

LAS CHACRAS PROPERTY PURCHASE AGREEMENT

THIS AGREEMENT is made effective as of the 25 day of March, 2011.

AMONG:

RARA TERRA CAPITAL CORP., a company incorporated pursuant to the laws of British Columbia, Canada and having an address at Suite 1160- 1100 Melville Street, Vancouver, BC V6E 4A6

(the “**Purchaser**”)

AND:

GOLDEN SANTA CRUZ S.A., a sociedad anónima incorporated pursuant to the laws of the Argentine Republic and having an address at Av. del Libertador 498, Piso 27 – (C1001ABR), Buenos Aires, Argentina

(the “**Vendor**”)

WHEREAS:

A. The Purchaser has made an offer to acquire a 100% interest in the Las Chacras Property (as defined herein) from the Vendor in exchange for: (i) a cash payment of \$25,000; and (ii) the allotment and subsequent issuance to the Vendor of 3,000,000 common shares of the Purchaser;

B. The Purchaser intends to incorporate a wholly owned Argentine subsidiary (“**Subco**”) for the purpose of owning the 100% interest in the Las Chacras Property; and

C. Upon the terms and subject to the conditions set forth in this Agreement, the Vendor has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendor, all of the Vendor’s legal and beneficial right, title and interest in and to the Las Chacras Property such that, at Closing (as defined herein), the Purchaser or Subco will hold all legal and beneficial right, title and interest in and to the Las Chacras Property.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement the following words and phrases will have the following meanings:

- (a) “\$” means Canadian currency;

- (b) “**Affiliate**” with respect to any specified Person at any time, means each Person directly or indirectly through one or more intermediaries controlling, controlled by or under direct or indirect common control with such specified Person at such time;
- (c) “**Agreement**” means this Las Chacras Property Purchase Agreement, and all of the schedules and other documents attached hereto, as it may from time to time be supplemented or amended;
- (d) “**Applicable Laws**” means, with respect to any Person, any domestic (whether federal, state, territorial, provincial, municipal or local) or foreign statute, law, ordinance, rule, administrative interpretation, regulation, Order, writ, injunction, directive, judgment, decree or other requirement, all as in effect as of the Closing, of any Governmental Body applicable to such Person or any of its Affiliates or any of their respective properties, assets, officers, directors, employees, consultants or agents (in connection with such officer’s, director’s, employee’s, consultant’s or agent’s activities on behalf of such Person or any of its Affiliates), including all Applicable Securities Laws, but does not include International Securities Laws;
- (e) “**Applicable Securities Laws**” means applicable securities laws in all jurisdictions relevant to the issuance of the Consideration Shares to the Vendor pursuant to the terms of this Agreement, including: (a) the BC Act or the equivalent legislation in each province and territory of Canada; (b) the rules, regulations, instruments and policies adopted by the Securities Authorities; (c) the Corporate Finance Manual of the Exchange, each as amended from time to time; and (d) the federal and state securities legislation of the United States, including the U.S. Securities Act, as applicable, but does not include International Securities Laws;
- (f) “**Assets**” means all right, title and interest in the Las Chacras Property and the Exploration Data;
- (g) “**BC Act**” means the *Securities Act* (British Columbia) and the regulations made under that enactment, as amended;
- (h) “**BCBCA**” means the *Business Corporation Act* (British Columbia), and the regulations made under that enactment, as amended;
- (i) “**Business**” means the business currently and heretofore carried on by the Purchaser, the Vendor or Subco, as the case may be;
- (j) “**Business Day**” means a day other than a Saturday, Sunday or other day on which commercial banks in British Columbia, Canada or Buenos Aires, Argentina are authorized or required by law to close;
- (k) “**Cash Consideration**” means the \$25,000 to be paid by the Purchaser to the Vendor at the Closing;
- (l) “**Charter Documents**” means the articles, notice of articles, by-laws, articles of incorporation or other constating documents of a party to this Agreement;
- (m) “**Closing**” means the closing of the Transaction pursuant to the terms of this Agreement on the Closing Date;

- (n) “**Closing Date**” means April 30, 2011, or such other date as the Purchaser and the Vendor may mutually agree to in writing;
- (o) “**Consideration Shares**” means the 3,000,000 fully paid and non-assessable Purchaser Shares to be issued to the Vendor and deposited into escrow pursuant to the terms of the Escrow Agreement on the Closing Date, at a deemed value of \$0.26 per Consideration Share, or as otherwise required by the Exchange;
- (p) “**Contracts**” means all contracts, agreements, options, leases, licences, sales and purchase orders, commitments and other instruments of any kind, whether written or oral, to which the Vendor, Subco or the Purchaser, as applicable, is a party on the Closing Date;
- (q) “**Damages**” means all demands, claims, actions, causes of action, assessments, Losses, damages, costs, expenses, Liabilities, judgments, awards, fines, sanctions, penalties, charges and amounts paid in settlement (net of insurance proceeds actually received), including: (i) reasonable interest on cash disbursements in respect of any of the foregoing; and (ii) reasonable costs, fees and expenses of attorneys, accountants and other agents of, or other Persons retained by, a Person;
- (r) “**Encumbrance**” means any Lien, claim, charge, pledge, hypothecation, security interest, mortgage, title retention agreement, option or encumbrance of any nature or kind whatsoever, other than: (i) statutory Liens for Taxes not yet due and payable; and (ii) such imperfections of title, easements and encumbrances, if any, that will not result in a Material Adverse Effect;
- (s) “**Environmental Laws**” means, with respect to any Person or its Business, activities, property, assets or undertaking, all Applicable Laws, including the common laws, relating to environmental or health matters in the jurisdictions applicable to such Person or its Business, activities, property, assets or undertaking, including legislation governing the use and storage of Hazardous Substances;
- (t) “**Environmental Permits**” means, collectively, all permits, certificates, variances, remedial orders, approvals, consents, authorizations, registrations, directions, instructions and licenses issued by or provided to, as the case may be, any Governmental Body pursuant to any Environmental Laws;
- (u) “**Escrow Agreement**” means the escrow agreement in the form attached as Schedule “C” to this Agreement, to be entered into by the Purchaser and the Vendor at or prior to the Closing;
- (v) “**Exchange**” means the TSX Venture Exchange;
- (w) “**Exploration Data**” means a digital copy and hardcopy of all Claims related data, including drill logs, maps and reports generated from said data, collected by the Vendor and its contractors on the Claims;
- (x) “**Financing**” means the private placement financing by the Purchaser consisting of the issuance of a combination of Flow-Through Units and Non-Flow-Through-Units for aggregate minimum gross proceeds of \$2,000,000 and maximum aggregate gross

proceeds of \$2,950,000, to be completed by the Purchaser contemporaneously with the Closing;

- (y) **“Flow-Through Unit”** means a unit of the Purchaser to be issued at a price of \$0.30 per Flow-Through Unit, with each Flow-Through Unit consisting of one Purchaser Share, issued on a flow-through basis, and one half of one warrant, with each whole warrant entitling the holder to purchase one non flow-through Purchaser Share at an exercise price of \$0.39 per Purchaser Share for eighteen (18) months from the closing of the Financing;
- (z) **“GAAP”** means accounting principles which are: (a) consistent with the principles promulgated or adopted by the Canadian Institute of Chartered Accountants and its predecessors, in effect from time to time; and (b) applied, unless otherwise required by GAAP, on a basis consistent with prior periods;
- (aa) **“Governmental Authorization”** means any: (a) permit, license, certificate, franchise, permission, variance, clearance, registration, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement; or (b) right under any Contract with any Governmental Body;
- (bb) **“Governmental Body”** means any: (i) nation, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, state, provincial, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body, or; (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;
- (cc) **“Hazardous Substances”** means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, hazardous recyclable, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in any Environmental Laws;
- (dd) **“Indebtedness”** means all obligations, contingent (to the extent required to be reflected in financial statements prepared in accordance with GAAP) and otherwise, which in accordance with GAAP should be classified on the obligor’s balance sheet as Liabilities, including without limitation, in any event and whether or not so classified: (a) all debt and similar monetary obligations, whether direct or indirect; (b) all Liabilities secured by any mortgage, pledge, security interest, Lien, charge or other Encumbrance existing on property owned or acquired subject thereto, whether or not the liability secured thereby shall have been assumed; (c) all agreements of guarantee, support, indemnification, assumption or endorsement and other contingent obligations whether direct or indirect in respect of Indebtedness or performance of others, including any obligation to supply funds to or in any manner to invest in, directly or indirectly, the debtor, to purchase Indebtedness, or to assure the owner of Indebtedness against loss, through an agreement to purchase goods, supplies or services for the purpose of enabling the debtor to make payment of the Indebtedness held by such owner or otherwise; (d) obligations to reimburse issuers of any letters of credit; and (e) capital leases;
- (ee) **“Indemnified Party”** has the meaning set forth in Section 11.3(a);

- (ff) “**Indemnifying Party**” has the meaning set forth in Section 11.3(a);
- (gg) “**International Jurisdiction**” means a country other than Canada or the United States;
- (hh) “**International Securities Laws**” mean, in respect of the issuance of the Consideration Shares, any securities laws having application to the Vendor other than the laws of Canada or the United States and all regulatory notices, Orders, rules, regulations, policies and other instruments incidental thereto;
- (ii) “**Las Chacras Property**” means those certain mineral claims known as the Las Chacras property, located in Argentina, as more particularly set forth and described in Schedule “A” to this Agreement, together with all renewals or extensions thereof and all surface, water and ancillary or appurtenant rights attached or accruing thereto;
- (jj) “**Legal Requirement**” means any federal, state, provincial, local, municipal, foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute or treaty;
- (kk) “**Letter of Intent**” means the letter of intent dated November 29, 2010 between the Purchaser and the Vendor;
- (ll) “**Liabilities**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, determined, determinable or otherwise, whether or not the same is required to be accrued on the financial statements of such Person;
- (mm) “**Lien**” means, with respect to any asset, any mortgage, assignment, trust or deemed trust (whether contractual, statutory or otherwise arising), title defect or objection, lien, pledge, charge, security interest, hypothecation, restriction, Encumbrance or charge of any kind in respect of such asset;
- (nn) “**Losses**” means any and all demands, claims, actions or causes of action, assessments, losses, Damages, Liabilities, costs and expenses, including, without limitation, interest, penalties, fines and reasonable attorneys, accountants and other professional fees and expenses, but excluding any indirect, consequential or punitive Damages suffered by the Purchaser, the Vendor or Subco, including Damages for lost profits or lost business opportunities;
- (oo) “**Material Adverse Change**” means, in respect of the Purchaser, Subco or the Vendor, any one or more changes, events or occurrences which may have a Material Adverse Effect, and “**Material Adverse Effect**” means, in respect of the Purchaser, Subco or the Vendor, any state of facts which, in any case, either individually or in the aggregate are, or would reasonably be expected to be, material and adverse to the Business, assets or financial condition of the Purchaser, Subco or the Vendor, respectively, provided that a Material Adverse Change or Material Adverse Effect shall not include any change or effect (whether alone or in combination with any other effect), directly or indirectly, arising out of, relating to, resulting from or reasonably attributable to: (i) the announcement of this Agreement or the pending completion of the Transaction; (ii) changes in the economy of Argentina or Canada generally; (iii) changes in the mining industry generally; (iv) changes in the capital markets generally; (v) changes in GAAP;

or (v) any matter that has been disclosed to the public or the other parties prior to the date of this Agreement;

- (pp) “**Material Contracts**” means those subsisting Contracts entered into by Subco, the Vendor or the Purchaser, as applicable, by which Subco, the Vendor or the Purchaser is bound or to which it or its respective assets are subject which have total payment obligations on the part of Subco, the Vendor or the Purchaser, as applicable, which exceed \$25,000 or are for a term of or in excess of one (1) year;
- (qq) “**Material Interest**” has the meaning set forth in Section 1.1(aaa);
- (rr) “**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosures for Mineral Projects*;
- (ss) “**Non-Flow-Through Unit**” means a unit of the Purchaser to be issued at a price of \$0.25 per Non-Flow-Through Unit, with each Non-Flow-Through Unit consisting of one Purchaser Share and one half of one warrant, with each whole warrant entitling the holder thereof to purchase one Purchaser Share at an exercise price of \$0.39 per Purchaser Share for eighteen (18) months from the closing of the Financing;
- (tt) “**Order**” means any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any Governmental Body or by any arbitrator;
- (uu) “**Person**” includes an individual, corporation, body corporate, partnership, joint venture, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative thereof;
- (vv) “**Proceeding**” means any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Body or any arbitrator or arbitration panel;
- (ww) “**Proposed Transaction**” has the meaning set forth in Section 7.6(a);
- (xx) “**Purchaser Options**” means the 450,000 outstanding options to acquire Purchaser Shares outstanding as of the date of this Agreement;
- (yy) “**Purchasers Qualifying Transaction**” means the acquisition by the Purchaser of an option to acquire up to a 60% interest in and to certain mining and mineral claims located in the Omineca Mining Division of British Columbia from American Manganese Inc. (“**AMY**”), which option may be exercised upon: (i) payment by the Purchaser of \$60,000 to AMY, (ii) the Purchaser incurring \$500,000 of exploration expenditures, and (iii) the Purchaser issuing 285,000 Purchaser Shares to AMY, which transaction is intended to constitute the Purchaser’s Qualifying Transaction for purposes of becoming listed on the TSX venture exchange;
- (zz) “**Purchaser Shareholders**” means the shareholders of the Purchaser;
- (aaa) “**Purchaser Shares**” means the common shares in the capital stock of the Purchaser;

(bbb) **“Purchaser Warrants”** means the 300,000 warrants to acquire up to 300,000 Purchaser Shares outstanding as of the date of this Agreement;

(ccc) **“Purchaser’s Advisors”** has the meaning set forth in Section 7.7(a)(i);

(ddd) **“Related Party”** means, with respect to a particular individual:

- (i) each other member of such individual’s Family,
- (ii) any Person that is directly or indirectly controlled by such individual or one or more members of such individual’s Family,
- (iii) any Person in which such individual or members of such individual’s Family hold (individually or in the aggregate) a Material Interest, or
- (iv) any Person with respect to which such individual or one or more members of such individual’s Family serves as a director, officer, partner, executor or trustee (or in a similar capacity), and

with respect to a specified Person other than an individual:

- (i) any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control with such specified Person,
- (ii) any Person that holds a Material Interest in such specified Person,
- (iii) each Person that serves as a director, officer, partner, executor or trustee of such specified Person (or in a similar capacity),
- (iv) any Person in which such specified Person holds a Material Interest,
- (v) any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity), and
- (vi) any Related Person of any individual described in clause (ii) or (iii).

For purposes of this definition, (a) the **“Family”** of an individual includes (i) the individual; (ii) the individual’s spouse; (iii) any other natural person who is related to the individual or the individual’s spouse within the second degree; and (iv) any other natural person who resides with such individual, and (b) **“Material Interest”** means direct or indirect beneficial ownership of voting securities or other voting interests representing at least twenty percent (20%) of the outstanding voting power of a Person or equity securities or other equity interests representing at least twenty percent (20%) of the outstanding equity securities or equity interests in a Person;

(eee) **“Securities Authorities”** means the Exchange and the securities commissions or other securities regulatory authorities of each of the provinces of British Columbia and Alberta;

(fff) **“Taxes”** means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind, lawfully levied, assessed or imposed by any Governmental Body, including all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of

income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes and charges, sales taxes, use taxes, ad valorem taxes, value added taxes, subsoil use or extraction taxes and ownership fees, transfer taxes (including, without limitation, taxes relating to the transfer of interests in real property or entities holding interests therein), franchise taxes, license taxes, withholding taxes, health taxes, payroll taxes, employment taxes, Canada or Quebec Pension Plan premiums, excise, severance, social security, workers' compensation, employment insurance or compensation taxes, mandatory pension and other social fund taxes or premiums, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services taxes, harmonized sales tax, customs duties or other taxes, fees, imports, assessments or charges of any kind whatsoever, and any instalments in respect thereof, together with any interest and any penalties or additional amounts imposed by any Governmental Body (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing and whether disputed or not;

- (ggg) **"Tax Returns"** means all returns, schedules, elections, declarations, reports, information returns and statements required to be filed with any taxing authority relating to Taxes;
- (hhh) **"Third-Party Claim"** has the meaning set forth in Section 11.3(a);
- (iii) **"Transaction"** means the acquisition by the Purchaser or Subco of the Vendor's 100% interest in and to the Las Chacras Property in exchange for the Cash Consideration and the issuance of the Consideration Shares to the Vendor, and all related transactions incidental to effecting the Transaction as contemplated by this Agreement;
- (jjj) **"Transaction Documents"** means this Agreement and any other documents contemplated by this Agreement to be signed by the Purchaser, Subco or the Vendor as applicable, necessary to perform their respective obligations hereunder and to consummate the Transaction;
- (kkk) **"U.S. Person"** has the meaning set out in Regulation S promulgated under the U.S. Securities Act;
- (lll) **"U.S. Securities Act"** means the United States *Securities Act of 1933*, as amended, and the rules and regulations thereunder; and
- (mmm) **"Vendor's Advisors"** has the meaning set forth in Section 7.7(b)(i);

1.2 Schedules

The following are the schedules to this Agreement, which are incorporated by reference and are deemed to be part hereof:

Schedule A	—	Description of Las Chacras Property
Schedule B	—	Certificate of Vendor
Schedule C	—	Form of Escrow Agreement
Schedule D	—	Exchange Acknowledgement – Personal Information

1.3 Interpretation

For the purposes of this Agreement, except as otherwise expressly provided herein:

- (a) all references in this Agreement to a designated Article, Section, subsection, paragraph or other subdivision, or to a Schedule, is to the designated Article, section, subsection, paragraph or other subdivision of, or Schedule to, this Agreement unless otherwise specifically stated;
- (b) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, clause, subclause or other subdivision or Schedule;
- (c) the singular of any term includes the plural and vice versa and the use of any term is equally applicable to any gender and where applicable to a body corporate;
- (d) the word “or” is not exclusive and the word “including” is not limiting (whether or not non-limiting language such as “without limitation” or “but not limited to” or other words of similar import are used with reference thereto);
- (e) all accounting terms not otherwise defined in this Agreement have the meanings assigned to them in accordance with GAAP, applied on a consistent basis with prior years;
- (f) except as otherwise provided, any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which have the effect of supplementing or superseding such statute or such regulations;
- (g) where the phrase “to the best of the knowledge of” or phrases of similar import are used in this Agreement, it will be a requirement that the Person in respect of whom the phrase is used will have made such due enquiries as are reasonably necessary to enable such Person to make the statement or disclosure;
- (h) the headings to the Articles and sections of this Agreement are inserted for convenience of reference only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof;
- (i) any reference to a corporate entity includes and is also a reference to any corporate entity that is a successor to such entity;
- (j) the parties acknowledge that this Agreement is the product of arm’s length negotiation between the parties, each having obtained its own independent legal advice, and that this Agreement will be construed neither strictly for nor strictly against any party irrespective of which party was responsible for drafting this Agreement;
- (k) the representations, warranties, covenants and agreements contained in this Agreement will not merge at the Closing and will continue in full force and effect from and after the Closing Date for the applicable period set out in this Agreement; and

- (1) unless otherwise specifically noted, all references to “\$” or sums of money that are referred to in this Agreement are expressed in the lawful money of Canada. If it is necessary to convert money from another currency to lawful money of Canada, such money will be converted using the Bank of Canada noon foreign exchange rate in effect at the date of payment.

ARTICLE 2

PURCHASE AND SALE OF THE LAS CHACRAS PROPERTY

2.1 Purchase and Sale of Assets

Upon and subject to the terms and conditions of this Agreement, and on the Closing Date, the Vendor will sell, transfer and assign to the Purchaser or Subco, as applicable, and the Purchaser or Subco, as applicable, will purchase from the Vendor, free and clear of all Encumbrances, the Assets, such that, at Closing, the Purchaser or Subco, as applicable, will have all right title and interest in and to the Assets.

2.2 Consideration

As consideration for the sale of the Assets, the Purchaser shall pay to the Vendor the Cash Consideration, and allot and issue the Consideration Shares to the Vendor as fully paid and non-assessable Purchaser Shares.

2.3 Escrow

The Vendor agrees to enter into the Escrow Agreement at or prior to Closing and to abide by all escrow requirements imposed under the Escrow Agreement. At Closing, all of the Consideration Shares will be deposited into escrow pursuant to the terms of the Escrow Agreement.

2.4 Resale Restrictions

- (a) In addition to any restrictions set forth in the Escrow Agreement, the Vendor acknowledges and agrees that the Consideration Shares will be subject to hold period trading restrictions under Applicable Securities Laws and the policies of the Exchange, and agrees to abide by all applicable resale restrictions and hold periods imposed by Applicable Securities Laws and the policies of the Exchange.
- (b) The Vendor acknowledges that the Purchaser has advised the Vendor that the Purchaser is relying on an exemption from the prospectus and registration requirements of the Applicable Securities Laws, and, as a consequence, the Vendor will not be entitled to certain protections, rights and remedies available under Applicable Securities Laws, including statutory rights of rescission or damages, and the Vendor will not receive information that would otherwise be required to be provided to the Vendor pursuant to Applicable Securities Laws.
- (c) The Vendor agrees to complete, execute and deliver the Certificate of Vendor attached as Schedule “B” to this Agreement to the Purchaser at Closing. The Vendor agrees that the representations set out in Schedule “B” as executed by the Vendor will be true and complete on the Closing Date.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

As of the Closing Date, and except as set forth in the Vendor Disclosure Statement, or as otherwise provided for in any certificate or other instrument delivered pursuant to this Agreement, the Vendor hereby makes the following representations to the Purchaser and acknowledges and agrees that the Purchaser is relying upon such representations and warranties, each of which is qualified in its entirety by the matters described in the Vendor Disclosure Statement, in connection with the execution, delivery and performance of this Agreement:

3.1 Organization and Good Standing

The Vendor is duly organized, validly existing, and in good standing under the laws of the Argentine Republic, with full corporate power, authority and capacity to conduct its Business as presently conducted, to own or use the Assets, and to perform all its obligations under any applicable Contracts. The Vendor is duly qualified to do business as a foreign corporation and is in good standing under the laws of each other jurisdiction in which the failure to be so registered would be likely to result in a Material Adverse Effect on the Vendor.

3.2 Authority

The Vendor has all requisite corporate power and authority to execute and deliver this Agreement and any other documents contemplated by this Agreement (collectively, the “**Transaction Documents**”) to be signed by the Vendor and to perform its respective obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of each of the Transaction Documents by the Vendor and the consummation of the transactions contemplated hereby have been duly authorized by the board of directors of the Vendor and the shareholders of the Vendor, as applicable. No other corporate or shareholder proceedings on the part of the Vendor is necessary to authorize such documents or to consummate the transactions contemplated hereby. This Agreement has been, and the other Transaction Documents when executed and delivered by the Vendor as contemplated by this Agreement will be, duly executed and delivered by the Vendor and this Agreement is, and the other Transaction Documents when executed and delivered by the Vendor as contemplated hereby will be, valid and binding obligations of the Vendor, enforceable in accordance with their respective terms except:

- (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors’ rights generally;
- (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies; and
- (c) as limited by public policy.

3.3 No Conflict

Neither the execution, delivery or performance of this Agreement nor the consummation or performance of the transactions contemplated herein will, directly or indirectly (with or without notice or lapse of time or both):

- (a) contravene, conflict with, or result in a violation of any provision of the Charter Documents of the Vendor, or any resolution adopted by the board of directors or the shareholders of the Vendor;

- (b) contravene, conflict with, or result in a violation of, or give any Governmental Body or other Person the right to challenge any of the transactions contemplated herein or to exercise any remedy or obtain any relief under, any Legal Requirement or any Order to which the Vendor, or any of the Assets, may be subject;
- (c) contravene, conflict with, or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any governmental authorization that is held by the Vendor or that otherwise relates to the Vendor's Business or the Assets;
- (d) cause the Vendor to become subject to, or to become liable for the payment of, any Tax;
- (e) cause any of the Assets to be reassessed or revalued by any taxing authority or other Governmental Body;
- (f) contravene, conflict with, or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, any Material Contract;
- (g) result in the imposition or creation of any Encumbrance upon or with respect to any of the Assets; or
- (h) require the Vendor to obtain any consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the transactions contemplated herein.

3.4 Representations Relating to the Assets

- (a) The Vendor is the sole legal and beneficial owner of the Assets, and the Assets are free and clear of, and from, all Encumbrances and are not subject to any judgment, order or decree in any lawsuit or proceeding.
- (b) The Vendor holds all permits, licences, consents and authorities issued by any government or governmental authority which are necessary in connection with the ownership of the Las Chacras Property.
- (c) The Vendor has good marketable title to the Las Chacras Property, all of the claims comprising the Las Chacras Property have been properly staked, all of such claims are recorded in accordance with applicable laws and regulations of the Argentine Republic, and such claims are in good standing.
- (d) All required work commitments on the Las Chacras Property required under applicable laws and regulations have been satisfied by the Vendor.
- (e) There is no adverse claim or challenge against or to the Vendor's ownership of the Las Chacras Property nor, to the knowledge of the Vendor, is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Las Chacras Property or any portion thereof and no person or company other than the Vendor has any proprietary or possessory interest in the Las Chacras Property or any right whatsoever capable of becoming any of the foregoing.

- (f) The Vendor has delivered to the Purchaser the Exploration Data which is a complete and accurate record of information pertaining to the Las Chacras Property based on the information known to date, and there are no other material facts concerning the Las Chacras Property which have not been set out in the Exploration Data.
- (g) There are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or expenditures with respect to the Las Chacras Property and the conduct of operations related thereto, the Vendor has not received any notice of the same and the Vendor is not aware of any basis on which any such orders or directions could be made.
- (h) There are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Las Chacras Property and the conduct of the operations related thereto, and the Vendor has not received any notice of same and is not aware of any basis on which any such orders or direction could be made.
- (i) The Vendor's ownership of the Las Chacras Property is in compliance with, is not in default or violation in any material respect under, and the Vendor has not been charged with or received any notice at any time of any material violation of any statute, law, ordinance, regulation, rule, decree or other applicable regulation in connection with the Vendor's ownership of the Las Chacras Property.
- (j) The Vendor has duly filed all reports and returns required to be filed with governmental authorities and has obtained all governmental permits and other governmental consents, except as may be required after the execution of this Agreement and all of such permits and consents are in full force and effect, and no proceedings for the suspension or cancellation of any of them, and no investigation relating to any of them, is pending or to the knowledge of the Vendor, threatened, and none of them will be adversely affected by the entry into this Agreement or the consummation of the Transaction.
- (k) The Vendor has complied with all applicable laws, statutes, bylaws, decrees, rulings, orders, judgments and regulations relating to the work it has conducted in respect of the Las Chacras Property, including environmental laws.
- (l) The Vendor has held the Las Chacras Property in material compliance with all laws, rules, statutes, ordinances, orders and regulations and the Vendor has not received any notice of any violation thereof, nor is the Vendor aware of any valid basis therefore.
- (m) There is no adverse claim or challenge against or to the ownership of or title to any part of the Las Chacras Property and, to the knowledge of the Vendor, there is no basis for such adverse claim or challenge which may affect the Las Chacras Property.
- (n) No filing or registration with, no notice to and no permit, authorization, consent, or approval of any public or governmental body or authority or other person or entity is necessary for the consummation of the Transaction contemplated by this Agreement or to enable the Purchaser to purchase the Las Chacras Property on the Closing Date.
- (o) The Vendor acknowledges that all material knowledge and information in its possession concerning the Las Chacras Property has been conveyed to the Purchaser.
- (p) The Las Chacras Property is not subject to any mining royalties imposed by the Argentine Republic, or any federal, municipal or local authority.

- (q) There are no mine workings or waste dumps or mine tailings on the Las Chacras Property.

3.5 Books and Records

The books of account, minute books, stock record books, and other records of the Vendor pertaining to the Assets are complete and correct and have been maintained in accordance with sound business practices, including the maintenance of an adequate system of internal controls. At the Closing, all of those books and records pertaining to the Assets will be in the possession of the Vendor.

3.6 Consents

Except as set forth in the Vendor Disclosure Statement, no authorization, approval, order, license, permit or consent of any Governmental Body, regulatory body, agency, other authority or any Person, including any governmental department, commission, bureau, board or administrative agency or court, and no registration, declaration or filing by the Vendor with any such Governmental Body, regulatory body or agency or court is required in order for the Vendor to:

- (a) consummate the Transaction;
- (b) execute and deliver all of the documents and instruments to be delivered by the Vendor under this Agreement;
- (c) duly perform and observe the terms and provisions of this Agreement; or
- (d) render this Agreement legal, valid, binding and enforceable.

3.7 Environmental Laws

- (a) The Vendor:
- (i) has obtained all Environmental Permits that are required to carry on its Business and operations on the Las Chacras Property as currently carried out under all applicable Environmental Laws, except where the non-compliance with such laws or permits or failure to obtain those permits could not reasonably be expected to have a Material Adverse Effect on the Las Chacras Property; and
 - (ii) is in substantial compliance with all applicable Environmental Laws and Environmental Permits in all jurisdictions having environmental regulatory jurisdiction over the Las Chacras Property except where the non-compliance with such laws or permits or failure to obtain such permits could not reasonably be expected to have a Material Adverse Effect on the Las Chacras Property.
- (b) There have not occurred any material spills, emissions or pollution on the Las Chacras Property, nor has the Vendor been subject to any stop orders, control orders, clean-up orders or reclamation orders pertaining to the Las Chacras Property under any Environmental Laws, any of which would individually or in the aggregate have a Material Adverse Effect on the Las Chacras Property.
- (c) In the ordinary course of its Business, the Vendor periodically reviews the effect of Environmental Laws on the Las Chacras Property, in the course of which it identifies and evaluates associated costs and Liabilities (including, without limitation, any capital or operating

expenditures required for clean-up, closure of the Las Chacras Property or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential Liabilities to third parties). On the basis of such review, the Vendor has reasonably concluded that such associated costs and Liabilities, if any, would not result in a Material Adverse Change with respect to the Las Chacras Property.

- (d) The Vendor is not aware of nor is it subject to:
- (i) any Proceeding, application, Order or directive which relates to environmental, health or safety matters pertaining to the Las Chacras Property, and which may require any material work, repairs, construction, or expenditures; or
 - (ii) any demand or notice with respect to the breach of any Environmental Laws applicable to the Las Chacras Property, including any regulations respecting the use, storage, treatment, transportation, or disposition of any Hazardous Substances,

which would reasonably be expected to have a Material Adverse Effect with respect to the Las Chacras Property.

3.8 Legal Proceedings

- (a) There is no pending:
- (i) Proceeding that has been commenced by or against the Vendor or that otherwise relates to or may affect any of the Assets;
 - (ii) Proceeding that challenges, or that may have the effect of preventing, delaying, making illegal, or otherwise interfering with the Transaction; or
 - (iii) Order to which any of the Assets is subject.
- (b) To the knowledge of the Vendor, no Proceeding or Order has been threatened, and no event has occurred or circumstance exists that may give rise to or serve as a basis for the commencement of any such Proceeding or Order.

3.9 Undisclosed Information

- (a) The Vendor has no specific information relating to the Assets which is not generally known or which has not been disclosed to the Purchaser and which could reasonably be expected to have a Material Adverse Effect on any of the Assets.
- (b) No representation or warranty of the Vendor in this Agreement and no statement in the Vendor Disclosure Statement omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.

3.10 Other Representations

All statements contained in any certificate or other instrument delivered by or on behalf of the Vendor pursuant hereto or in connection with the transactions contemplated by this Agreement will be deemed to be representations and warranties by the Vendor hereunder.

3.11 Survival

Notwithstanding the Closing, the payment of the Cash Consideration and the issuance of the Consideration Shares, or the waiver of any condition in this Agreement by the Purchaser, the representations, warranties, covenants and agreements of the Vendor hereunder will (except where otherwise specifically provided for in this Agreement) survive the Closing and will continue in full force and effect for a period of 60 months after the Closing Date.

3.12 Reliance

The Vendor acknowledges and agrees that the Purchaser has entered into this Agreement relying on the warranties and representations and other terms and conditions contained in this Agreement, notwithstanding any independent searches or investigations that have been or may be undertaken by or on behalf of the Purchaser, and that no information which is now known or should be known or which may hereafter become known by the Purchaser or its officers, directors or professional advisers on the Closing Date, will limit or extinguish the Purchaser's right to indemnification hereunder.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

As of the Closing Date and except as otherwise provided for in any certificate or other instrument delivered pursuant to this Agreement, the Purchaser makes the following representations to the Vendor, and the Purchaser acknowledges that the Vendor is relying upon such representations and warranties in connection with the execution, delivery and performance of this Agreement:

4.1 Organization and Good Standing

The Purchaser is a corporation duly organized, validly existing, and in good standing under the laws of the Province of British Columbia, with full corporate power, authority and capacity to conduct its Business as presently conducted, to own or use the properties and Purchaser Assets that it purports to own or use, and to perform all its obligations under any applicable Contracts. The Purchaser is a Capital Pool Company as defined under the policies of the Exchange.

4.2 Authority

The Purchaser has all requisite corporate power and authority to execute and deliver the Transaction Documents to be signed by the Purchaser and to perform its obligations hereunder and to consummate the Transaction. The execution and delivery of each of the Transaction Documents by the Purchaser and the consummation of the Transaction have been duly authorized by the board of directors of the Purchaser. Other than as set out in this Agreement, no other corporate or shareholder proceedings on the part of the Purchaser are necessary to authorize such Transaction Documents or to consummate the Transaction. This Agreement has been, and the other Transaction Documents when executed and delivered by the Purchaser as contemplated by this Agreement will be, duly executed and delivered by the Purchaser and this Agreement is, and the other Transaction Documents when executed and delivered by the Purchaser as contemplated hereby will be, valid and binding obligations of the Purchaser enforceable in accordance with their respective terms except:

- (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general application affecting enforcement of creditors' rights generally;

- (b) as limited by laws relating to the availability of specific performance, injunctive relief of other equitable remedies; and
- (c) as limited by public policy.

4.3 Validity of Consideration Shares Issuable upon the Closing

The Consideration Shares to be issued to the Vendor at Closing will, upon issuance, have been duly and validly authorized and, the Consideration Shares when so issued in accordance with the terms of this Agreement, will be duly and validly issued, fully paid and non-assessable.

4.4 Non-Contravention

Neither the execution, delivery and performance of this Agreement, nor the consummation of the Transaction, will, directly or indirectly (with or without notice or lapse of time or both):

- (a) conflict with, result in a violation of, cause a default under (with or without notice, lapse of time or both) or give rise to a right of termination, amendment, cancellation or acceleration of any obligation contained in or the loss of any material benefit under, or result in the creation of any Lien, security interest, charge or Encumbrance upon any of the material Purchaser Assets under any term, condition or provision of any loan or credit agreement, note, debenture, bond, mortgage, indenture, lease or other agreement, instrument, permit, license, judgment, Order, decree, statute, law, ordinance, rule or regulation applicable to the Purchaser or material Purchaser Assets;
- (b) contravene, conflict with, or result in a violation of any provision of the Charter Documents of the Purchaser, any resolution adopted by the board of directors of the Purchaser or the Purchaser Shareholders, or any Applicable Laws;
- (c) contravene, conflict with, or result in a violation or breach of any provision of, or give any person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify, any Material Contract; or
- (d) violate any Order, writ, injunction, decree, statute, rule, or regulation of any court or Governmental Body applicable to the Purchaser or any of its material property or assets.

4.5 Actions and Proceedings

Except as disclosed in the Purchaser Documents, to the best knowledge of the Purchaser, there is no basis for and there is no claim, charge, arbitration, grievance, action, suit, judgment, demand, investigation or Proceeding by or before any Governmental Body or arbiter now outstanding or pending or, to the best knowledge of the Purchaser, threatened against or affecting the Purchaser which involves any of the Business or Purchaser Assets that, if adversely resolved or determined, would have a Material Adverse Effect on the Purchaser. There is no reasonable basis for any claim or action that, based upon the likelihood of its being asserted and its success if asserted, would have a Material Adverse Effect on the Purchaser.

4.6 Compliance

- (a) To the best knowledge of the Purchaser, the Purchaser is in compliance with, is not in default or violation in any material respect under, and has not been charged with or received any notice at any time of any material violation of any Applicable Laws related to its Business or the operations of the Purchaser.
- (b) To the best knowledge of the Purchaser, the Purchaser is not subject to any judgment, Order or decree entered in any lawsuit or Proceeding applicable to its Business and operations that would have a Material Adverse Effect on the Purchaser.

4.7 Filings, Consents and Approvals

Other than the approval of the Exchange, to the best knowledge of the Purchaser, no filing or registration with, no notice to and no permit, authorization, consent, or approval of any public or Governmental Body or any other Person is necessary for the consummation by the Purchaser of the Transaction or to continue to conduct its Business after the Closing in a manner which is consistent with that in which it is presently conducted.

4.8 Capital Pool Company

The Purchaser is a capital pool company or “CPC” as defined in Exchange Policy 2.4 and, as such, has no business other than to pursue and complete a “Qualifying Transaction” as defined in Exchange Policy 2.4.

4.9 Listing and Maintenance Requirements

The Purchaser Shares are currently listed on the Exchange and the Purchaser has not, in the twelve (12) months preceding the date hereof, received any notice from the Exchange to the effect that the Purchaser is not in compliance with the listing or maintenance requirements of the Exchange. No Securities Authority has issued any Order preventing or suspending the trading of the Purchaser Shares, save and except for the trading of the Purchaser Shares being halted in connection with the Transaction, or prohibiting the issuance of the Consideration Shares to be delivered hereunder, and, to the Purchaser’s knowledge, no Proceedings for such purpose are pending or threatened.

4.10 Other Representations

All statements contained in any certificate or other instrument delivered by or on behalf of the Purchaser pursuant hereto or in connection with the Transaction will be deemed to be representations and warranties by the Purchaser hereunder.

4.11 Survival

Notwithstanding the Closing and the issuance of the Consideration Shares or the waiver of any condition in this Agreement by the Vendor, the representations, warranties, covenants and agreements of the Purchaser hereunder will (except where otherwise specifically provided for in this Agreement) survive the Closing and will continue in full force and effect for 60 months after the Closing Date.

4.12 Reliance

The Purchaser acknowledges and agrees that the Vendor has entered into this Agreement relying on the warranties and representations and other terms and conditions contained in this Agreement, notwithstanding any independent searches or investigations that have been or may be undertaken by or on behalf of the Vendor, and that no information which is now known or should be known or which may hereafter become known by the Vendor or its professional advisers, on the Closing Date, will limit or extinguish the right to indemnification hereunder.

ARTICLE 5 CLOSING

5.1 Closing Date and Location

The Transaction will be completed at 10:00 a.m. (Pacific time) on the Closing Date, at the offices of Clark Wilson LLP, or at such other location and time as is mutually agreed to by the Purchaser and the Vendor. Notwithstanding the location of the Closing, each party agrees that the Closing may be completed by the exchange of undertakings between the respective legal counsel for the Purchaser and the Vendor, provided such undertakings are satisfactory to each party's respective legal counsel.

5.2 Vendor's Closing Documents

On the Closing Date, the Vendor will deliver, or cause to be delivered, to the Purchaser the documents set forth in Section 8.1 and such other documents as the Purchaser may reasonably require to effect the Transaction.

5.3 Purchaser Closing Documents

On the Closing Date, the Purchaser will deliver, or cause to be delivered, to the Vendor the documents set forth in Section 9.1 and such other documents as the Vendor may reasonably require to effect the Transaction.

ARTICLE 6 CONDUCT OF VENDOR'S BUSINESS PRIOR TO CLOSING

6.1 Conduct of Business of the Vendor

The Vendor covenants and agrees that, during the period from the date of this Agreement until the earlier of the Closing Date and the date on which this Agreement is terminated in accordance with its terms, unless the Purchaser shall otherwise agree in writing (such agreement not to be unreasonably withheld or delayed), except as required by law or as otherwise expressly permitted or specifically contemplated by this Agreement:

- (a) the Business of the Vendor shall be conducted only in the ordinary course of business and consistent with past practice, and the Vendor shall use its commercially reasonable efforts to maintain and preserve the Assets;
- (b) the Vendor shall take all necessary actions, steps and proceedings that are necessary to approve or authorize, or to validly and effectively undertake, the execution and delivery of this Agreement and the completion of the Transaction;

- (c) the Vendor shall respond reasonably promptly to reasonable requests from the Purchaser for information concerning the status of the Assets;
- (d) the Vendor shall comply with the provisions of Article 7 of this Agreement; and
- (e) the Vendor shall not (unless otherwise contemplated herein):
 - (i) make any capital expenditures, additions or improvements or commitments for the same with respect to the Assets which individually or in the aggregate exceed \$10,000, other than in the ordinary course of business;
 - (ii) enter into any Material Contracts regarding the Assets;
 - (iii) mortgage, pledge or hypothecate any of the Assets or subject any of the Assets to any Encumbrance;
 - (iv) other than in the ordinary course of business, enter into any agreement or arrangement granting any rights to purchase or lease any of the Assets or requiring the consent of any Person to the transfer, assignment or lease of any the Assets;
 - (v) other than in the ordinary course of business, enter into any other material transaction, or any amendment of any Contract which is material to the Assets;
 - (vi) sell, lease, sublease, assign or transfer any of the Assets;
 - (vii) enter into any Agreement resulting in a change of control of the Vendor;
 - (viii) other than in the ordinary course of business, cancel, waive or compromise any Indebtedness or claims pertaining to the Assets, including any accounts payable and receivable;
 - (ix) settle any outstanding claim, dispute, litigation matter or tax dispute pertaining to the Assets; or
 - (x) other than in the ordinary course of business, enter into any agreement or understanding to do any of the foregoing.

ARTICLE 7
ADDITIONAL COVENANTS OF THE PARTIES

7.1 Change of Purchaser Directors

The board of directors of the Purchaser will adopt resolutions appointing Christopher Ecclestone to the board of directors of the Purchaser, and will accept the resignation of Darrell Elliott as a director of the Purchaser, with such appointments and resignation to be effective on Closing.

7.2 Change of Purchaser Officers

The board of directors of the Purchaser will adopt resolutions appointing Christopher Ecclestone as Chief Executive Officer of the Purchaser and will accept the resignation of Alexander Helm as President and Chief Executive Officer of the Purchaser, which appointment and resignation will be effective on Closing.

7.3 Escrow Agreement

At or prior to Closing, the Purchaser and the Vendor will enter into the Escrow Agreement which, among other things, will provide that the Consideration Shares will be deposited into escrow, with 1,000,000 of such Consideration Shares to be released from escrow upon the Purchaser achieving (in any order) each of the following milestones:

- (a) the Purchaser completing financings for aggregate gross proceeds of at least \$5,000,000 subsequent to the Closing Date, excluding proceeds from the Financing;
- (b) the Purchaser obtaining an NI 43-101 technical report that indicates NI 43-101 compliant resources in excess of 50,000 tonnes total rare earth equivalents for any property acquired by the Purchaser (or its subsidiary(s)) during Christopher Ecclestone's tenure as Chief Executive Officer of the Purchaser, excluding any 43-101 report prepared for any property acquired by the Purchaser that constitutes its Qualifying Property in connection with its Qualifying Transaction (each as defined in Exchange Policy 1.1); and
- (c) the Purchaser acquiring a project or property that qualifies as a Producer (a property on which there is already a producing mine or a property for which an acceptable (in the opinion of the Company's Board of Directors) scoping study or an acceptable (in the opinion of the Company's Board of Directors) Preliminary Evaluation Assessment has been prepared) via takeover, merger, acquisition or otherwise.

The Vendor acknowledges that, notwithstanding the achievement of any of the milestones set forth in subsections 7.3(a) to (c), the Consideration Shares may continue to be subject to escrow for an additional period in accordance with the policies of the Exchange.

7.4 Incorporation of Subco

At or prior to Closing, the Purchaser intends to incorporate Subco.

7.5 Consents

The parties covenant and agree that they will use commercially reasonable efforts to obtain the consents, renunciations and approvals of third parties which are necessary to the completion of the Transaction, provided that such consents, renunciations or approvals may be validly given by such third parties in accordance with relevant Contracts or Applicable Laws.

7.6 Exclusivity

Until such time, if any, as this Agreement is terminated pursuant to Article 10, the Vendor (through its advisors, directors, bankers, Employees, shareholders, agents or otherwise) will not, directly or indirectly:

- (a) solicit, initiate, encourage, facilitate or discuss any proposition, offer, inquiry, submission or proposal from any other Person concerning the purchase of any part of the Assets (a "**Proposed Transaction**"); or
- (b) enter into any agreement, discussions or negotiations with any Person, company or other entity with respect to a Proposed Transaction.

The Vendor will immediately inform the Purchaser of all propositions, offers, bids or information requests that either might receive regarding a Proposed Transaction and must provide the Purchaser with all relevant information in their possession.

7.7 Access for Investigation

- (a) Between the date of this Agreement and the Closing Date, the Vendor will:
- (i) afford the Purchaser, the Purchaser's solicitors and the Purchaser's representatives, advisors, prospective lenders and their representatives (collectively, the "**Purchaser's Advisors**") full and free access to their personnel, properties, Contracts, books and records, and other documents and data pertaining to the Assets, in each case during normal business hours, upon a reasonable number of occasions, upon reasonable notice and in a manner calculated to minimize disruption of the Business of the Vendor; and
 - (ii) furnish the Purchaser and the Purchaser's Advisors with copies of all such Contracts, books and records, and other existing documents and data pertaining to the Assets, as the Purchaser may reasonably request.
- (b) Between the date of this Agreement and the Closing Date, the Purchaser will:
- (i) afford the Vendor and its representatives, legal and advisors and prospective lenders and their representatives (collectively, the "**Vendor's Advisors**") full and free access to the Purchaser's personnel, properties, Contracts, books and records, and other documents and data, in each case during normal business hours, upon a reasonable number of occasions, upon reasonable notice and in a manner calculated to minimize disruption of the Purchaser's Business;
 - (ii) furnish the Vendor and the Vendor's Advisors with copies of all such Contracts, books and records, and other existing documents and data, as the Vendor may reasonably request; and
 - (iii) furnish the Vendor and the Vendor's Advisors with such additional financial, operating, and other data and information, as the Vendor may reasonably request.

7.8 Required Filings

As promptly as practicable after the date of this Agreement, the Vendor and the Purchaser will make all filings required by Legal Requirements to be made by such party in order to consummate the Transaction. Between the date of this Agreement and the Closing Date, the Vendor will cooperate with the Purchaser with respect to all filings that the Purchaser elects to make or is required by Legal Requirements to make in connection with the Transaction.

7.9 Collection of Personal Information

The Vendor acknowledge and consent to the fact that the Purchaser is collecting the Vendor's personal information, and that of the directors, officers and shareholders of the Vendor, which may be disclosed by the Purchaser to:

- (a) the Exchange (for the purposes set out in Schedule "D" to this Agreement) or other Securities Authorities;

- (b) the Purchaser's registrar and transfer agent;
- (c) Canadian tax authorities; and
- (d) authorities pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).

By executing this Agreement, the Vendor is deemed to be consenting to the foregoing collection, use and disclosure of such personal information and to the retention of such personal information for as long as permitted or required by law or business practice. The Vendor also consents to the filing of copies or originals of any of the Vendor's documents described herein as may be required to be filed with the Exchange or any Securities Authority in connection with the Transaction.

7.10 Notification

Between the date of this Agreement and the Closing Date, each of the parties to this Agreement will promptly notify the other parties in writing if any such party becomes aware of any fact or condition that causes or constitutes a breach of any of the representations and warranties set forth herein, as of the date of this Agreement, or if such party becomes aware of the occurrence after the date of this Agreement of any fact or condition that would (except as expressly contemplated by this Agreement) cause or constitute a breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition. Should any such fact or condition require any change in the Vendor Disclosure Statement between the date of this Agreement and the Closing Date, the Vendor will promptly deliver to the Purchaser a supplement to the Vendor Disclosure Statement specifying such change. During the same period, each party hereto will promptly notify the other parties hereto of the occurrence of any breach of any covenant set forth herein or of the occurrence of any event that may make the satisfaction of the conditions set forth herein impossible or unlikely.

7.11 Best Efforts

Between the date of this Agreement and the Closing Date, the parties will use their best efforts to cause the conditions contained in this Agreement to be satisfied.

7.12 Disclosure of Confidential Information

Until the Closing Date and, if this Agreement is terminated without consummation of the Transaction, then after such termination, the Purchaser and the Vendor will maintain in confidence, will cause their respective directors, officers, Employees, agents, and advisors to maintain in confidence, and will not use to the detriment of another party or divulge to any third parties, other than their respective legal and financial advisors, auditors, representatives and any other Governmental Bodies having jurisdiction, any confidential written, oral, or other information obtained during the course of the investigations in connection with this Agreement or the Transaction, unless:

- (a) such information is already known to such party or to others not bound by a duty of confidentiality or such information becomes publicly available through no fault of such party;
- (b) the information was already available to such party or its representatives on a non-confidential basis before the date of the Letter of Intent;

- (c) the use of such information is necessary or appropriate pursuant to Applicable Securities Laws or in making any filing or obtaining any consent or approval required for the consummation of the Transaction; or
- (d) the furnishing or use of such information is required by or necessary or appropriate in connection with legal Proceedings.

7.13 Public Notices

The parties agree that they will not release or issue any reports or statements or make any public announcements relating to this Agreement or the Transaction without the prior written consent of the other party, except as may be required upon written advice of counsel to comply with Applicable Laws after consulting with the other party hereto and seeking their reasonable consent to such announcement.

ARTICLE 8

PURCHASER'S CONDITIONS PRECEDENT

8.1 Purchaser's Conditions

The obligation of the Purchaser to complete the Transaction will be subject to the satisfaction of, or compliance with, at or before the Closing Date, the conditions precedent set forth below. The Closing will be deemed to mean a waiver of all conditions to Closing. These conditions precedent are for the benefit of the Purchaser and may be waived by the Purchaser in its sole discretion:

- (a) the representations and warranties of the Vendor set forth in this Agreement will be true, correct and complete in all material respects as of the Closing Date and with the same effect as if made at and as of the Closing Date and the Purchaser will have received from the Vendor, a certificate executed by the President and Chief Executive Officer (as applicable), of the Vendor certifying that the representations and warranties of the Vendor, as applicable, set forth in this Agreement are true and correct in all material respects as at the Closing Date;
- (b) the Vendor will have performed and complied with all of their respective material obligations, covenants and agreements required hereunder;
- (c) all required approvals, consents, authorizations and waivers relating to the consummation of the Transaction will have been obtained, including the acceptance by the Exchange of the Transaction and the Exchange's approval to the listing of the Consideration Shares on the Exchange;
- (d) the approval of the board of directors of the Purchaser and the Vendor for the Transaction will have been obtained;
- (e) the Purchaser will have obtained a title report with respect to the Las Chacras Property, in form and substance satisfactory to the Purchaser, the Exchange, Global Securities Corporation and Gowling Lafleur Henderson LLP;
- (f) the Purchaser will have obtained an Exploration Permit with respect to the Las Chacras Property, in form and substance satisfactory to the Purchaser, in its sole discretion;
- (g) the Purchaser will have completed the Financing;

- (h) this Agreement, the Transaction Documents and all other documents necessary or reasonably required to consummate the Transaction, all in form and substance reasonably satisfactory to the Purchaser, will have been executed and delivered to the Purchaser;
- (i) the Purchaser will be satisfied, in its sole discretion, with its due diligence review of the Assets, including, without limitation, that its due diligence, analysis and other customary examinations that it has performed regarding the Assets are consistent, in all material respects, with the representations and warranties of the Vendor set forth in this Agreement and in the Vendor Disclosure Statement;
- (j) no claim will have been asserted or made that any Person (other than the Purchaser or the Vendor) is the holder or the beneficial owner of, or has the right to acquire or to obtain beneficial ownership of the Assets, or is entitled to all or any portion of the Consideration Shares;
- (k) no Material Adverse Effect will have occurred with respect to the Assets, however arising;
- (l) no Order (whether temporary, preliminary or permanent) shall have been enacted, entered, promulgated or enforced by any Governmental Body which prohibits, restrains, enjoins or restricts the consummation of the Transaction or the right of the Purchaser to own the Assets, provided, however, that the parties to this Agreement shall use their reasonable best efforts to cause any such Order to be vacated or lifted;
- (m) the Vendor will have delivered to the Purchaser such documents as are necessary to evidence that title to the Las Chacras Property has been registered in the name of the Purchaser or Subco, as applicable, in accordance with applicable laws and all documents, notices, instruments and forms necessary to give effect to the Transaction;
- (n) the Vendor will have delivered to the Purchaser all other information in the possession or control of the Vendor with respect to the Assets (including the Exploration Data), which has not been previously delivered to the Purchaser; and
- (o) the Purchaser will have received from the Vendor the following closing documentation:
 - (i) a certified copy of resolutions of the directors of the Vendor authorizing the transfer of the Assets to the Purchaser or Subco, as applicable;
 - (ii) all such instruments of transfer, duly executed, which in the opinion of the Purchaser, acting reasonably, are necessary to effect and evidence the transfer of the Assets to the Purchaser or Subco, as applicable, free and clear of all Encumbrances;
 - (iii) an executed copy of the Escrow Agreement; and
 - (iv) an executed copy of the Certificate of the Vendor.

8.2 Waiver/Survival

The conditions set forth in this Article 8 are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in writing in whole or in part on or before the Closing Date. Notwithstanding any such

waiver, the completion of the Transaction will not prejudice or affect in any way the rights of the Purchaser in respect of the warranties and representations of the Vendor in this Agreement, and the representations and warranties of the Vendor in this Agreement will survive the Closing, the payment of the Cash Consideration and the issuance of the Consideration Shares for the applicable period set out in Sections 3.11.

8.3 Covenant of the Vendor

The Vendor hereby covenants to deliver all of the closing documentation set out in Section 8.1.

ARTICLE 9

VENDOR'S CONDITIONS PRECEDENT

9.1 Vendor's Conditions

The obligation of the Vendor to complete the Transaction will be subject to the satisfaction of, or compliance with, at or before the Closing Date, the conditions precedent set forth below. The Closing will be deemed to mean a waiver of all conditions to Closing. These conditions precedent are for the benefit of the Vendor and may be waived by the Vendor in its discretion:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true, correct and complete in all respects as of the Closing Date and with the same effect as if made at and as of Closing and the Vendor will have received from the Purchaser a certificate executed by an officer of the Purchaser certifying that the representations and warranties of the Purchaser set forth in this Agreement are true and correct as at the Closing Date;
- (b) the Purchaser will have performed and complied with all of the obligations, covenants and agreements to be performed and complied with by it hereunder;
- (c) all required approvals, consents, authorizations and waivers relating to the consummation of the Transaction shall have been obtained, including the acceptance by the Exchange of the Transaction;
- (d) the approval of the board of directors of the Purchaser and the Vendor for the Transaction will have been obtained;
- (e) this Agreement, the Transaction Documents and all other documents necessary or reasonably required to consummate the Transaction, all in form and substance satisfactory to the Vendor will have been executed and delivered to the Vendor;
- (f) the Vendor will be reasonably satisfied that its due diligence, analysis and other customary examinations that it has performed regarding the financial positions of, and the Business of, the Purchaser is consistent, in all material respects, with the representations and warranties of the Purchaser set forth in this Agreement;
- (g) no Material Adverse Effect will have occurred with respect to the Business of the Purchaser;
- (h) the Consideration Shares and the Cash Consideration will have been delivered to the Vendor in accordance with Section 5.3; and

- (i) no Order (whether temporary, preliminary or permanent) shall have been enacted, entered, promulgated or enforced by any Governmental Body which prohibits, restrains, enjoins or restricts the consummation of the Transaction, provided, however, that the parties to this Agreement shall use their reasonable best efforts to cause any such Order to be vacated or lifted.

9.2 Waiver/Survival

The conditions set forth in this Article 9 are for the exclusive benefit of the Vendor and may be waived by the Vendor in writing in whole or in part on or before the Closing Date. Notwithstanding any such waiver, completion of the Transaction by the Vendor will not prejudice or affect in any way the rights of the Vendor in respect of the warranties and representations of the Purchaser set forth in this Agreement, and the representations and warranties of the Purchaser in this Agreement will survive the Closing and issuance of the Consideration Shares for the applicable period set out in Section 4.11.

9.3 Covenant of the Purchaser

The Purchaser covenants to deliver all of the closing documentation set out in Section 9.1.

ARTICLE 10 TERMINATION

10.1 Termination

This Agreement may be terminated by written notice given by the terminating party to the other parties hereto, at any time prior to the Closing:

- (a) by mutual written consent of each of the Purchaser and the Vendor;
- (b) by the Purchaser, if there has been a misrepresentation, material breach or non-performance by the Vendor of any material representation, warranty, covenant or agreement set forth in this Agreement on the part the Vendor that is not cured, to the reasonable satisfaction of the Purchaser, within seven (7) days after notice of such breach is given by the Purchaser (except that no cure period will be provided for a breach by or the Vendor that, by its nature, cannot be cured);
- (c) by the Vendor, if there has been a misrepresentation, material breach or non-performance by the Purchaser of any material representation, warranty, covenant or agreement set forth in this Agreement on the part of the Purchaser that is not cured, to the reasonable satisfaction of the Vendor, within seven (7) days after notice of such breach is given by the Vendor (except that no cure period will be provided for a breach by the Purchaser that by its nature cannot be cured);
- (d) by either of the Purchaser or the Vendor if any permanent injunction or other Order of a Governmental Body of competent authority preventing the consummation of the Transaction has become final and non-appealable;
- (e) by either of the Purchaser or the Vendor, if a condition for the terminating party's benefit has not been satisfied or waived; or

- (f) by either the Purchaser or the Vendor, if the Closing has not occurred on or before the Closing Date (provided, that the right to terminate this Agreement under this Section 10.1(f) shall not be available to any party whose failure to fulfill any of its obligations under this Agreement has been the cause of or resulted in the failure to consummate the Transaction by such date).

10.2 Effect of Termination

In the event of the termination of this Agreement as provided in Section 10.1, this Agreement will be of no further force or effect and there shall be no obligation on the part of the parties to this Agreement, except with respect to Section 7.12 and Article 12, which will survive such termination, provided, however, that no termination of this Agreement will relieve any party of liability for any breaches of this Agreement that are based on a wrongful refusal or failure to perform any obligations under this Agreement.

10.3 Waivers and Extensions

At any time prior to the Closing, each of the parties hereto may (a) extend the time for the performance of any of the obligations or other acts of another party hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto or (c) waive compliance with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party to be bound thereby.

ARTICLE 11 **INDEMNITIES**

11.1 Agreement of the Purchaser to Indemnify

The Purchaser agrees to indemnify, defend, and hold harmless, to the full extent of the law, the Vendor from, against, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by the Vendor by reason of, resulting from, based upon or arising out of:

- (a) the material breach by the Purchaser of any representation or warranty of the Purchaser contained in or made pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement; or
- (b) the material breach or partial breach by the Purchaser of any covenant or agreement of the Purchaser made in or pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement.

11.2 Agreement of the Vendor to Indemnify

The Vendor agrees to indemnify, defend, and hold harmless, to the full extent of the law, the Purchaser from, against, and in respect of any and all Losses asserted against, relating to, imposed upon, or incurred by the Purchaser by reason of, resulting from, based upon or arising out of:

- (a) the material breach by the Vendor of any representation or warranty of the Vendor contained in or made pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement; or

- (b) the material breach or partial breach by the Vendor of any covenant or agreement of the Vendor made in or pursuant to this Agreement or any certificate or other instrument delivered pursuant to this Agreement.

11.3 Third Party Claims

- (a) If any third party notifies a party entitled to indemnification under Section 11.1 or 11.2 (each an “**Indemnified Party**”) with respect to any matter (a “**Third-Party Claim**”) which may give rise to an indemnity claim against a party required to indemnify such Indemnified Party under Section 11.1 or 11.2 (each an “**Indemnifying Party**”), then the Indemnified Party will promptly give written notice to Indemnifying Party; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party will relieve the Indemnifying Party from any obligation under this Article 11, except to the extent such delay actually and materially prejudices the Indemnifying Party.
- (b) The Indemnifying Party will be entitled to participate in the defense of any Third-Party Claim that is the subject of a notice given by the Indemnified Party pursuant to Section 11.3(a). In addition, the Indemnifying Party will have the right to defend the Indemnified Party against the Third-Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party so long as (i) the Indemnifying Party gives written notice to the Indemnified Party within fifteen days after the Indemnified Party has given notice of the Third-Party Claim that the Indemnifying Party elects to assume the defense of such Third-Party Claim, (ii) the Indemnifying Party provides the Indemnified Party with evidence reasonably acceptable to the Indemnified Party that the Indemnifying Party will have adequate financial resources to defend against the Third-Party Claim and fulfill its indemnification obligations hereunder, (iii) if the Indemnifying Party is a party to the Third-Party Claim or, in the reasonable opinion of the indemnified Party some other actual or potential conflict of interest exists between the Indemnifying Party and the Indemnified Party, the Indemnified Party determines in good faith that joint representation would not be inappropriate, (iv) the Third-Party Claim does not relate to or otherwise arise in connection with Taxes or any criminal or regulatory enforcement action, (v) settlement of, an adverse judgment with respect to or the Indemnifying Party’s conduct of the defense of the Third-Party Claim is not, in the good faith judgment of the Indemnified Party, likely to be materially adverse to the Indemnified Party’s reputation or continuing business interests (including its relationships with current or potential customers, suppliers or other parties material to the conduct of its Business) and (vi) the Indemnifying Party conducts the defense of the Third-Party Claim actively and diligently. The Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third-Party Claim; provided, however, that the Indemnifying Party will pay the reasonable fees and expenses of separate co-counsel retained by the Indemnified Party that are incurred prior to Indemnifying Party’s assumption of control of the defense of the Third-Party Claim.
- (c) The Indemnifying Party will not consent to the entry of any judgment or enter into any compromise or settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party unless such judgment, compromise or settlement (i) provides for the payment by the Indemnifying Party of money as sole relief for the claimant, (ii) results in the full and general release of the Indemnified Party from all Liabilities arising or relating to, or in connection with, the Third-Party Claim and (iii) involves no finding or admission of any violation of Legal Requirements or the rights of

any Person and has no effect on any other claims that may be made against the Indemnified Party.

- (d) If the Indemnifying Party does not deliver the notice contemplated by Section 11.3(b)(i), or the evidence contemplated by Section 11.3(b)(ii), within fifteen days after the Indemnified Party has given notice of the Third-Party Claim, or otherwise at any time fails to conduct the defense of the Third-Party Claim actively and diligently, the Indemnified Party may defend, and may consent to the entry of any judgment or enter into any compromise or settlement with respect to, the Third-Party Claim in any manner it may deem appropriate; provided, however, that the Indemnifying Party will not be bound by the entry of any such judgment consented to, or any such compromise or settlement effected, without its prior written consent (which consent will not be unreasonably withheld or delayed). In the event that the Indemnified Party conducts the defense of the Third-Party Claim pursuant to this Section 11.3(d), the Indemnifying Party will (i) advance the Indemnified Party promptly and periodically for the costs of defending against the Third-Party Claim (including reasonable attorneys' fees and expenses) and (ii) remain responsible for any and all other Losses that the Indemnified Party may incur or suffer resulting from, arising out of, relating to, in the nature of or caused by the Third-Party Claim to the fullest extent provided in this Article 11.

11.4 Indemnifications Not Affected by Investigation

The right to indemnification, payment of Damages or other remedy based on the representations, warranties, covenants, and obligations contained herein will not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant or obligation. The waiver of any condition based on the accuracy of any representation or warranty, or on the performance of or compliance with any covenant or obligation, will not affect the right to indemnification, payment of Damages, or other remedy based on such representations, warranties, covenants, and obligations.

ARTICLE 12 **GENERAL**

12.1 Expenses

All costs and expenses incurred in connection with the preparation of this Agreement and the Transaction will be paid by the party incurring such expenses.

12.2 Assignment

No parties to this Agreement may assign any of their respective rights, with the exception of the Purchaser's assignment or transfer to Subco of the legal and beneficial right, title and interest in the Las Chacras Property, under this Agreement without the prior consent of each of the other parties. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of each of the parties, as applicable. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the parties to this Agreement and their successors and assigns, as applicable.

12.3 Notices

Any notice required or permitted to be given under this Agreement will be in writing and may be given by delivering, sending by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy, or sending by prepaid registered mail, the notice to the following address or number:

If to the Purchaser:

Rara Terra Capital Corp.
Suite 1160 – 1100 Melville Street
Vancouver, BC V6E 4A6

Attention: Alexander Helmelt
Telephone: (604) 638-7363
Facsimile: (604) 628-9875

With a copy (which will not constitute notice) to:

Clark Wilson LLP
Barristers & Solicitors
Suite 800 – 885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: Virgil Z. Hlus
Telephone: (604) 687-5700
Facsimile: (604) 687-6314

If to the Vendor:

Golden Santa Cruz S.A.
Av. del Libertador 498
Piso 27 – (C1001ABR)
Buenos Aires, Argentina

Attention: A. Harper

(or to such other address or number as any party may specify by notice in writing to another party).

Any notice delivered or sent by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy on a Business Day will be deemed conclusively to have been effectively given on the day the notice was delivered, or the transmission was sent successfully to the number set out above, as the case may be. Any notice sent by prepaid registered mail will be deemed conclusively to have been effectively given on the third Business Day after posting; but if at the time of posting or between the time of posting and the third Business Day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

12.4 Governing Law; Venue

This Agreement, the legal relations between the parties and the adjudication and the enforcement thereof, shall be governed by and interpreted and construed in accordance with the substantive laws of the Province of British Columbia without regard to applicable choice of law provisions thereof. The parties hereto agree that any Proceeding arising out of or relating to this Agreement or the Transaction will be brought in a suitable court located in the Province of British Columbia and each party hereto irrevocably submits to the exclusive jurisdiction of those courts.

12.5 Severability

If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced by reason of any rule of law or public policy, then such covenant or other provision will be severed from and will not affect any other covenant or other provision of this Agreement, and this Agreement will be construed as if such invalid, illegal, or unenforceable covenant or provision had never been contained in this Agreement. All other covenants and provisions of this Agreement will, nevertheless, remain in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision unless so expressed herein.

12.6 Independent Legal Advice

The Vendor acknowledges that it has had independent legal advice regarding the execution of this Agreement, or has been advised of its respective right to obtain independent legal advice, and if it has not in fact obtained independent legal advice, the Vendor acknowledges herewith that it understands the contents of this Agreement and that it is executing the same voluntarily and without pressure from the other parties or anyone on its behalf.

12.7 Entire Agreement

This Agreement, the schedules attached hereto and the other Transaction Documents contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior arrangements and understandings, both written and oral, expressed or implied, with respect thereto, including, without limitation, the Letter of Intent. Any preceding correspondence or offers are expressly superseded and terminated by this Agreement.

12.8 Further Assurances

The Purchaser and the Vendor, upon the request of any other party to this Agreement, whether before or after the Closing, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect complete consummation of the Transaction.

12.9 Regulatory Approval

This Agreement is subject to regulatory approval, including, without limitation, approval of the Exchange.

12.10 Enurement

This Agreement and each of the terms and provisions hereof will enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, personal representatives, successors and assigns.

12.11 Time

Time is of the essence of this Agreement.

12.12 Waiver

No failure on the part of any party to this Agreement to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any party hereto in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. No party to this Agreement shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such party; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

12.13 Force Majeure

The obligations of the parties hereto and the time frames established in this Agreement shall be suspended to the extent and for the period that performance is prevented by any cause beyond either party's reasonable control, whether foreseeable or unforeseeable, including, without limitation, labour disputes, acts of God, laws, regulations, Orders, proclamations or requests of any governmental authority, inability to obtain on reasonable terms required permits, licenses, or other authorizations, or any other matter similar to the above.

12.14 Amendment

This Agreement may not be amended except by an instrument in writing signed by each of the parties.

12.15 Schedules and Vendor Disclosure Statement

The schedules attached to this Agreement and the Vendor Disclosure Statement are incorporated herein.

12.16 Counterparts and Facsimile Transmission

This Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which will together constitute one and the same instrument and delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the date set forth on page one of this Agreement.

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

RARA TERRA CAPITAL CORP.

Per: “Roger Flowerdew”
Authorized Signatory

GOLDEN SANTA CRUZ S.A.

Per: “A.J.C. Harper”
Authorized Signatory

SCHEDULE A

DESCRIPTION OF LAS CHACRAS PROPERTY

Tenure #	Claim Name	Issue Date	Area in Ha	Good To Date	New Good To Date
631184	ODS	2009/sep/09	402.96	2010/oct/30	2011/oct/30
631223	ODS 3	2009/sep/09	167.96	2010/oct/30	2011/oct/30
631225	BOREAL 4	2009/sep/09	419.95	2010/oct/30	2011/oct/30
698483	RAR 4.5	2010/jan/12	353.29	2011/jan/12	2012/jan/12
698523	RAR 5.5	2010/jan/12	420.45	2011/jan/12	2012/jan/12
698543	RADAR LOVE	2010/jan/12	403.20	2011/jan/12	2012/jan/12
698563	MOODIE	2010/jan/12	419.82	2011/jan/12	2012/jan/12
698623	INAGODADIVIDA	2010/jan/12	403.47	2011/jan/12	2012/jan/12
698643	TWILIGHT ZONE	2010/jan/12	420.10	2011/jan/12	2012/jan/12
738382	BL	2010/apr/01	251.75	2011/apr/01	2012/apr/01
738542	BL2	2010/apr/01	352.37	2011/apr/01	2012/apr/01
834720	ODS 2	2010/oct/01	302.35	2011/oct/01	2012/oct/01
835798	GENESIS THRUST	2010/oct/13			
738082	GENESIS	2010/mar/31			
738102	GENESIS II	2010/mar/31			

SCHEDULE B

CERTIFICATE OF VENDOR

[SCHEDULE INTENTIONALLY REMOVED]

SCHEDULE C

FORM OF ESCROW AGREEMENT

THIS AGREEMENT made as of the ___ day of _____, 2011.

AMONG:

RARA TERRA CAPITAL CORP., a company incorporated pursuant to the laws of British Columbia and having an address at Suite 1160-1100 Melville Street, Vancouver, BC V6E 4A6

(“**RT**”)

AND:

CLARK WILSON LLP, a law firm having an office at Suite 800 – 885 West Georgia Street, Vancouver, BC V6C 3H1

(the “**Escrow Agent**”)

AND:

GOLDEN SANTA CRUZ S.A., a société anonyme incorporated pursuant to the laws of the Argentine Republic and having an address at Av. del Libertador 498, Piso 27 – (C1001ABR), Buenos Aires, Argentina

(the “**Shareholder**”)

WHEREAS:

A. RT and the Shareholder wish to appoint the Escrow Agent to accept, hold and deliver, pursuant to the terms of this Agreement, three million (3,000,000) common shares in the capital of RT (each, a “**Share**”) in connection with the closing of the Las Chacras Property Purchase Agreement dated March 25, 2011 (the “**Purchase Agreement**”) between RT and the Shareholder; and

B. Pursuant to the terms of the Purchase Agreement, the Shareholder has agreed that the Shares will be held by the Escrow Agent and released only in accordance with this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 In this Agreement:

- (a) the headings have been inserted for convenience of reference only and in no way define, limit, or enlarge the scope or meaning of the provisions of this Agreement;

- (b) all references to any party, whether a party to this Agreement or not, will be read with such changes in number and gender as the context or reference requires; and
- (c) when the context hereof makes it possible, the word “person” includes in its meaning any firm and any body corporate or politic.

ARTICLE 2 DEPOSIT INTO ESCROW

- 2.1 RT and the Shareholder will, upon execution of this Agreement and the closing of the Purchase Agreement, deliver the Shares and a stock power of attorney, duly endorsed in the form required by the transfer agent of RT (the “**Stock Power**”), to the Escrow Agent and the Escrow Agent will hold the Shares and the Stock Power in escrow subject to the terms and conditions of this Agreement.
- 2.2 The Shareholder hereby appoints the Escrow Agent as the agent and attorney-in-fact for and on behalf of the Shareholder in respect of the Shares, on the terms and subject to the conditions set forth herein.

ARTICLE 3 ESCROW PROVISIONS

- 3.1 The Shareholder and RT hereby direct the Escrow Agent to retain the Shares and the Stock Power and not to cause anything to be done to release the same from escrow except in accordance with this Agreement. The Escrow Agent accepts its responsibilities hereunder and agrees to perform them in accordance with the terms hereof.
- 3.2 Subject to Section 3.3 and Section 3.4, unless prohibited by an order of a court of competent jurisdiction, the Escrow Agent will release from escrow and deliver to the Shareholder one million (1,000,000) Shares, upon receiving a written notice signed by each of RT and the Shareholder, that RT has achieved any of the following milestones (each, a “**Milestone**”):
 - (a) RT completing financings for aggregate gross proceeds of at least \$5,000,000 subsequent to the Closing Date (as defined in the Purchase Agreement), excluding proceeds from the Financing (as defined in the Purchase Agreement);
 - (b) RT obtaining an NI 43-101 technical report that indicates NI 43-101 compliant resources in excess of 50,000 tonnes total rare earth equivalents for any property acquired by RT (or its subsidiary(s)) during Christopher Ecclestone’s tenure as Chief Executive Officer of RT, excluding any 43-101 report prepared for any property acquired by RT that constitutes its Qualifying Property in connection with its Qualifying Transaction (each as defined in TSX Venture Exchange (the “**Exchange**”) Policy 1.1); and
 - (c) RT acquiring a project or property that qualifies as a producer (a property on which there is already a producing mine) or near-term producer (a property for which a bankable feasibility report has been completed and financing has been arranged to achieve commercial production on such property) via takeover, merger, acquisition or otherwise.

- 3.3 If any of the Shares are released upon the attainment of a Milestone set forth in Section 3.2 prior to the third anniversary of the issuance of the Final Exchange Bulletin (as defined in the policies of the Exchange) by the Exchange in connection with the completion of RT's Qualifying Transaction, such Shares will continue to be held in escrow and subject to the following timed release schedule:

<u>RELEASE DATES</u>	Percentage of Shares to be Released
Date of Final Exchange Bulletin	10%
6 months following Final Exchange Bulletin	15%
12 months following Final Exchange Bulletin	15%
18 months following Final Exchange Bulletin	15%
24 months following Final Exchange Bulletin	15%
30 months following Final Exchange Bulletin	15%
36 months following Final Exchange Bulletin	15%
TOTAL	100%

- 3.4 The Shareholder agrees that, notwithstanding the release of any Shares upon the attainment of a Milestone set forth in Section 3.2 or the release of any Shares in accordance with Section 3.3, such Shares may become, or continue to be, subject to an additional escrow period and release schedule as required by the Exchange.
- 3.5 The Escrow Agent will release the Stock Power to the Shareholder following release of all Shares held in escrow pursuant to Section 3.2.
- 3.6 The Escrow Agent is authorized by each of the Shareholder and RT to make the deliveries required by Article 3 of this Agreement.
- 3.7 If, at any time after the date of this Agreement, RT subdivides (by any stock split, stock dividend, recapitalization or otherwise) its outstanding common shares into a greater number of common shares, any Shares held in escrow immediately prior to such subdivision will be proportionately increased. If, at any time after the date of this Agreement, RT combines (by combination, reverse stock split or otherwise) its outstanding common shares into a smaller number of common shares, any Shares held in escrow immediately prior to such combination will be proportionately decreased. Any adjustment under this Section 3.7 shall become effective at the close of business on the date the subdivision or combination becomes effective.
- 3.8 With respect to the preparation of this Agreement and the rights and obligations herein, each of the parties to this Agreement acknowledges and agrees that all parties to this Agreement have been advised to seek, and have sought or have otherwise waived, independent legal advice with respect to this Agreement and the documents delivered pursuant hereto.

ARTICLE 4 ESCROW AGENT

- 4.1 In exercising the rights, duties and obligations prescribed or confirmed by this Agreement, the Escrow Agent will act honestly and in good faith and will exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

- 4.2 The Shareholder and RT agree from time to time and at all times hereafter well and truly to save, defend and keep harmless and fully indemnify the Escrow Agent, its successors and assigns from and against all loss, costs, charges, suits, demands, claims, damages and expenses which the Escrow Agent, its successors or assigns may at any time or times hereafter bear, sustain, suffer or be put unto for or by reason or on account of its acting pursuant to this Agreement or anything in any manner relating thereto or by reason of the Escrow Agent's compliance in good faith with the terms hereof.
- 4.3 In case proceedings should hereafter be taken in any court respecting the Shares, the Escrow Agent will not be obliged to defend any such action or submit its rights to the court until it has been indemnified by other good and sufficient security in addition to the indemnity given in Section 4.2 against its costs of such proceedings.
- 4.4 The Escrow Agent will have no responsibility in respect of loss of the Shares and the Stock Power except the duty to exercise such care in the safekeeping thereof as it would exercise if the Shares and the Stock Power belonged to the Escrow Agent. The Escrow Agent may act on the advice of counsel but will not be responsible for acting or failing to act on the advice of counsel.
- 4.5 The Escrow Agent will not be bound in any way by any contract between the other parties hereto whether or not it has notice thereof or of its terms and conditions and the only duty, liability and responsibility of the Escrow Agent will be to hold the Shares and the Stock Power as herein directed and to deliver the same to such persons and other such conditions as are herein set forth. The Escrow Agent will not be required to pass upon the sufficiency of any of the Shares or the Stock Power or to ascertain whether or not the person or persons who have executed, signed or otherwise issued or authenticated the said documents have authority to so execute, sign or authorize, issue or authenticate the said documents or any of them, or that they are the same persons named therein or otherwise to pass upon any requirement of such instruments that may be essential for their validity, but it shall be sufficient for all purposes under this Agreement insofar as the Escrow Agent is concerned that the said documents are deposited with it as herein specified by the parties executing this Agreement with the Escrow Agent.
- 4.6 In the event that the Shares are attached, garnished or levied upon under any court order, or if the delivery of such property is stayed or enjoined by any court order or if any court order, judgment or decree is made or entered affecting such property or affecting any act by the Escrow Agent, the Escrow Agent will obey and comply with all writs, orders, judgments or decrees so entered or issued, whether with or without jurisdiction, notwithstanding any provision of this Agreement to the contrary. If the Escrow Agent obeys and complies with any such writs, orders, judgments or decrees, it will not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding that such writs, orders, judgments or decrees may be subsequently reversed, modified, annulled, set aside or vacated.
- 4.7 Except as herein otherwise provided, the Escrow Agent is authorized and directed to disregard any and all notices and warnings which may be given to it by any of the parties hereto or by any other person, firm, association or corporation. It will, however obey the order, judgment or decree of any court of competent jurisdiction, and it is hereby authorized to comply with and obey such orders, judgments or decrees and in case of such compliance, it shall not be liable by reason thereof to any of the parties hereto or to any other person, firm, association or corporation, even if thereafter any such order, judgment or decree may be reversed, modified, annulled, set aside or vacated.

- 4.8 If the Escrow Agent receives any valid court order contrary to the instructions contained in this Agreement, the Escrow Agent may continue to hold the Shares until the lawful determination of the issue between the parties hereto.
- 4.9 If written notice of protest is made by either the Shareholder and/or RT to the Escrow Agent to any action contemplated by the Escrow Agent under this Agreement, and such notice sets out reasons for such protest, the Escrow Agent may at its sole discretion continue to hold the Shares and the Stock Power until the right to the documents is legally determined by a court of competent jurisdiction or otherwise.
- 4.10 The Escrow Agent may resign as Escrow Agent by giving not less than five (5) days' notice thereof to the Shareholder and RT. The Shareholder and RT may terminate the Escrow Agent by giving not less than five (5) days' notice to the Escrow Agent. The resignation or termination of the Escrow Agent will be effective and the Escrow Agent will cease to be bound by this Agreement on the date that is five (5) days after the date of receipt of the termination notice given hereunder or on such other date as the Escrow Agent, the Shareholder and RT may agree upon. All indemnities granted to the Escrow Agent herein will survive the termination of this Agreement or the termination or resignation of the Escrow Agent. In the event of termination or resignation of the Escrow Agent for any reason, the Escrow Agent shall, within that five (5) days' notice period deliver the Shares to the new escrow agent to be named by the Shareholder and RT.
- 4.11 Notwithstanding anything herein to the contrary, the Escrow Agent may act upon any written instructions given jointly by the Shareholder and RT.
- 4.12 Notwithstanding anything to the contrary contained herein, in the event of any dispute arising between the Shareholder and/or RT, this Agreement or any matters arising thereto, the Escrow Agent may in its sole discretion deliver and interplead the Shares and the Stock Power into court and such delivery and interpleading will be an effective discharge to the Escrow Agent.

ARTICLE 5 FEES

- 5.1 RT will pay all of the compensation of the Escrow Agent and will reimburse the Escrow Agent for any and all reasonable expenses, disbursements and advances made by the Escrow Agent in the performance of its duties hereunder, including reasonable fees, expenses and disbursements incurred by its counsel.

ARTICLE 6 GENERAL

- 6.1 Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Agreement will be binding upon the parties hereto unless reduced to writing and signed by the parties.
- 6.2 This Agreement will enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators and successors.

- 6.3 The parties will execute and deliver all such further documents, do or cause to be done all such further acts and things, and give all such further assurances as may be necessary to give full effect to the provisions and intent of this Agreement.
- 6.4 This Agreement will be governed by and construed in accordance with the laws of the State of Nevada and any federal laws applicable therein.
- 6.5 Any notice required or permitted to be given under this Agreement will be in writing and may be given by delivering, sending by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy, or sending by prepaid registered mail, the notice to the following address:

If to RT:

Rara Terra Capital Corp.
Suite 1160 – 1100 Melville Street
Vancouver, BC V6E 4A6

Attention: Alexander Helm
Telephone: (604) 638-7363
Facsimile: (604) 628-9875

If to the Escrow Agent:

Clark Wilson LLP
Suite 800 – 885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: Virgil Z. Hlus
Telephone: (604) 687-5700
Facsimile: (604) 687-6314
Email: vzh@cwilson.com

If to the Shareholder:

Golden Santa Cruz S.A.
Av. del Libertador 498
Piso 27 – (C1001ABR)
Buenos Aires, Argentina
Attention: A. Harper

(or to such other address as any party may specify by notice in writing to another party). Any notice delivered or sent by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy on a business day will be deemed conclusively to have been effectively given on the day the notice was delivered, or the electronic communication was successfully transmitted, as the case may be. Any notice sent by prepaid registered mail will be deemed conclusively to have been effectively given on the third business day after posting; but if at the time of posting or between the time of posting and the third business day thereafter there is a strike, lockout, or other labour disturbance affecting postal service, then the notice will not be effectively given until actually delivered.

- 6.6 Time is of the essence of this Agreement.

- 6.7 It is understood and agreed by the parties to this Agreement that the only duties and obligations of the Escrow Agent are those specifically stated herein and no other.
- 6.8 This Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart. This Agreement may be executed by delivery of executed signature pages by fax and such fax execution will be effective for all purposes.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed as of the day and year first written above.

RARA TERRA CAPITAL CORP.

Per: _____
Authorized Signatory

CLARK WILSON LLP

Per: _____
Authorized Signatory

GOLDEN SANTA CRUZ S.A.

Per: _____
Authorized Signatory

SCHEDULE D

ACKNOWLEDGEMENT - PERSONAL INFORMATION

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including the TSX Venture Exchange (collectively referred to as “the Exchange”) collect Personal Information in certain Forms that are submitted by the individual and/or by an Issuer or Applicant and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Issuer or Applicant,
- to consider the eligibility of the Issuer or Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates, and includes information as to such individual’s involvement with any other reporting issuers, issuers subject to a cease trade order or bankruptcy, as well as information respecting penalties, sanctions or personal bankruptcies, to which such individual has been subject, as well as any conflicts of interest that the individual may have with the Issuer,
- to detect and prevent fraud,
- to conduct enforcement proceedings, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of this process, the Exchange also collects additional Personal Information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out above can be accomplished. The Personal Information the Exchange collects may also be disclosed:

- (a) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described above; and
- (b) on the Exchange’s website or through printed materials published by or pursuant to the directions of the Exchange.

The Exchange may from time to time use third parties to process information and/or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers.