the Trustee and the Beneficiary or either of them. If and to the extent that the foregoing undertaking may be unenforceable for any reason, the Trustor hereby agrees to make the maximum contribution to the payment and satisfaction of the Claims which is permissible under applicable law. The obligations of the Trustor as hereinabove set forth in this Section shall survive the release, termination, foreclosure or assignment of this Deed of Trust or any sale hereunder to the extent permitted by applicable law.

ARTICLE 5. ENFORCEMENT OF THE SECURITY

SECTION 5.1 Power of Sale of Real Property Constituting a Part of the Encumbered Property. After the Beneficiary becomes entitled to enforce the Security in accordance with the Agreement, the Trustee shall have the right and power to sell without the necessity of judicial proceedings, to the extent permitted by applicable law, at one or more sales, as an entirety or in parcels, as it and the Beneficiary may elect, the real property constituting a part of the Encumbered Property, at the entrance of the Superior courthouse building in Anchorage, Alaska, or at such other lawful place or places as the Trustee may elect in its sole and absolute discretion, and otherwise in such manner and upon such notice as may be required by applicable law, or, in the absence of any such requirement, as the Trustee may deem appropriate, and to make conveyance to the purchaser or purchasers. The Trustee may postpone the sale of all or any portion of such real property by public announcement at the time and place of such sale, and from time to time thereafter may further postpone such sale by public announcement made at the time of sale fixed by the preceding postponement. The right of sale hereunder shall not be exhausted by one or any sale, and the Trustee may make other and successive sales until all of the trust estate shall have been legally sold.

SECTION 5.2 Rights of the Trustee and the Beneficiary with Respect to Personal Property Constituting a Part of the Encumbered Property. After the Beneficiary becomes entitled to enforce the Security in accordance with the Agreement, the Trustee and the Beneficiary will have all rights and remedies granted by applicable law, and particularly by the Uniform Commercial Code, including the right to take possession of all personal property constituting a part of the Encumbered Property, and for this purpose the Trustee and/or the Beneficiary may enter upon any premises on which any or all of such personal property is situated and take possession of and operate such personal property (or any portion therefor) or remove it therefrom. The Trustee and/or the Beneficiary may require Trustor to assemble such personal property and make it available to the Trustee and/or the Beneficiary at a place to be designated by the Trustee and/or the Beneficiary which is reasonably convenient to all parties. Unless such personal property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, the Trustee and/or the Beneficiary will give the Trustor reasonable notice of the time and place of any public sale or of the time after which any private sale or other disposition of such personal property is to be made. This requirement of sending reasonable notice will be met, unless otherwise required by applicable law, if the notice is mailed by first-class mail, postage prepaid, to the Trustor at the address shown below the signatures at the end of this Deed of Trust at least five (5) days before the time of the sale or disposition.

SECTION 5.3 Rights of the Trustee and the Beneficiary with Respect to Fixtures Constituting a Part of the Encumbered Property. After the Beneficiary becomes entitled to enforce the Security in accordance with the Agreement, to the extent permitted by applicable law, the Trustee and/or the Beneficiary may elect to treat the Fixtures constituting a part of the Encumbered Property as either real property collateral or personal property collateral and then proceed to exercise such rights as apply to such type of collateral.

SECTION 5.4 Judicial Proceedings. After the Beneficiary becomes entitled to enforce the Security in accordance with the Agreement, the Trustee and/or the Beneficiary, in lieu of or in addition to exercising any power of sale hereinabove given, to the extent permitted by applicable law, may proceed by a suit or suits in equity or at law whether for a foreclosure hereunder, or for the sale of the Encumbered Property, or for the specific performance of any covenant or agreement herein contained or in and of the execution of any power herein granted, or for the appointment of a receiver pending any foreclosure hereunder or the sale of the Encumbered Property, or for the enforcement of any other appropriate legal or equitable remedy.

SECTION 5.5 Possession of the Encumbered Property. It shall not be necessary for the Trustee or the Beneficiary to have physically present or constructively in its possession at any sale held by the Trustee, the Beneficiary or by any court, receiver or public officer any or all of the Encumbered Property; and Trustor shall deliver to the purchasers at such sale on the date of sale the Encumbered Property purchased by such purchasers at such sale, and if it should be impossible or impracticable for any of such purchasers to take actual delivery of the Encumbered Property, then the title and right of possession to the Encumbered Property shall pass to such purchaser at such sale as completely as if the same had been actually present and delivered.

SECTION 5.6 Certain Aspects of a Sale. The Beneficiary shall have the right to become the purchaser at any sale held by the Trustee or by any court, receiver or public officer, and the Beneficiary shall have the right to credit upon the amount of the bid made therefor the amount payable out of the net proceeds of such sale to it. Recitals contained in any conveyance made to any purchaser at any sale made hereunder shall conclusively establish the trust and accuracy of the matters therein stated, including nonpayment of the unpaid portion of, and the interest accrued on, the Secured Obligations after the same have become due and payable, advertisement and conduct of such sale in the manner provided herein or appointment of any successor Trustee hereunder.

SECTION 5.7 Receipt to Purchaser. Upon any sale, whether made under the power of sale herein granted and conferred or by virtue of judicial proceedings, the

receipt of the Trustee, or of the officer making sale under judicial proceedings, shall be sufficient discharge, unless otherwise required by applicable law, to the purchaser or purchasers at any sale for his or their purchase money, and such purchaser or purchasers, or his or their assigns or personal representatives, shall not, after paying such purchase money and receiving such receipt of the Trustee or of such officer therefor, be obliged to see to the application of such purchase money, or be in anywise answerable for any loss, misapplication or nonapplication thereof.

SECTION 5.8 Effect of Sale. To the extent permitted by applicable law, any sale or sales of the Encumbered Property, whether under the power of sale herein granted and conferred or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever either at law or in equity, of Trustor of, in and to the premises and the property sold, and shall be a perpetual bar, both at law and in equity, against Trustor, and Trustor's successors or assigns, and against any and all persons claiming or who shall thereafter claim all or any of the property sold from, through or under Trustor or Trustor's successors or assigns. Nevertheless, the Trustor, if requested by the Trustee so to do, shall join in the execution and delivery of all proper conveyances, assignments and transfers of the properties so sold.

SECTION 5.9 Application of Proceeds. All proceeds received by the Beneficiary in respect of any sale of the Encumbered Property, or any part thereof, (whether granted and conferred herein, or by virtue of judicial proceeding) of, collection from, or other realization upon, all or any part of the Encumbered Property may, in the discretion of the Beneficiary, be held by the Beneficiary as additional collateral security for the Secured Obligations, or then or at any time thereafter be applied (after payment and satisfaction of all costs and expenses incurred by the Trustee and/or the Beneficiary in the performance of its or their rights or duties, including costs and expenses of any entry or taking of possession of any sale, or advertisement thereof and of conveyances and as well court costs, compensation of any casual employees and reasonable legal fees, and of any amounts payable pursuant to the Agreement and Section 5.12 hereof) in whole or in part by the Beneficiary against all or any part of the Secured Obligations.

SECTION 5.10 Liability for Deficiency. Trustor shall remain liable for any deficiency owing to the Beneficiary after application of the proceeds of any sale of the Encumbered Property as set forth in Section 5.9 to the fullest extent permitted by applicable law.

SECTION 5.11 The Trustor's Waiver of Appraisal, Marshalling, and Other Rights. Trustor agrees, to the fullest extent that Trustor may lawfully so agree, that Trustor shall not at any time insist upon or plead or in any manner whatever claim the benefit of any appraisal, moratorium, valuation, stay, extension or redemption

law now or hereafter in force, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust or the absolute sale of the Encumbered Property or the possession thereof by any purchaser at any sale made pursuant to any provision hereof, or pursuant to the decree of any court of competent jurisdiction; and Trustor, for Trustor and all who may claim by, through or under Trustor, so far as Trustor or those claiming by, through or under Trustor now or hereafter lawfully may, hereby waives the benefit of all such laws. Trustor, for Trustor and all who may claim by, through or under Trustor, waives, to the extent that Trustor may lawfully do so, any and all right to the exemption of homesteads, and to have the Encumbered Property marshalled upon any foreclosure of the Lien hereof, or sold in inverse order of alienation, and agrees that the Trustee or any court having jurisdiction to foreclose such Lien may sell the Encumbered Property as an entirety or in separate parts to the extent permitted by applicable law. Trustor, for Trustor and all who may claim by, through or under Trustor, further waives, to the fullest extent that Trustor may lawfully do so, any requirement for posting a receiver's bond or replevin bond or other similar type of bond if the Trustee commences an action for appointment of a receiver or an action for replevin to recover possession of any of the Encumbered Property. Trustor hereby further waives to the extent permitted by applicable law the pleading of any statute of limitations as a defense to any and all Secured Obligations, and Trustor agrees that no defense, claim or right based on any thereof will be asserted, or may be enforced, in any action enforcing or relating to this Deed of Trust or any of the Encumbered Property. Trustor, for itself and for all who may claim by, through or under Trustor, further waives, to the fullest extent that Trustor may lawfully do so, any and all rights of redemption (whether arising at law or in equity), and no provision of this Deed of Trust shall be deemed or construed to provide Trustor with any right of redemption. Trustor, for itself and for all persons and entities hereafter claiming by, through or under Trustor or who may at any time hereafter become holders of Liens junior to the Lien of this Deed of Trust, hereby expressly waives and releases to the extent permitted by applicable law all rights to direct the order in which any of the Encumbered Property shall be sold in the event of any sale or sales pursuant hereto and to have any of the Encumbered Property and/or any other property now or hereafter constituting security or any of the Secured Obligations marshalled upon foreclosure of this Deed of Trust or of any other security or any of such Secured Obligations. If any applicable law in this Section referred to and now in force, of which Trustor or Trustor's successor or successors might take advantage despite the provisions hereof, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the operation or application of the provisions of this Section.

SECTION 5.12 Costs and Expenses. All costs and expenses (including but not limited to, reasonable attorneys' fees and other legal, management, title, trustee, and consulting expenses) incurred by the Trustee or the Beneficiary in protecting and

enforcing their rights hereunder (including any and all such costs and expenses which are incurred in connection with any state or federal action or proceeding concerning bankruptcy, debt relief, or protection from creditors, and in connection with any and all appellate actions or proceedings), shall constitute a demand obligation owing by Trustor to the party incurring such costs and expenses and shall draw interest at an annual rate equal to the highest rate of interest from time to time accruing under and as provided in the Agreement until paid, all of which shall constitute a portion of the Secured Obligations.

SECTION 5.13 Operation of the Encumbered Property by the Beneficiary.

After the Beneficiary becomes entitled to enforce the Security in accordance with the Agreement, and in addition to all other rights herein conferred on the Beneficiary, the Beneficiary (or any Person designated by the Beneficiary) shall have the right and power, but shall not be obligated, to enter upon and take possession of any of the Encumbered Property (unless otherwise specifically prohibited by applicable law), and to exclude the Trustor, and the Trustor's agents or servants, wholly therefrom, and to hold, use, administer, manage and operate the same to the extent that Trustor shall be at the time entitled and in its place and stead, in any form and manner deemed expedient by the Beneficiary. The Beneficiary, or any Person designated by the Beneficiary, may operate the same without any liability to Trustor in connection with such operations, except to use ordinary care in the operation of such properties, and the Beneficiary or any Person designated by the Beneficiary shall have the right to collect, receive and provide receipts for all gold and Other Minerals produced and sold from said properties, to make repairs, purchase machinery and equipment, conduct work-over operations, open new mines and to exercise every power, right and privilege of Trustor with respect to the Encumbered Property. All amounts paid or expended by the Beneficiary in exercising its rights under this Section (plus reasonable compensation to the Beneficiary for its out-of-pocket and other expenses for each matter for which it acts under this Deed of Trust), along with interest thereon at the highest rate of interest from time to time accruing under and as provided in the Agreement until paid, all of which shall constitute a portion of the Secured Obligations, shall be added to the Secured Obligations and shall be repaid to the Beneficiary upon demand. When and if the expenses of such operation and development (including costs of unsuccessful operations or additional mines) have been paid and the Secured Obligations paid, said properties shall, if there has been no sale or foreclosure, be returned to the Trustor.

SECTION 5.14 Right of Beneficiary to Judgment. The Trustor is personally obligated and fully liable for all amounts due under the Agreement and each other Facility Document (as that term is defined in the Credit Agreement). The Beneficiary has the right to sue on the Agreement and each other Facility Document (as that term is defined in the Credit Agreement), and obtain a personal judgment against Trustor for

satisfaction of the amounts due under the Agreement and each other Facility Document (as that term is defined in the Credit Agreement), either before or after a judicial foreclosure of this Deed of Trust under AS 09.45.170-09.45.220.

ARTICLE 6. OTHER PROVISIONS

SECTION 6.1 Successor Trustee. Any Trustee may resign in writing addressed to the Beneficiary or may be removed at any time with or without cause by an instrument in writing duly executed by the Beneficiary. In case of the resignation or removal of a Trustee, one or more successor Trustees may be appointed by the Beneficiary by an instrument of substitution complying with any requirements of applicable law, and in the absence of any such requirement without formality other than appointment and designation in writing. Such appointment and designation shall be full evidence of the right and authority to make the same and of all facts therein recited, and upon the making of any such appointment and designation this conveyance shall vest in the named successor Trustee or Trustees all the estate and title of the prior Trustee in all of the Encumbered Property, and he or they shall thereupon succeed to all the rights, powers, privileges, immunities and duties hereby conferred upon the prior Trustee. All references herein to the Trustee shall be deemed to refer to the Trustee from time to time acting hereunder.

SECTION 6.2 Right to Perform the Trustor's Obligations. Each and every covenant herein contained shall be performed and kept by Trustor solely at Trustor's expense. If Trustor shall fail to perform or keep any of the covenants of whatsoever kind or nature contained in this Deed of Trust, the Beneficiary, or the Trustee or any receiver appointed hereunder, may, but shall not be obligated to, perform or keep, or caused to be performed or kept, the same in Trustor's behalf, and Trustor hereby agrees to reimburse the Beneficiary or the Trustee or such receiver (as the case may be) on demand for all expenses incurred in connection therewith plus interest thereon at an annual rate equal to the highest rate of interest from time to time accruing under and as provided in the Agreement until paid. The undertaking of such performance by the Beneficiary or the Trustee or such receiver (as the case may be) as aforesaid shall not obligate the Beneficiary or the Trustee or such receiver (as the case may be) to continue such performance or to engage in such performance or performance of any other act in the future, shall not relieve Trustor from the observance or performance of any covenant or agreement contained in this Deed of Trust or constitute a waiver of default hereunder and shall not affect the right of the Beneficiary to accelerate the payment of the Secured Obligations or to resort to any other of its rights or remedies hereunder or under applicable law.

SECTION 6.3 Defense of Claims. Trustor shall notify the Beneficiary, in writing, promptly of the commencement of any legal proceedings affecting the Lien hereof or the Encumbered Property, or any part thereof, and shall take such action, employing attorneys agreeable to the Beneficiary, as may be necessary or appropriate to preserve Trustor's, the Trustee's and the Beneficiary's rights affected thereby and/or to hold harmless the Trustee and the Beneficiary in respect of such proceedings; and should Trustor fail or refuse to take any such action, the Trustee or the Beneficiary may, upon giving prior written notice thereof to Trustor, take such action in behalf and in the name of Trustor and at Trustor's expense. Moreover, the Beneficiary or the Trustee, on behalf of the Beneficiary, may take such independent action in connection therewith as it or they may in its or their discretion deem proper, Trustor hereby agreeing that all sums advanced or all expenses incurred in such actions plus interest at any annual rate equal to the highest rate of interest from time to time accruing under and as provided in the Agreement until paid, will, on demand, be reimbursed, as appropriate, to the Beneficiary, the Trustee or any receiver appointed hereunder. The obligations of the Trustor as hereinabove set forth in this Section shall survive the release, termination, foreclosure or assignment of this Deed of Trust or any sale hereunder to the extent permitted by applicable law.

SECTION 6.4 The Encumbered Property to Revert. Upon full and final satisfaction of all indebtedness and other obligations due under the Agreement and under each of the other Facility Documents (as that term is defined in the Credit Agreement), all of the Encumbered Property shall revert to the Trustor and the entire estate, right, title and interest of the Trustee and the Beneficiary shall thereupon cease; and the Trustee and the Beneficiary in such case shall, upon the request of Trustor and at Trustor's cost and expense deliver to Trustor proper instruments acknowledging satisfaction of this Deed of Trust, including a request for full reconveyance, without warranty or recourse of any kind, to the person or persons legally entitled thereto.

SECTION 6.5 Renewals, Amendments and Other Security. Renewals and extensions of the Secured Obligations may be given at any time and amendments may be made to agreements relating to any part of such Secured Obligations or the Encumbered Property and the Trustee and the Beneficiary may take or may now hold other security for the Secured Obligations, all without notice to or consent of Trustor unless otherwise required under the Agreement. The Trustee or the Beneficiary may resort first to such other security or any part thereof or first to the security herein given or any part thereof, or from time to time to either or both, even to the partial or complete abandonment of either security, and such action shall not be a waiver of any rights conferred by this Deed of Trust, which shall continue as a first-priority, perfected Lien (subject to the exceptions set forth herein) in the Encumbered Property not expressly released until the Security Termination Date.

SECTION 6.6 Limitation on Interest. No provision of this Deed of Trust shall require the payment or permit the collection of interest in excess of the maximum permitted by applicable law or which is otherwise contrary to applicable law. If any excess of interest in such respect is herein provided for, or shall be adjudicated to be so provided for herein, Trustor shall not be obligated to pay such excess.

SECTION 6.7 Severability. In the event any provision or clause of this Deed of Trust is found to be invalid, the invalidity shall not affect other provisions of this Deed of Trust that can be given effect without the invalid provision and to this end the provisions of this Deed of Trust are declared to be severable.

SECTION 6.8 Rights Cumulative; Waiver.

(a) Each and every right, power and remedy herein given to the Trustee or the Beneficiary shall be cumulative and not exclusive; and each and every right, power and remedy whether specifically herein provided or otherwise existing may be exercised from time to time and so often and in such order as may be deemed expedient. No failure or delay by or on the part of the Trustee or the Beneficiary, or the exercise, or the beginning of the exercise, of any such right, power or remedy shall be deemed a waiver of the right to exercise, at the same time or thereafter, any other right, power or remedy in exercising any power or right under this Deed of Trust. No such failure or delay shall operate as a waiver of any right hereunder, nor shall any single or partial exercise of any power, right, or remedy hereunder preclude any other or further exercise thereof or the exercise of any other power, right, or remedy. No notice to or demand on Trustor in any case shall entitle it to any notice or demand in similar or other circumstances. No delay or omission by the Trustee or by the Beneficiary in the exercise of any right, power or remedy shall impair any such right, power or remedy or operate as a waiver thereof or of any other right, power or remedy then or thereafter existing. No waiver or approval under this Deed of Trust shall, except as may be otherwise stated in such waiver or approval, be applicable to subsequent transactions. No waiver or approval hereunder shall require any similar or dissimilar waiver or approval thereafter to be granted hereunder.

(b) Any and all covenants in this Deed of Trust may from time to time by instrument in writing signed by the Beneficiary be waived to such extent and in such manner as the Beneficiary may desire, but no such waiver shall ever affect or impair either the Trustee's or the Beneficiary's rights or Lien created by this Deed of Trust, except to the extent specifically stated in such written instrument.

SECTION 6.9 Indemnification. In addition to any similar obligations contained in this Deed of Trust, the Trustor hereby indemnifies and holds harmless the Trustee and the Beneficiary from and against any and all claims, actions, judgments, costs, fees (including reasonable attorneys' fees), expenses, damages, charges, losses and liabilities arising out of or resulting from this Deed of Trust (including the enforcement hereof), except claims, losses or liabilities resulting from the Trustee's or the Beneficiary's gross negligence or willful misconduct.

SECTION 6.10 Release and Waiver. To the extent permitted by applicable law, the Trustor hereby waives and releases any and all rights of contribution, reimbursement or indemnity it has or may hereafter have against the Trustee and/or the Beneficiary arising from or relating to this Deed of Trust and/or the Encumbered Property, including claims or liabilities relating to Environmental Law.

SECTION 6.11 No Partnership. Nothing contained in this Deed of Trust is intended to, or shall be construed as, creating to any extent and in any manner whatsoever, any partnership, mining partnership, joint venture or association among the Trustor, the Trustee and the Beneficiary, or in any way as to make the Beneficiary or the Trustee co-principals with the Trustor with reference to the Encumbered Property, and any inferences to the contrary are hereby expressly negated.

SECTION 6.12 Partial Releases. No partial reconveyance or release from the Lien of this Deed of Trust with respect to any part of the Encumbered Property by the Beneficiary or the Trustee shall in any way alter, vary or diminish the force, effect or Lien of this Deed of Trust against the balance or remainder of the Encumbered Property.

SECTION 6.13 Action by Individual Trustee. Any Trustee from time to time serving hereunder shall have the absolute right, acting individually, to take any action and to give any consent and to exercise any right, remedy, power, privilege or authority conferred upon the Trustee, and no person dealing with the Trustee from time to time serving hereunder shall be obligated to confirm the power and authority of the Trustee.

SECTION 6.14 Successors and Assigns. This Deed of Trust shall be binding upon the Trustor and the Trustor's successors and assigns, and shall inure to the benefit of the Trustee and the Beneficiary, and their respective successors and assigns; provided, however, that:

(a) Trustor shall not assign, delegate or transfer its rights or obligations hereunder;

(b) the rights of sale, assignment and transfer of the Beneficiary are subject to the terms of the Agreement; and

(c) the rights of sale, assignment and transfer of the Trustee are described in Section 6.1.

The provisions of this Deed of Trust shall be covenants running with the land.

SECTION 6.15 Amendments. The provisions of this Deed of Trust may from time to time be amended, modified or waived, if such amendment, modification or waiver is in writing and consented to by the Trustor and the Beneficiary.

SECTION 6.16 Headings. The various headings of this Deed of Trust are inserted for convenience only and shall not affect the meaning or interpretation of this Deed of Trust.

SECTION 6.17 Execution in Counterparts. This Deed of Trust may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which are identical and together shall constitute one and the same instrument.

SECTION 6.18 Recording References in Exhibit A. All recording references in Exhibit A hereto are to the official real property records of the recording district in which the affected land is located.

SECTION 6.19 Special Filing as Financing Statement. This Deed of Trust shall likewise be a security agreement and a financing statement. This Deed of Trust shall be recorded and filed, among other places, in the official real property records of each recording district in which any portion of the real property described in or referred to in Exhibit A hereto is situated and, when recorded and filed in such recording districts, shall be effective as a financing statement covering, inter alia, (i) goods which are or are to become fixtures on the real property described or referred to in Exhibit A hereto and (ii) any and all additional personal property that is included in the Encumbered Property. At the option of the Beneficiary and if allowed under applicable law, a carbon, photographic or other reproduction of this Deed of Trust or of any financing statement covering the Encumbered Property or any portion thereof shall be sufficient as a financing statement and may be filed as such.

SECTION 6.20 Notices. All notices and other communications provided to any party hereto under this Deed of Trust shall be in writing and shall be given in the manner set forth in the Credit Agreement.

SECTION 6.21 Request for Notice. Trustor hereby requests a copy of any notice of default and that any notice of sale hereunder be mailed to it at the address set forth on the signature page(s) of this Deed of Trust.

SECTION 6.22 Statement by Trustor. Trustor, within ten (10) days after being given notice by mail, will furnish to the Beneficiary a written statement stating the unpaid Secured Obligations and any other amounts secured by this Deed of Trust and stating whether any offset or defense exists against such principal and interest.

SECTION 6.23 Acceptance by the Trustee. The Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

SECTION 6.24 Beneficiary May Perform. If Trustee or Trustor fails to perform any agreement contained herein, the Beneficiary may itself perform, or cause performance of, such agreement, and the expenses of the Beneficiary incurred in connection therewith shall be payable by Trustor pursuant to Section 5.12.

SECTION 6.25 Beneficiary Has No Duty. In addition to, and not in limitation of, Section 3.4, the powers conferred on the Beneficiary hereunder are solely to protect its interest in the Assigned Agreements and shall not impose any duty on it to exercise any such powers. Except for the accounting for moneys actually received by it hereunder, the Beneficiary shall have no duty as to any Assigned Agreement or responsibility for taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Assigned Agreement.

SECTION 6.26 Governing Law. This Deed of Trust shall be governed by the law of the State of Alaska.

SECTION 6.27 Maturity Date. The maturity date of this Deed of Trust, for purposes of AS 34.20.150 or any similar statute, shall occur upon the full and final satisfaction of all indebtedness and other obligations secured by this Deed of Trust, or seventy-five (75) years from the execution of this Deed of Trust, whichever is earlier.

SECTION 6.28 Interpretation. Unless a clear contrary intention appears, this Deed of Trust shall be construed and interpreted in accordance with the provisions set forth below:

- (a) the singular number includes the plural number and vice versa;

(b) reference to any Person includes such Person's successors, executors, administrators, substitutes and assigns but, if applicable, only if such successors, executors, administrators, substitutes and assigns are permitted by this Deed of Trust;

(c) reference to any gender includes any other gender;

(d) reference to any applicable law means such applicable law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder;

(e) "hereunder", "hereof", "hereto", "herein" and words of similar import shall be deemed references to this Deed of Trust, as the case may be, as a whole and not to any particular Article, Section, clause or other provision hereof or thereof;

(f) any reference to any particular Article, Section or clause shall be to such Article, Section or clause of this Deed of Trust ; and

(g) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term.

SIGNATURE PAGE FOLLOWS.

IN WITNESS WHEREOF, each of the Trustor and the Beneficiary has executed or caused to be executed this Deed of Trust with Power of Sale, Assignment of Production, Security Agreement, Financing Statement and Fixture Filing as of the day, month and year first above written.

TRUSTOR

MYSTERY CREEK RESOURCES, INC.

By: _____
Name Printed: _____
Title: _____

**EXHIBIT A to Deed of Trust with Power of Sale,
Assignment of Production, Security Agreement,
Financing Statement and Fixture Filing, dated as of
March 29, 2012**

**PROPERTY DESCRIPTION, ASSIGNED AGREEMENTS, WATER RIGHTS, AND
PERMITTED ENCUMBRANCES**

This Exhibit A organized as follows:

1. PROPERTY RIGHTS.

A. FEDERAL MINING CLAIMS.

Attached hereto as Schedule 1.A.

B. FEDERAL MINING CLAIMS ON DOYON LAND.

Attached hereto as Schedule 1.B.

C. STATE MINING CLAIMS.

Attached hereto as Schedule 1.C.

2. ASSIGNED AGREEMENTS.

Contract No. 101-11-69710-P with Glencore Ltd.

Refining Agreement No. 1378 with Johnson Matthey Inc. dated July 6, 2011

3. PERMITTED ENCUMBRANCES.

NONE.

EXHIBIT A

pursuant to the Deed of Trust, please acknowledge the following in the space provided below:

1. You consent to the assignment by way of security of our rights, title and interest in, to, under and in connection with the Relevant Agreements pursuant to the terms of the Deed of Trust and, without limiting the foregoing, to the exercise by the Beneficiary to any rights and remedies it may have, whether under the Deed of Trust, the Agreement and/or Applicable Law, with respect to the Relevant Agreements as so assigned (including the right, but not the obligation to remedy any of our defaults under and in connection with the Relevant Agreements), following the occurrence of an event of default.

2. You agree to make any payments due to ourselves under the Relevant Agreements to such account as the Beneficiary may notify you in writing from time to time.

3. You agree that we shall remain liable under the Relevant Agreements to the extent set forth therein to perform our duties and obligations thereunder to the same extent as if the Deed of Trust and this Notice had not been executed, that no Trustee or Beneficiary shall have any obligation or liability under any of the Relevant Agreements by reason of the Deed of Trust or this Notice, and that no Trustee or Beneficiary shall be obligated to perform any of our obligations or duties under the Relevant Agreements or to take any action to collect or enforce any claim for payment assigned pursuant to the Deed of Trust.

This Notice shall be deemed to be a contract made under and governed by the internal laws of the State of Alaska.

The Trustor has caused this Notice to be executed and delivered by its duly Authorized Representative this ____ day of _____, 20__.

MYSTERY CREEK RESOURCES, INC.

By: _____
Name Printed: _____
Title: _____

Accepted and acknowledged
this ____ day of _____, 20__

[NAME OF ASSIGNED AGREEMENT COUNTERPARTY]

By: _____
Name Printed: _____
Title: _____

Accepted this ____ day of _____, 20__

**WATERTON GLOBAL VALUE L.P. , by its
Investment Manager Altitude Management Ltd.**

By: _____
Name Printed: _____
Title: _____

**EXHIBIT C to Deed of Trust with Power of Sale,
Assignment of Production, Security Agreement,
Financing Statement and Fixture Filing, dated as of
March 29, 2012**

POST-PRODUCTION CONTRACTS

Contract No. 101-11-69710-P with Glencore Ltd.

Refining Agreement No. 1378 with Johnson Matthey Inc. dated July 6, 2011

EXHIBIT C

**EXHIBIT D to Deed of Trust with Power of Sale,
Assignment of Production, Security Agreement,
Financing Statement and Fixture Filing, dated as of
March 29, 2012**

PRIOR AND PREDECESSOR NAMES

None.

EXHIBIT D

SCHEDULE 1.1(C) – LEASES

1. Mining Lease made effective as of the 4th day of February, 2003 made between Margaret L. Mespelt, an unmarried individual, Theodore J. Almasy, an unmarried individual and Mespelt & Almasy Mining Company, LLC, an Alaska limited liability company (all of which are collectively referred to therein as “Lessor”), each of which has its principal place of business at P.O. Box 74, McGrath, Alaska 99627 and Mystery Creek
2. Office Lease between Fire River Gold Corp. (as Tenant) and ASQ Buildings Ltd (as Landlord) dated November 23, 2011 for office space at suite 340, 1200 West 73rd Avenue, Vancouver, British Columbia Canada V6P 6G5

SCHEDULE 1.1(D) – MATERIAL CONTRACTS

1. Contract No. 101-11-690710-P made on 27 July, 2011 between Mystery Creek and Glencore Ltd. (“Glencore Contract”) having an office at Three Stamford Plaza, 301 Tresser Boulevard, Stamford, Connecticut, USA 06901-3244 for the purposes of selling gold and silver rich copper concentrate for shipment and processing at its PASAR smelter in the Phillipines. There are no terms in the Glencore Contract that conflict with the Gold and Silver Supply Agreement between Fire River Gold Corp. and Mystery Creek Resources, Inc., and Waterton Global Value, L.P.
2. Lease made and effective as of the 4th day of February, 2003 made between Margaret L. Mespelt, an unmarried individual, Theodore J. Almasy, an unmarried individual and Mespelt & Almasy Mining Company, LLC, an Alaska limited liability company (all of which are collectively referred to therein as “Lessor”), each of which has its principal place of business at P.O. Box 74, McGrath, Alaska 99627 and Mystery Creek.
3. Office Lease between Fire River Gold Corp., as Tenant, and ASQ Buildings Ltd, as Landlord, dated November 23, 2011 for office space at suite 340, 1200 West 73rd Avenue, Vancouver, British Columbia.

SCHEDULE 1.1(E) – MINING PROPERTIES

NIXON FORK

The Nixon Fork property consists of 95 unpatented federal lode claims and 15 unpatented federal placer claims (2,200 acres aggregate) and an additional 81 State of Alaska mining claims (6,840 acres aggregate) located in Township 26 South, Range 21-22 East, Kateel River Meridian (Figure 1). The mine is located in the Medfra A4 quadrangle and is centered at 63° 14'N, 154° 46'W, 56 km northeast of McGrath, central Alaska. The claims are registered with the U.S. Bureau of Land Management and the Alaska Division of Mining, Land and Water Management (Appendix 1).

Annual federal mining claim rental payments of \$15,400 (\$140/claim) were timely paid in August 2011 and will become due and payable (\$15,400) again before August 31, 2012. Annual State mining claim rental payments of \$16,090 were timely paid in November 2011 and payable again before November 30, 2010. Federal claim rental payments are paid to the U.S. Bureau of Land Management for claims wholly or partially on federal lands (Range 21 East) and to Doyon, Ltd., the Regional native corporation in this part of Alaska, for federal claims wholly on Doyon land (Range 22 East, Appendix 1). Annual affidavits of annual labor for State mining claims were timely recorded in November 2011 and will become due and recordable again by November 30, 2012.

At the time of statehood, the State of Alaska was given the right to select 104 million acres from the "public lands" that were then managed by the Bureau of Land Management (BLM). The State of Alaska began evaluating and selecting lands with the first million acres being lands to generate revenues for a mental health trust that had been established while Alaska was still a territory. The selection process continued until January 1, 1994, which was the statutory end date for completion of selections. Approximately 90 million acres have been tentatively approved (TA'd) for transfer to the State. In the case of the Nixon Fork property, Township 26S Range 21E is a state selected township that has yet to be transferred, and Township 26S Range 22E has been deeded to the native controlled Doyon Ltd.

As a result of this transaction, 33 of the 110 Federal claims are located on land administered by Doyon Ltd, a native corporation that obtained the land through the Alaska Native Claims Settlement Act (ANCSA). Tenure requirements for the Federal claims located on Doyon Land are the same as for those on Bureau of Land Management (BLM). A Federal claim, once granted, is valid until the following August 31. The annual cost to maintain a Federal claim is \$140 paid to the BLM. Failure to pay the assessment fee in a timely manner results in the loss of those mineral rights.

There are currently 44 State of Alaska claims staked "at risk" that overlay the federal claims on the BLM ground located in Township 26N, Range 21E which is a TA'd Township. The State claims will only become active if the federal claims are abandoned and the state is conveyed title to the land underlying the claims. There are also 4 State claims on Doyon land, Township 26N Range 22E and an additional 58 expired State claims that form an area of interest clause in the agreement between St Andrew and the underlying land owners, Mespelt and Almsy Mining Company, LLC. State claims require annual assessment work of \$100 per 40-

acre claim and an annual rental fee that commenced at \$35 per 40-acre claim, escalating to \$70 per claim after 5 years and \$140 per claim after the 11th year. For quarter-section claims the rentals commence at at \$140 per 160-acre claim, escalating to \$280 per claim after 5 years and \$680 per claim after the 11th year. All the State claims at the Nixon Fork project have been held in excess of 11 years.

**STATE OF ALASKA MINING CLAIMS
NIXON FORK PROJECT**

All claims located in the Mt. McKinley Recording District, Kateel River Meridian, Alaska
State of Alaska mining claims owned by Mespelt and Almasy Mining Company LLC

Count	Claim Name	Acres	Township	Range	Section	ADL#
1	M&A #1	40	26 S	21 E	13	312759
2	M&A #2	40	26 S	21 E	14	312760
3	M&A #3	40	26 S	21 E	24	312761
4	M&A #4	40	26 S	21 E	23	312762
5	Clough Strand #10	40	26 S	22 E	17,18	314860
6	MAR 1	40	26 S	21 E	23	508866
7	MAR 2	40	26 S	21 E	23	508867
8	MAR 3	40	26 S	21 E	23	508868
9	MAR 4	40	26 S	21 E	23	508869
10	MAR 5	40	26 S	21 E	23	508870
11	MAR 6	40	26 S	21 E	23	508871
12	MAR 7	40	26 S	21 E	23	508872
13	MAR 8	40	26 S	21 E	23	508873
14	MAR 9	40	26 S	21 E	14	508874
15	MAR 10	40	26 S	21 E	14	508875
16	MAR 11	40	26 S	21 E	14	508876
17	MAR 12	40	26 S	21 E	14	508877
18	MAR 13	40	26 S	21 E	12	508878
19	MAR 14	40	26 S	21 E	12	508879
20	MAR 15	40	26 S	21 E	12	508880
21	MAR 16	40	26 S	21 E	12	508881
22	NF-1	40	26 S	21 E	13	532159
23	NF-2	40	26 S	21 E	13	532160
24	NF-3	40	26 S	21 E	13	532161
25	NF-4	40	26 S	21 E	13	532162
26	NF-5	40	26 S	21 E	13	532163
27	NF-6	40	26 S	21 E	13	532164
28	NF-7	40	26 S	21 E	13	532165
29	NF-8	40	26 S	21 E	13	532166

Count	Claim Name	Acres	Township	Range	Section	ADL#
30	NF-9	40	26 S	21 E	13	532167
31	NF-10	40	26 S	21 E	13	532168
32	NF-11	40	26 S	21 E	13	532169
33	NF-12	40	26 S	21 E	13	532170
34	NF-13	40	26 S	21 E	24	532171
35	NF-14	40	26 S	21 E	24	532172
36	NF-15	40	26 S	21 E	24	532173
37	NF-16	40	26 S	21 E	24	532174
38	NF-17	40	26 S	21 E	24	532175
39	NF-18	40	26 S	21 E	24	532176
40	NF-19	40	26 S	21 E	24	532177
41	NF-20	40	26 S	21 E	24	532178
42	NF-21	40	26 S	21 E	24	532179
43	NF-22	40	26 S	21 E	24	532180
44	NF-23	40	26 S	21 E	24	532181
45	NF-24	40	26 S	21 E	24	532182
46	Pupinsky #4	40	26 S	22 E	20	312736
47	Pupinsky #5	40	26 S	22 E	20	312737
48	Pupinsky #6	40	26 S	22 E	20	312738

STATE OF ALASKA MINING CLAIMS
NIXON FORK PROJECT

All claims located in the Mt. McKinley Recording District, Kateel River Meridian, Alaska
State Mining Claims owned by Mystery Creek Resources

Count	Claim Name	Acres	Township	Range	Section	ADL#
1	Ruby 1	160	26 S	21 E	15	661071
2	Ruby 2	160	26 S	21 E	14	661072
3	Ruby 3	160	26 S	21 E	14	661073
4	Ruby 4	160	26 S	21 E	13	661074
5	Ruby 5	160	26 S	21 E	15	661075
6	Ruby 6	160	26 S	21 E	14	661076
7	Ruby 7	160	26 S	21 E	22	661077
8	Ruby 8	160	26 S	21 E	23	661078
9	Ruby 9	160	26 S	21 E	22	661079
10	Ruby 10	160	26 S	21 E	23	661080
11	Ruby 11	160	26 S	21 E	27	661081
12	Ruby 12	160	26 S	21 E	26	661082
13	Ruby 13	160	26 S	21 E	26	661083
14	Ruby 14	160	26 S	21 E	25	661084
15	Ruby 15	160	26 S	21 E	25	661085
16	Ruby 16	160	26 S	21 E	27	661086
17	Ruby 17	160	26 S	21 E	26	661087
18	Ruby 18	160	26 S	21 E	26	661088
19	Ruby 19	160	26 S	21 E	25	661089
20	Ruby 20	160	26 S	21 E	25	661090
21	Ruby 21	160	26 S	21 E	34	661091
22	Ruby 22	160	26 S	21 E	35	661092
23	Ruby 23	160	26 S	21 E	35	661093
24	Ruby 24	160	26 S	21 E	36	661094
25	Ruby 25	160	26 S	21 E	36	661095
26	Ruby 26	160	26 S	21 E	34	661096
27	Ruby 27	160	26 S	21 E	35	661097
28	Ruby 28	160	26 S	21 E	35	661098
29	Ruby 29	160	26 S	21 E	36	661099
30	Ruby 30	160	26 S	21 E	36	661100
31	Ruby 31	40	26 S	21 E	24	661101
32	Ruby 32	40	26 S	21 E	24	661102
33	Ruby 33	40	26 S	21 E	24	661103

UNPATENTED FEDERAL MINING CLAIMS
NIXON FORK PROJECT

All Claims Located within the Mt. McKinley Recording District, Kateel River Meridian, Alaska
Unpatented federal mining claims owned by Mespelt and Almasy Mining Company, LLC

No.	Claim Name	Acres	Township	Range	Section	AA#
1	GOLDEN STAR	20	26S	21	24	033627
2	GOLDEN STAR NO I	20	26S	21	24	033628
3	SHAMROCK	20	26S	21	24	033629
4	MABEL NO 1	20	26S	21	13,24	033630
5	MABEL NO 2	20	26S	21	24	033631
6	MABEL NO 3	20	26S	21	24	033632
7	MABEL NO 4	20	26S	21	24,25	033633
8	MABEL NO 5	20	26S	21	24	033634
9	BOSTON	20	26S	21	24,25	033635
10	MABEL NO 6	20	26S	21	24	033636
11	MOHAWK	20	26S	21	13,24	033637
12	TECLA PUP	20	26S	21	13	033638
13	NORTH STAR	20	26S	21	13,24	033639
14	GOLDFIELD	20	26S	21	13,24	033640
15	RED LODE	20	26S	21	13,24	033641
16	WALDEN	20	26S	21	13	033642
17	IRON NO.1	20	26S	21	13	033643
18	IRON NO. 2	20	26S	21	13,24	033644
19	IRON	20	26S	21	13,24	033645
20	CHALCOPYRITE	20	26S	21	13	033646
21	CHALCOCITE	20	26S	21	13	033647
22	SOUTHERN CROSS	20	26S	21,22	13,18	033648
23	TEXAS LODE CLAIM	20	26S	21	12,13	033649
24	EMERGENCY	20	26S	21,22	13,13,7	033650
25	BOSTON BUTT	20	26S	21	24,25	033654
26	MCGOWAN	20	26S	21,22	13,18	033655
27	KEEN	20	26S	21,22	13,18	033656
28	RICHARDSON	20	26S	21	13,24	033658
29	MESPELT	20	26S	21,22	13,24,18	033659
30	DOLF MESPELT LODE CLAIM	20	26S	21,22	13,18	033660
31	CHARLIE MESPELT LODE CLAIM	20	26S	21,22	13,18	033661
32	CARL SCHUTTLER LODE CLAIM	20	26S	21,22	24,19	033663
33	LEO RODRIGUE LODE CLAIM	20	26S	21,22	24,19	033664

No.	Claim Name	Acres	Township	Range	Section	AA#
34	HY GROSHONG LODE CLAIM	20	26S	21,22	24,19	033665
35	MONTANA LODE CLAIM	20	26S	21	13,18	033667
36	WERNECKE LODE CLAIM	20	26S	21	24	033668
37	GRIFFIN LODE CLAIM	20	26S	21	23,24	033669
38	WHELAN LODE CLAIM	20	26S	21	24	033670
39	BULLOCK LODE CLAIM	20	26S	21	24	033671
40	MATHEISON LODE CLAIM	20	26S	21	13,14,23	033672
41	PEARSON LODE CLAIM	20	26S	21	13,24	033673
42	STRAND LODE CLAIM	20	26S	21	13,24	033674
43	OWEN GRAY LODE CLAIM	20	26S	21	13	033675
44	SNOW LODE CLAIM	20	26S	21	13	033676
45	OMALLEY LODE CLAIM	20	26S	21	13	033677
46	NEVADA LODE CLAIM	20	26S	21	12,13	033681
47	MONZONITE FRACTION LODE CLAIM	20	26S	21	13	033682
48	PORPHYRY FRACTION LODE CLAIM	20	26S	21	13	033683
49	OLD FITZGERALD LODE CLAIM	20	26S	21	13	033684
50	JIM BEAM LODE CLAIM	20	26S	21	13	033685
51	OLD TAYLOR LODE CLAIM	20	26S	21	13	033686
52	CROWN ROYAL LODE CLAIM	20	26S	21	13	033690
53	IDAHO LODE CLAIM	20	26S	21	12,13	033712
54	UTAH LODE CLAIM	20	26S	21	12,13	033713
55	WYOMING LODE CLAIM	20	26S	21	12,13	033714
56	NO 1 ABOVE RUBY CREEK	20	26S	21	13	033715

No.	Claim Name	Acres	Township	Range	Section	AA#
57	NO 2 ABOVE RUBY CREEK	20	26S	21	13	033716
58	NO 1 ABOVE CRYSTAL GULCH	20	26S	21	13	033717
59	NO 1 ABOVE BENCH RUBY CREEK	20	26S	21	13	033718
60	NO 2 ABOVE DISC HOLMES GULCH	20	26S	21	24	033719
61	NO 1 ABOVE DISC HOLMES GULCH	20	26S	21	24	033720
62	DISCOVERY HOLMES GULCH	20	26S	21	24	033721
63	LIBERTY NO. 2	20	26S	21	24,25	033722
64	LIBERTY NO. 1	20	26S	21	24,25	033723
65	LINCOLN PLACER MINING CLAIM	20	26S	21	25	033724
66	SHAMROCK PLACER MINING CLAIM	20	26S	21	25	033725
67	NO 3 ABOVE DISC HOLMES GULCH	20	26S	21	24	033726
68	WHELAN PLACER CLAIM	20	26S	21	25	033727
69	AMETHYST LODE MINING CLAIM	20	26S	21	13	033728
70	GARNET SOUTH EXTENTION	20	26S	21	13	033729
71	GARNET LODE MINING CLAIM	20	26S	21	13	033730
72	RECREATION LODE	20	26S	21	13	033731
73	CRYSTAL LODE	20	26S	21	13	033732
74	NIXON FORK LODE	20	26S	21	13	033733
75	BLACK BEAR LODE	20	26S	21	13	033734
76	NO 3 ABOVE RUBY CREEK	20	26S	21	13	033735
77	NO 4 ABOVE RUBY CREEK	20	26S	21	13,24	033736

UNPATENTED FEDERAL MINING CLAIMS
NIXON FORK PROJECT

All Claims Located within the Mt. McKinley Recording District, Kateel River Meridian, Alaska
Unpatented federal mining claims owned by Mespelt and Almasy Mining Company, LLC,
on land owned by Doyon Limited

No.	Claim Name	Acres	Township	Range	Section	AA#
1	Mystery	20	26S	22E	7,18	033651
2	Warrior	20	26S	22E	7	033652
3	Chief	20	26S	22E	7	033653
4	Almasy	20	26S	22E	18,19	033657
5	Evan Jones	20	26S	22E	18,19	033662
6	Dick Matthews	20	26S	22E	19	033666
7	Pinky Doodle 1	20	26S	22E	8	033678
8	Pinky Doodle 2	20	26S	22E	8	033679
9	Pinky Doodle 3	20	26S	22E	5,6,8	033680
10	Old Grandad	20	26S	22E	18	033687
11	Old Crow	20	26S	22E	18	033688
12	Old Forester	20	26S	22E	18,19	033689
13	Pupinsky 1	20	26S	22E	20	033691
14	Pupinsky 2	20	26S	22E	20	033692
15	Pupinsky 3	20	26S	22E	20	033693
16	Jack Nixon 1	20	26S	22E	8,17	033694
17	Jack Nixon 2	20	26S	22E	8	033695
18	Jack Nixon 3	20	26S	22E	8	033696
19	Jack Nixon 4	20	26S	22E	8,17	033697
20	Jack Nixon 5	20	26S	22E	17	033698
21	Jack Nixon 6	20	26S	22E	8,17,18	033699
22	Jack Nixon 7	20	26S	22E	7,8,17,18	033700
23	Jack Nixon 8	20	26S	22E	7,8,17	033701
24	Jack Nixon 9	20	26S	22E	8	033702
25	Clough Strand 1	20	26S	22E	18	033703
26	Clough Strand 2	20	26S	22E	17,18	033704
27	Clough Strand 3	20	26S	22E	17,18	033705
28	Clough Strand 4	20	26S	22E	17,18,19	033706
29	Clough Strand 5	20	26S	22E	18,19	033707
30	Clough Strand 6	20	26S	22E	18,19	033708
31	Clough Strand 7	20	26S	22E	18,19	033709
32	Clough Strand 8	20	26S	22E	18	033710
33	Clough Strand 9	20	26S	22E	17,18	033711

KANSAS CREEK PROJECT

The Kansas Creek Project is located in the Bonfield District of the central Alaska Range in central-interior Alaska approximately 110km south of Fairbanks, Alaska and 70km east of Healy, Alaska. The Project consists of 28 State of Alaska mining claims covering a 16.8 sq. km area. Placer gold was discovered in the district in 1906 and approximately 80,000 ounces of Au have been recovered from alluvial deposits through 2008.

KANSAS CREEK PROSPECT STATE OF ALASKA MINING CLAIMS

All 160-acre claims located in the Fairbanks and Nenana Recording Districts, Alaska

No.	Claim Name	Record District	Acreage	Twtnshp	Rng	Sec	Meridian	ADL #
1	KAN 1	Nenana	160	12S	1W	23	Fairbanks	611450
2	KAN 2	Nenana	160	12S	1W	23	Fairbanks	611451
3	KAN 3	Nenana	160	12S	1W	24	Fairbanks	611452
4	KAN 4	Nenana	160	12S	1W	24	Fairbanks	611453
5	KAN 5	Nenana	160	12S	1E	19	Fairbanks	611454
6	KAN 6	Fairbanks and Nenana	160	12S	1E	19	Fairbanks	611455
7	KAN 7	Fairbanks and Nenana	160	12S	1E	20	Fairbanks	611456
8	KAN 8	Fairbanks	160	12S	1E	20	Fairbanks	611457
9	KAN 9	Nenana	160	12S	1W	23	Fairbanks	611458
10	KAN 10	Nenana	160	12S	1W	23	Fairbanks	611459
11	KAN 11	Nenana	160	12S	1W	24	Fairbanks	611460
12	KAN 12	Nenana	160	12S	1W	24	Fairbanks	611461
13	KAN 13	Nenana	160	12S	1E	19	Fairbanks	611462
14	KAN 14	Fairbanks and Nenana	160	12S	1E	19	Fairbanks	611463
15	KAN 15	Fairbanks and Nenana	160	12S	1E	20	Fairbanks	611464
16	KAN 16	Fairbanks	160	12S	1E	20	Fairbanks	611465
17	KAN 17	Nenana	160	12S	1W	26	Fairbanks	611466
18	KAN 18	Nenana	160	12S	1W	26	Fairbanks	611467
19	KAN 19	Nenana	160	12S	1W	25	Fairbanks	611468
20	KAN 20	Nenana	160	12S	1W	25	Fairbanks	611469
21	KAN 21	Nenana	160	12S	1E	30	Fairbanks	611470
22	KAN 22	Fairbanks and Nenana	160	12S	1E	30	Fairbanks	611471
23	KAN 23	Nenana	160	12S	1W	26	Fairbanks	611472
24	KAN 24	Nenana	160	12S	1W	26	Fairbanks	611473
25	KAN 25	Nenana	160	12S	1W	25	Fairbanks	611474
26	KAN 26	Nenana	160	12S	1W	25	Fairbanks	611475
27	KAN 27	Nenana	160	12S	1E	30	Fairbanks	611476
28	KAN 28	Fairbanks and Nenana	160	12S	1E	30	Fairbanks	611477

DRAKEN

The property is located in southeast-central Alaska, approximately 288km southeast of Fairbanks, Alaska, and approximately 61km west of the Canadian border.

STATE OF ALASKA MINING CLAIMS DRAKEN CLAIMS

All claims located in the Fairbanks Recording District, Alaska

Claim Name	Acreage	Township	Range	Section	Meridian	ADL_#
Draken 1	160	22N	16E	33	Copper River	609893
Draken 2	160	22N	16E	34	Copper River	609894
Draken 3	160	22N	16E	34	Copper River	609895
Draken 4	160	22N	16E	33	Copper River	609896
Draken 5	160	22N	16E	34	Copper River	609897
Draken 6	160	22N	16E	34	Copper River	609898

SCHEDULE 1.1(F) PERMITTED DEBT

Nil

SCHEDULE 1.1(G) PERMITTED LIENS

NIL

SCHEDULE 7.1(A) – INCORPORATION AND QUALIFICATION

Legal Name	Type of Entity	Previous Name (if any)	Registered Organization (Yes/No)	Organizational Number	Federal or Provincial Taxpayer Identification Number	State or Province of Formation
Fire River Gold Corp.	Corporation	550592 BC Ltd.	Yes	BC0550592	87712 5567 RC0001	Province of British Columbia
Mystery Creek Resources, Inc.	Corporation	N/A	Yes	78773D	91-2190101	State of Alaska
Fire River Gold Corp., USA	Corporation	N/A	Yes	118686	36-4642233	State of Alaska

SCHEDULE 7.1(J) – OWNERSHIP OF PROPERTY

The Nixon Fork Mine is owned by the Mespelt Almasay Mining Company (MAMC). Mystery Creek Resources, Inc. has an exclusive, unencumbered leasehold interest in the Nixon Fork Mine pursuant to the lease agreement dated February 4, 2003 with MAMC as further described in Exhibit A herein. See Schedules 1.1(E) for a list of mining claims.

SCHEDULE 7.1(X) – CORPORATE STRUCTURE

	Fire River Gold Corp.	Mystery Creek Resources, Inc.	Fire River Gold Corp., USA
Type of Organization	Incorporated Company	Incorporated Company	Incorporated Company
Organizational ID Number	BC0550592	78773D	118686
Authorized Share Capital	Unlimited	100,000	100,000
Issued Shares	102,442,372	1,000	1,000
Holder of Equity Interests	Various (public)	Fire River Gold Corp.	Fire River Gold Corp.
Agreements Binding on Equity Holders	None	None	None
Stock Options	7,345,000	None	None
Share Purchase Warrants	20,050,158	None	None

SCHEDULE 7.1(y) – Subsidiaries

Mystery Creek Resources, Inc.
Fire River Gold Corp., USA

SCHEDULE 7.1(CC) – LITIGATION

On 13 February 2012, Mystery Creek Resources Inc. was provided with letter from Baxter, Bruce, and Sullivan with allegations of racial employment discrimination against a former employee, <redacted>. The letter requests \$750,000 as a settlement amount.

The matter remains outstanding between parties. The Company has not formally responded to the letter, and <redacted> has not filed a lawsuit as at March 26, 2012.

SCHEDULE 7.1(DD) – SCHEDULE DISCLOSURE

(a) **Schedule Disclosure.** At the date of this Agreement:

(i) Schedule 7.1(dd) is a list of all jurisdictions (or registration districts within such jurisdictions) in which each Credit Party (i) has its chief executive office, head office, registered office and chief place of business, (ii) carries on business, (iii) has any account debtors or (iv) stores any tangible personal property (except for goods in transit in the ordinary course of business).

Credit Party	Head Office and Place of Business Address	Registered and Records Office	Address with Tangible Assets	Address of Account Debtors
Fire River Gold Corp.	Suite 340 – 1200 West 73 rd Ave., Vancouver, BC V6P 6G5	Fasken Martineau 2900 - 550 Burrard St Vancouver BC V6C 0A3	Suite 340 – 1200 West 73 rd Ave., Vancouver, BC V6P 6G5	N/A
Mystery Creek Resources, Inc.	Nixon Fork Mine Site and Suite 1, 6400 South Air Park Place, Anchorage, AK	Suite 310 – 1600 A Street Anchorage, AK 99501	Nixon Fork Mine Site and Suite 1, 6400 South Air Park Place, Anchorage, AK	N/A
Fire River Gold Corp., USA	Suite 340 – 1200 West 73 rd Ave., Vancouver, BC V6P 6G5	Suite 310 – 1600 A Street Anchorage, AK 99501	No tangible Assets	N/A

(ii) Schedule 7.1(dd) is a list of all trademarks, trade names, copyrights and patents (and the registration particulars thereof) which are material or necessary to any the Credit Parties or the Business.

Nil

(iii) Schedule 7.1(dd) contains a list of all agreements, contracts or similar Instruments to which a Credit Party is a party or to which any of their property or assets could be subject, for which breach, non-performance, cancellation or failure to renew could have a Material Adverse Effect.

1. Office Lease between Fire River Gold Corp., as Tenant, and ASQ Buildings Ltd, as Landlord, dated November 23, 2011 for office space at suite 340, 1200 West 73rd Avenue, Vancouver, British Columbia
2. Contract No. 101-11-690710-P made on 27 July, 2011 between Mystery Creek and Glencore Ltd. (“Glencore Contract”) having an office at Three Stamford Plaza, 301 Tresser Boulevard, Stamford, Connecticut, USA 06901-3244 for the purposes of selling gold and silver rich copper concentrate for shipment and processing at its PASAR smelter in the Phillipines. There are no terms in the Glencore Contract that conflict with the Gold and Silver Supply Agreement between Fire River Gold Corp. and Mystery Creek Resources, Inc., and Waterton Global Value, L.P.

3. Lease made and effective as of the 4th day of February, 2003 made between Margaret L. Mespelt, an unmarried individual, Theodore J. Almasy, an unmarried individual and Mespelt & Almasy Mining Company, LLC, an Alaska limited liability company (all of which are collectively referred to therein as “Lessor”), each of which has its principal place of business at P.O. Box 74, McGrath, Alaska 99627 and Mystery Creek.

(iv) Schedule 7.1 (dd) shows the complete bank account details for each of the Credit Parties.

Deposit Accounts

(Bank Account Details Redacted)

SCHEDULE 7.1(LL) – PROJECT PERMITS

Alaska State Permits List & Identification Numbers

AGENCY	PERMIT #	TYPE OF PERMIT	EFFECTIVE	EXPIRES
Bureau of Land Management	A115562	2011 Hard Rock Exploration Permit	3-May-11	31-DEC-11(i)
Department of Transportation	DOT-SP 15118	Transportation Permit for Cyanide	1-Apr-11	31-Jan-13
Bureau of Land Management	AK-040-040-04-EA-022	Environmental Assessment	Oct-05	none (ii)
Federal Communications Commission	0019854215	Radio Station Authorization	7-Jun-10	7-Jun-20
Bureau of Land Management	AA087162 and AA086337	Approved Plan of Operations	1-Apr-05	31-Mar-10(iii)

Notes:

- (i) Permit is specific to the 2011 exploration program. A new one will be sought for the 2012 exploration program.
- (ii) The site must have a current and valid Environmental Assessment, which will not be replaced without major new environmental impacts at site.
- (iii) Extended indefinitely until replaced by 2010 POO. The DRAFT 2010 POO has been approved and accepted by BLM, DNR and DEC and is now subject to a 30 day public review and comment period which ends on 23 April 2012. This process will not impede current operations, as use of cyanide is permitted under existing permits.

Federal Authorizations List & Identification Numbers

AGENCY	PERMIT #	TYPE OF PERMIT	EFFECTIVE	EXPIRES
Department of Environmental Conservation	AQ0837TVPO1	Air Quality Permit	23-Nov-10	23-Nov-15
Department of Natural Resources	AK00213	Certificate of Approval to Operate a Dam	26-May-11	10-Oct-12
Department of Environmental Conservation	2003-DB0055	Waste Management Permit	Jan-06	24 Jan-11(a)
Department of Environmental Conservation	2003-DB0055	Temporary Water Use Permit	14-Feb-11	13-Feb-16
Department of Environmental Conservation	TWUP F2011-77 and TWUP F2011-78	Temporary Water Use Permit for Exploration	20-Jun-11	31-Dec-15

SCHEDULE 1.1(CC) – CREDIT PARTY ACCOUNTS

Deposit Accounts

(Redacted)

Notes:

(a) continuance granted on 10 December 2010, no expiration on continuance. The Draft 2010 Waste Management Plan has been accepted by the Company and is now subject to a 30 day public review period which ends on 23 April 2012. This process will not impede ongoing operations.

SCHEDULE 8.1(O) – MAINTENANCE OF INSURANCE

The insurance policies of each of the Credit Parties are listed below:

1. Great American Insurance Company – Directors & Officers Insurance – Policy No. CDO1339002
2. Chubb Insurance of Canada – Executive Elite Coverage – Policy No. 8222-9324
3. Allianz Global Risk US Insurance Company – Non owned Aircraft Insurance – Policy No. AIM161349
4. Chubb Insurance of Canada – Commercial Policy – Policy No. 37114135
5. Chubb Insurance of Canada – Excess Umbrella Insurance – Policy No. 35907553
6. Chubb Insurance of Canada – Mystery Creek Resources Inc. US Admitted Insurance Coverage – Policy No. 3590-75-53-GAB

SCHEDULE 8.2(H) - SALARIES

Officer	Annual Salary
Richard Goodwin, President	CDN\$225,000
Timothy Smith, Chief Operating Officer	USD\$200,000
Brent Timmons, Chief Financial Officer	USD\$130,000 (part-time)
Stacey Bligh, Corporate Secretary	CDN\$102,000

SCHEDULE 8.2(I) - ACQUISITIONS

Fire River Gold Corp., Mystery Creek Resources, Inc., and Fire River Gold Corp., USA do not currently own any shares, stocks, bonds, notes, debentures, securities or other forms of equity.

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