

**OPTION AND JOINT VENTURE AGREEMENT BETWEEN
TARTISAN RESOURCES CORP. AND ELORO RESOURCES LTD.
LA VICTORIA PROPERTY, PERU**

This Option and Joint Venture Agreement sets forth the terms between Tartisan (as hereinafter defined) and Eloro (as hereinafter defined) regarding the La Victoria Property, Peru as more particularly described in Schedule "A". Upon being signed by both parties, and one copy being transmitted to Tartisan and one to Eloro, this document will constitute a legal, binding and enforceable agreement between Tartisan and Eloro. Hereafter, this document will sometimes be referred to as the "Agreement".

Tartisan hereby grants to Eloro (on behalf of a subsidiary to be incorporated in Peru) the sole and exclusive right and option to acquire an undivided 50% interest in and to the Property (as hereinafter defined) and the Joint Venture (as hereinafter defined) to be formed between the Parties, in accordance with the following terms and conditions:

PART I

EXPLORATION PROGRAM DURING THE OPTION PERIOD

1. PARTIES: Tartisan Resources Corp. ("Tartisan")
Eloro Resources Ltd. ("Eloro")
("Party" means any party to this Agreement and "Parties" shall be construed accordingly.)
2. PROPERTY: A 100% interest in the base and precious metal exploration rights in La Victoria Property held by Tartisan (the "Property"), further described in Schedule "A" attached hereto.
3. LOCATION: Huandoval Distrito, Pallasca Provincia, Ancash Departamento, Peru.
4. REPRESENTATIONS AND WARRANTIES: Tartisan represents and warrants to Eloro at the date of signing of this Agreement that:
 - (a) Tartisan is duly incorporated and is validly subsisting under the laws of Ontario;
 - (b) Tartisan is in material compliance with all of its obligations as a reporting issuer, including those imposed pursuant to securities legislation, and the regulations and policies thereunder;
 - (c) Tartisan is in material compliance with all of the policies of the Canadian Securities Exchange (the "Exchange"), including having obtained a National Instrument 43-101-*Standards of Disclosure for Mineral Projects* technical report for the Property, a copy of which has been delivered to Eloro;
 - (d) there is no action, suit, litigation, arbitration, investigation, inquiry or other proceeding in progress, or,

to the best of Tartisan's knowledge, pending or threatened against or relating to Tartisan or its material assets and there is no circumstance, matter or thing known to Tartisan which might give rise to any such proceeding or to any governmental investigation relative to Tartisan and there is not outstanding against Tartisan or its assets any judgment, decree, injunction, rule or order of any court, government department, commission, agency or arbitrator;

- (e) Tartisan, through its Peruvian subsidiary, is the legal and registered beneficial owner of all of its stated interests in the Property and such interests are free of any liens, claims, charges, security interests or encumbrances of any kind whatsoever;
- (f) Tartisan has the requisite power, capacity and authority to enter into this Agreement (and all other agreements and documents required to be delivered hereunder) on the terms and conditions herein set forth and to transfer the agreed upon interest in the Property to Eloro as contemplated herein, and all necessary corporate action has been taken on the part of Tartisan to approve the transfer of the agreed upon interest of such Property;
- (g) Tartisan, through its Peruvian subsidiary is qualified to carry on business in Peru;
- (h) the Property is accurately described in Schedule "A" hereto;
- (i) to the best of the knowledge of Tartisan, there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance or hazardous waste on, into, under or affecting the Property in any material way and no such contaminant, pollutant, dangerous or toxic substance or hazardous waste is stored in any type of container on, in or under the Property;
- (j) there are no pending or threatened actions, suits, claims or proceedings regarding Tartisan or the Property and there are no outstanding notices, orders, assessments, directives, rulings or other documents issued in respect of the Property by any governmental authority;
- (k) no reclamation, rehabilitation, restoration or abandonment obligations out of the ordinary course of business exist with respect to the Property;
- (l) Tartisan has delivered to Eloro all information concerning

the Property in its possession or control;

- (m) there are no actions, suits, proceedings or claims existing or, to the best of the knowledge, information and belief of Tartisan, pending or threatened with respect to or in any manner challenging ownership of interest in any of the Property, or which might reasonably be expected to result in a material impairment or loss of, the Property, or the proposed sale of interest in the Property;
- (n) the execution and delivery of this Agreement and the consummation of the transactions contemplated herein will not, as a result of Tartisan's involvement, violate nor be in conflict with any provision of any material agreement or instrument to which Tartisan is a party or is bound or, to the best of the knowledge of Tartisan, any judgment, decree, order, statute, rule or regulation applicable to Tartisan and no authorizations, approvals or consents are required for the consummation of the transaction contemplated herein by Tartisan other than the approval of the Exchange; and
- (o) Tartisan is in material compliance with all applicable laws, rules, regulations, orders and statutes applicable to it, the interest in the Property or the operation of the Property, and Tartisan has not received any notice of any violation, and there is no basis for assertion of any violation, of any applicable law, order, rule, regulation, writ, injunction or decree of any court, governmental or conservation authority or any statute, and Tartisan holds, in good standing, all licenses, registrations and qualifications required.

Eloro represents and warrants to Tartisan at the date of signing of this Agreement that:

- (a) Eloro is duly incorporated and is validly subsisting under the laws of Ontario;
- (b) Eloro currently has 62,398,480 common shares issued and outstanding and all of such shares are validly issued and outstanding as fully paid and non-assessable shares of Eloro;
- (c) there is no action, suit, litigation, arbitration, investigation, inquiry or other proceeding in progress, or, to the best of Eloro's knowledge, pending or threatened against or relating to Eloro or its material assets and there is no circumstance, matter or thing known to Eloro which might give rise to any such proceeding or to any governmental investigation relative to Eloro and there is

not outstanding against Eloro any judgment, decree, injunction, rule or order of any court, government department, commission, agency or arbitrator; and

- (d) Eloro has the requisite power, capacity and authority to enter into this Agreement (and all other agreements and documents required to be delivered hereunder) on the terms and conditions herein set forth.

Each Party's representations and warranties set out above will be relied on by the other Party in entering into the Agreement and shall survive the execution and delivery of the Agreement. Each Party shall indemnify and hold harmless the other Party for any loss, cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the other Party at any time as a result of any misrepresentation or breach of warranty arising under the Agreement.

5. EXPLORATION
EXPENDITURES:

In order to earn the interest in the Property described in paragraph 7 hereof, Eloro agrees to make aggregate cash payments to Tartisan totalling CDN\$150,000 and expend CDN\$1.5 million as exploration and development expenditures, inclusive of tax thereon, on the Property as follows:

- (a) CDN\$50,000 cash payment on signing of the Agreement, which payment has been made and received.
- (b) By the first anniversary date of the Agreement, Eloro will make an additional CDN\$50,000 cash payment and spend an aggregate of CDN\$250,000 on expenditures including, but not limited to, drilling and related geological work on or for the benefit of the Property in order to continue the Agreement in accordance with a Work Program approved by the Exploration Committee ("Phase I"). All expenditures in excess of the initial CDN\$250,000 will be applied to succeeding incremental expenditure requirements. Any shortfall in such expenditures can be made up with a cash payment in lieu of work. Eloro (or its Peruvian subsidiary) shall be entitled to a 90-day curative period in respect of any default. With the exception of the CDN \$50,000 cash payment on signing of the Agreement, which has been made and received, the balance of the cash payments are not committed and may be made at Eloro's discretion.

- (c) By the second anniversary date of the Agreement, Eloro will make an additional CDN\$50,000 cash payment and spend an additional CDN\$350,000 (CDN\$600,000 in aggregate) for exploration work including, but not limited to, drilling and related geological work on the Property in accordance with a Work Program approved by the Exploration Committee ("Phase II"). All expenditures in excess of the Phase I and Phase II requirements will be applied to succeeding incremental expenditure requirements.
- (d) By the third anniversary date of the Agreement, Eloro will spend an additional CDN\$400,000 (CDN\$1,000,000 in aggregate) for exploration work including, but not limited to, drilling and related geological work on the Property in accordance with a Work Program approved by the Exploration Committee ("Phase III"). All expenditures in excess of the Phase I, Phase II and Phase III requirements will be applied to succeeding incremental expenditure requirements.
- (e) By the fourth anniversary date of the Agreement, Eloro will spend an additional CDN\$500,000 (CDN\$1,500,000 in aggregate) for exploration work including, but not limited to, drilling and related geological work on the Property in accordance with a Work Program approved by the Exploration Committee ("Phase IV").
- (f) (Phase I, Phase II, Phase III and Phase IV are collectively, the "Exploration Program").
- (g) All exploration expenditures described in this paragraph 5 are optional at the discretion of Eloro.

6. EXPLORATION
COMMITTEE AND
OPERATORSHIP:

An Exploration Committee consisting of one (1) qualified representative from Eloro and two (2) qualified representatives from Tartisan (the "Exploration Committee") shall be established. The Exploration Committee shall be responsible for the design of drilling, related geological work, and any other work related to or on the Property (the "Work Program") until such time as the Exploration Program is completed. Tartisan and its Peruvian subsidiary, Minera Tartisan Peru S.A.C., shall administrate the operation of the Property throughout the term of the Option period. Tartisan will be allowed to charge a fee equal to 5% of the incurred expenditures for this administration.

Approvals of Work Programs and other decisions of the Exploration Committee shall require the approval of the

Exploration Committee by majority vote. Each representative of Eloro and Tartisan will have one vote. The Exploration Committee will initially be composed of Harry Burgess, P. Eng. (Tartisan), John M. Siriunas, P. Eng. (Tartisan) and Alexander Horvath, P. Eng. (Eloro) and in the event that any of the nominees is unwilling or unable to act as a member of the Exploration Committee, a mutually acceptable alternate shall be appointed. Mr. Horvath shall initially act as Chairman of the Exploration Committee. The Exploration Committee may hold informal meetings and shall hold formal meetings not less than once each calendar year and shall prepare a timeline for cash requirements for the work expenditures.

The Exploration Committee shall provide the Parties with a detailed quarterly report on the Exploration Program, within 15 days of the end of the quarter, to include copies of such maps and data and statements of expenditures sufficient to evaluate the Work Program. Any Party may request a meeting of the Exploration Committee by giving notice to all the other Parties. Upon receiving such request, Eloro shall call such meeting for a date not less than fifteen (15) Days nor more than twenty (20) Days after receipt of the request. However, if the meeting is being called to address a relevant operational issue, such a meeting should occur as soon as possible and in no case, less than 24 hours or more than 72 hours after notice is given. The notice periods above may be waived with the consent of the Parties.

7. EARNED INTEREST:

Upon payment of CDN\$150,000 and completion of Phase 1, Phase II, Phase III and Phase IV of the Exploration Program, all strictly in accordance with the deadlines required in paragraph 5, Eloro shall have earned 50% of Tartisan's undivided interest in the Property (the "Earned Interest").

8. COVENANTS:

During the currency of this Agreement, Tartisan will:

- (a) make available to Eloro and its representatives all available relevant technical data, geotechnical reports, maps, digital files and other data with respect to the Property in Tartisan's possession or control, including soil samples, and all records and files relating to the Property and permit Eloro and its representatives at their own expense to take abstracts therefrom and make copies thereof;
- (b) promptly provide Eloro with any and all notices and correspondence received by Tartisan from government agencies in respect of the Property;
- (d) cooperate fully with Eloro in conducting exploration and in obtaining any surface and other rights on or related to

the Property as Eloro deems desirable, acting reasonably;
and

- (e) subject to paragraph 6 and the other terms of this Agreement, grant to Eloro, its employees, agents and independent contractors, the right and option to enter upon the Property and do such prospecting, exploration, development or other mining work thereon and thereunder as Eloro in its discretion may consider advisable.

During the currency of this Agreement, Eloro will:

- (a) make available to Tartisan and its representatives all available relevant technical data, geotechnical reports, maps, digital files and other data with respect to the Property in Eloro's possession or control, including soil samples, and all records and files relating to the Property and permit Tartisan and its representatives at their own expense to take abstracts therefrom and make copies thereof;
- (b) promptly provide Tartisan with any and all notices and correspondence received by Eloro from government agencies in respect of the Property;
- (c) cooperate fully with Tartisan in conducting exploration and in obtaining any surface and other rights on or related to the Property as Eloro deems desirable, acting reasonably; and
- (d) subject to paragraph 6 and the other terms of this Agreement, grant to Tartisan, its employees, agents and independent contractors, the right and option to enter upon the Property and do such prospecting, exploration, development or other mining work thereon and thereunder as Tartisan in its discretion may consider advisable.

9. DEFAULT:

Should Eloro default under Part I of this Agreement or fail to make any of the payments, share issuances and expenditures as described in the Exploration Program then Tartisan will provide written notice to Eloro with specific details of such defaults or failures. After receiving said notice, Eloro shall have 90 days to remedy such default. Should Eloro fail to remedy the default within the 90 day period, Eloro shall forfeit any rights it has to an interest in the Property and this Agreement shall be terminated.

10. DUE DILIGENCE:

For the purposes of allowing Tartisan and Eloro to review the business and affairs of each other so as to enable each other to

determine if there are any facts relating to which, if known to the other Party, would cause it to elect not to proceed with the Agreement, Tartisan and Eloro hereby permit each other and their auditors and agents to conduct, upon execution hereof such investigations of the financial condition, contractual obligations, business affairs of each of Tartisan and Eloro and corporate affairs as each Party may deem reasonably necessary, or advisable, in order to ensure that the representations, warranties, covenants and agreements as are required by each Party are accurate and correct.

Each of Tartisan and Eloro will provide such information as to its financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other Party.

11. CONFIDENTIALITY:

Such information relating to the business, assets or affairs of a Party hereto which:

- (a) has not become generally available to the public; or
- (b) was not available to the other Party or its representatives on a non-confidential basis before the date of this Agreement; or
- (c) does not become available to the other Party or its representatives on a non-confidential basis from a person who is not, to the knowledge of such Party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to such Party or its representatives;

will be kept confidential by all employees, officers, directors, consultants, agents, and affiliates of the other Party and shall constitute confidential information (the "Confidential Information"). Prior to releasing any Confidential Information, a Party may require the recipient of the Confidential Information to enter into a mutually acceptable confidentiality agreement. No Confidential Information may be released to third parties without the consent of the provider thereof unless such Confidential Information is compelled to be released by legal process or must be released to regulatory bodies and/or included in public documents.

Each Party agrees that it will, in advance of reporting to a stock exchange or making a public announcement, report, or press release that relates to the Property, provide the other Party with a copy of the draft text of the proposed report or release so that the other party may comment on the contents of the communication. The other Party shall reply within 24

hours of receiving the draft of the communication (or sooner, to the extent possible, in the event securities laws require earlier disclosure).

12. REGISTRATION:

Eloro shall have the right to register notice of this Agreement for the sole purpose of giving notice of its option rights under this Agreement to the applicable government bodies of the Peruvian Government. Such notice shall be removed by Eloro in the event this Agreement is terminated prior to Eloro acquiring the earned interest under paragraph 7 hereof.

13. RIGHT OF FIRST OFFER
IN AREA OF INTEREST:

The "Area of Interest" shall be defined as those properties or any portion of which is situated within five (5) kilometres of the boundaries of the Property.

If either Party acquires, directly or indirectly, any interest in any new property which is all or partly within the Area of Interest, the acquiring Party must disclose this acquisition promptly to the other Party who may participate in the acquisition up to the other Party's Participating Interest. For the purposes of this section, and until Eloro has completed the Exploration Program, Eloro and Tartisan shall be deemed to have a Participating Interest of 50% and 50%, respectively. Upon disclosure, the other Party will have 30 days to decide whether to participate in the acquisition. If the other Party decides to participate, it shall pay a portion of the acquisition costs equal to its Participating Interest to the acquiring Party, and the newly-acquired property shall be added to the Property governed by this Agreement. In the event that this Agreement is terminated prior to Eloro acquiring the earned interest under paragraph 7 hereof, Eloro shall transfer and release to Tartisan any and all interests it may have acquired in any such additional properties within the Area of Interest.

PART II

JOINT VENTURE

14. CONVERSION TO JOINT
VENTURE:

Upon payment of CDN\$150,000 and completion of Phase 1, Phase II, Phase III and Phase IV of the Exploration Program, all strictly in accordance with the deadlines required in paragraph 5, Tartisan and Eloro shall automatically be deemed to have formed a joint venture (the "Joint Venture") for the further exploration and development of the Property and shall use their best efforts to enter into a joint venture agreement on usual commercial terms which shall incorporate among other things, the provisions set forth in paragraphs 15-42. Until such joint venture agreement is settled and signed, Part II and Part III of this Agreement shall govern the operations of the Joint Venture.

15. PARTICIPATING

On the date that the Joint Venture is deemed to be formed, Eloro and Tartisan will be deemed to have the following initial

INTERESTS:

Joint Venture interests (the "Participating Interests") in the Property, with the following deemed expenditures:

Tartisan	50%; CDN\$1,500,000 (or such greater amount as Eloro has expended under the Exploration Program)
Eloro	50%; CDN\$1,500,000 (or such greater amount as Eloro has expended under the Exploration Program)

The Participating Interests of Eloro and Tartisan with respect to the Property calculated at any time and from time to time, shall be determined in accordance with the following formula:

$$A = \frac{B \times 100\%}{C}, \text{ where:}$$

- (a) A is the Participating Interest of Eloro or Tartisan, as the case may be;
- (b) B is an amount equal to the Deemed Expenditures of Eloro or Tartisan, as the case may be, plus all of the expenditures made by Eloro or Tartisan, as the case may be, after the formation of the Joint Venture (for greater certainty, such expenditures shall be calculated in accordance with paragraph 26 hereof); and
- (c) C is an amount equal to the Parties' total Deemed Expenditures plus all of the Parties' expenditures made after the formation of the Joint Venture.

The Parties shall share all benefits, costs, expenses, liabilities, obligations and risks accruing to the Joint Venture or arising from its activities or otherwise, severally in proportion to their respective Participating Interests, from time to time.

16. JOINT VENTURE
OPERATING
COMMITTEE:

After formation of the Joint Venture, a joint venture operating committee consisting of two representatives from Tartisan and two representatives from Eloro, or their respective subsidiaries (the "JV Operating Committee"), shall be established with respect to further exploration and development of the Property. Each representative of Eloro and Tartisan will have one vote. The JV Operating Committee will initially be composed of two representatives from Tartisan and two representatives from Eloro. Each of the Parties shall also nominate an alternate representative to the JV Operating Committee who shall represent, respectively, such Party in the absence of an appointed representative. The JV Operating Committee shall be responsible for approving work plans and budgets ("Work Plans and Budgets") with respect to the Property and for

determining the general policies and direction to be adopted by the Operator in the conduct of the operations. Each Work Plan and Budget shall be prepared by the Operator on an annual basis and shall contain in an itemized projection of expenditures to be incurred thereunder, the nature of the work to be performed and the expected schedule of implementation thereof. It is understood and agreed that the Operator shall be entitled to submit phased budgets in which the actual implementation of each successive phase shall be dependent upon the success of the previous phase.

17. MEETINGS OF THE JV OPERATING COMMITTEE:

The JV Operating Committee shall meet at least once quarterly and otherwise on thirty (30) days' notice given by the Operator and on thirty (30) days notice given by a Party. Further, any Party may request a meeting of the JV Operating Committee by giving notice to all the other Parties. Upon receiving such request, the Operator shall call such meeting for a date not less than fifteen (15) Days nor more than twenty (20) Days after receipt of the request. However, if the meeting is being called to address a relevant operational issue, such a meeting should occur as soon as possible and in no case, less than 24 hours or more than 72 hours after notice is given (unless such notice is waived). The notice shall include an agenda of items to be discussed at the meeting. Proposed Work Plans and Budgets shall be delivered to the Parties at least thirty (30) days prior to any meeting held to consider them and shall include all relevant background material then in the possession of the Operator. Approvals of Work Plans and Budgets and other decisions of the JV Operating Committee shall be determined by majority vote. Each Party's representatives shall be entitled to a vote equal to the percentage Participating Interest held by such Party in the Property. In the event of a deadlocked vote, the Operator shall have a casting vote.

18. OPERATOR:

(a) After the formation of the Joint Venture, Eloro and Tartisan shall be joint Operators of the Property. Eloro and Tartisan as joint Operators, and all subsequent Operators, shall remain Operator so long as they continue to hold or represent at least a 50% Participating Interest in the Property. If the Operator's Participating Interest in the Property should fall below 50% or if the Operator generally ceases carrying on business in Peru, Parties representing at least a 50% Participating Interest shall be entitled to appoint a replacement Operator upon the expiry of the Work Plan and Budget then in effect. The Operator shall also be entitled to resign as Operator on the expiry of any Work Plan and Budget, in which event the remaining Parties shall have the right to appoint a replacement Operator. Upon a change in Operator, the Operator shall transfer all equipment and other assets of the Joint Venture then held in its name other than the

Property, which shall be held by the parties, each as to an undivided 50% interest, in trust for the Parties as to their actual respective Participating Interest as may be determined from time to time in accordance herewith, to the replacement Operator upon expiry of the Work Plan and Budget then in effect, to be held in trust for the Parties as their interests may be from time to time.

- (b) After the formation of a Joint Venture, the Operator shall have exclusive charge of all operations and shall conduct such operations in accordance with Work Plans and Budgets approved by the JV Operating Committee. All work done by the Operator on the Property shall be done diligently, in a good and workmanlike manner, in accordance with good mining practice and in compliance with all applicable laws and regulations. The Operator shall, out of funds provided to it pursuant to the terms of this Agreement, pay all taxes (other than income tax) and assessments in respect of the Property and keep the Property in good standing, free and clear of all liens and encumbrances resulting from its activities. The Operator shall also, from such funds, maintain adequate insurance coverage in accordance with normal industry standards and practice protecting the Parties to this Agreement from third party claims. The Operator shall maintain such books and records as are usual in such projects.

19. INDEMNIFICATION:

The Parties shall indemnify and save harmless the Operator from and against all third party liabilities in accordance with their respective Participating Interests in the Property, except for loss or damage arising from the Operator's failure to maintain such insurance coverage as may be required by the JV Operating Committee or arising from the gross negligence or wilful misconduct of the Operator. The Operator shall indemnify and save harmless the Parties from any damages they may suffer as a result of any failure by the Operator to maintain insurance as required by the JV Operating Committee and for any gross negligence or wilful misconduct of the Operator. A Party's share of such liability shall be equal to its Participating Interest at the time that such liability was incurred.

20. APPROVAL OF WORK PLANS:

The Operator shall submit Work Plans and Budgets to the JV Operating Committee for approval within sixty (60) days subsequent to the formation of the Joint Venture and thereafter, within sixty (60) days subsequent to the expiration of the Work Plan and Budget then in effect. If the JV Operating Committee approves the Work Plan and Budget proposed by the Operator, the Operator shall be entitled to proceed with the implementation of that Work Plan and Budget. If the JV Operating Committee fails to approve the

Work Plan and Budget proposed by the Operator, then within 30 days of the JV Operating Committee's failure to approve the proposed Work Plan and Budget, the Operator may propose a second or amended Work Plan and Budget and a non-operating Party may propose an alternative Work Plan and Budget; the JV Operating Committee shall approve either the non-operating Party's Work Plan and Budget or the Operator's second or amended Work Plan and Budget, and the Operator shall proceed with the Work Plan and Budget so approved by the JV Operating Committee. If the Operator fails to submit a Work Plan and Budget within the sixty (60) days originally allotted, then within 30 days of such failure, the Operator may propose a Work Plan and Budget and a non-operating Party may propose an alternative Work Plan and Budget; the JV Operating Committee shall approve either the non-operating Party's Work Plan and Budget or the Operator's Work Plan and Budget, and the Operator shall proceed with the Work Plan and Budget so approved by the JV Operating Committee. Except as agreed by the JV Operating Committee, all Work Plans and Budgets approved by the JV Operating Committee must provide for joint annual expenditure at a minimum sufficient to maintain all claims and mineral rights comprising the Properties in good standing.

21. ELECTION TO PARTICIPATE:

Each Party must, within thirty (30) days of receipt of an approved Work Plan and Budget, elect whether to participate in the Work Plan and Budget and thereby fund its share of the expenditures. Failure to elect within the thirty (30) day time period shall be deemed to be an election not to participate and the Participating Interest of the Party failing to elect shall be subject to dilution as described herein.

22. WORK PLAN PAYMENTS:

(a) Each Party ("Participating Party") that elects to participate in the approved Work Plan and Budget must remit to the Operator, within thirty (30) days of making its election to participate, a payment equal to the sum of the following;

(i) The amount of that Participating Party's share of expenditures incurred by the Operator since the start of the approved Work Plan and Budget plus interest on the monthly balance of such amount at a rate equal to one percent (1%) above the prime rate charged by the Operator's bank (the "Interest Rate") during each such month; and

(ii) The amount of that Participating Party's share of expenditures which are estimated by the Operator to be required for expenditures in the month following the date of payment;

- (b) Thereafter, monthly expenditure projections will be provided by the Operator on a quarterly basis thirty (30) days in advance of the quarter and each Participating Party shall remit the required funds to the Operator on or before the first day of the month in which they will be expended.
- (c) Should any Participating Party ("Defaulting Party") fail to provide its share of funds towards an approved Work Plan and Budget pursuant to clause (a) above, after making an election to participate, then the Operator may thereafter deliver a notice ("Default Notice") requesting the immediate payment of the required funds. If the Defaulting Party fails to remit the required funds within fifteen (15) days of receipt of the Default Notice, then it shall lose its right to participate thereafter in that Work Plan and Budget and its Participating Interest will be subject to dilution as described below.
- (d) The monthly expenditure projections shall include a description of the work being proposed as well as the estimated expenditures required to complete such work. If total actual expenditures for a month exceed the expenditure projection for that month, then the Operator shall provide to the Participating Parties an account of the overrun. Upon receipt of such account, each of the Participating Parties shall remit to the Operator within fifteen (15) days, its share of funds required to fund the overrun, provided however, that any expenditures (excluding expenditures related to protecting life and limb or preserving property or as a result of emergency measures being taken) made by the Operator in excess of 115% of the total annual expenditure projection for the proposed and/or approved Work Plan and Budget then in effect ("Excess Expenditures") shall be the sole responsibilities of, and for the sole account of, the Operator unless otherwise approved by all Parties. Unless so approved, Excess Expenditures shall not be included in the dilution calculations provided for below.

23. ACCESS TO PROPERTY
BY NON-OPERATOR:

The Parties and their authorized representatives shall have reasonable access to the Property at their sole risk and expense to review work being carried out thereon and also shall have access at all reasonable times to the records of the Operator respecting exploration and development work carried out on the Property and the results obtained therefrom, provided however, that reasonable notice of a Party's intent to access is given and that such access shall not unduly interfere with or disrupt the activities of the Operator. The Operator shall provide the Parties during periods of activity with quarterly updates indicating the status of the exploration and

development work being conducted on the Property with any significant results obtained by the Operator to be reported to the Parties forthwith. The Operator shall provide the Parties with annual reports after the completion for each Work Plan and Budget indicating any results and disclosing any technical information obtained or received by the Operator in connection with exploration or development work in respect of the Property along with a breakdown (certified by a reasonable official of the Operator) of the expenditures made in carrying out such work.

24. DILUTION:

- (a) If a Party (the "Non-Participating Party") fails to elect or elects not to participate in an approved Work Plan and Budget pursuant to the terms of paragraphs 20-22 hereof, and the other Parties (the "Participating Parties") make at least 80% of the expenditures contemplated by such Work Plan and Budget, the Non-Participating Party shall have its Participating Interest reduced and the Participating Parties shall have their respective Participating Interest increased pursuant to clause (d) below.
- (b) If a Non-Participating Party fails to elect or elects not to participate in an approved Work Plan and Budget pursuant to the terms of paragraphs 20-22 hereof, and the Participating Parties have not made at least 80% of the expenditures contemplated by the Work Plan and Budget, upon completion of such reduced Work Plan and Budget, then the Non-Participating Party shall be entitled, within thirty (30) days of receiving notice of completion of the reduced Work Plan and Budget, to avoid dilution of its Participating Interest by paying to the Participating Parties its share of the expenditures actually made by the Participating Parties. Notice of completion of such reduced Work Plan and Budget shall be provided by the Participating Parties to the Non-Participating Party upon completion of termination of the operations contemplated by the Work Plan and Budget then in effect. If the Non-Participating Party fails to make such payment to the Participating Parties within thirty (30) days of receiving notice of completion of the reduced Work Plan and Budget, then the Non-Participating Party shall have its Participating Interest reduced and the Participating Parties shall have their respective Participating Interest increased pursuant to clause (d) below.
- (c) If a Participating Party elects to participate in a Work Plan and Budget and then fails to make a required contribution to expenditures under such Work Plan and Budget pursuant to the terms of paragraphs 20-22 hereof, then the Participating Party's Participating Interest shall be immediately reduced and the other Participating

Parties' Participating Interest shall be immediately increased after the time set forth in paragraph 22(c) hereof, as further expenditures are made pursuant to clause (d) below.

- (d) A Party who has had its Participating Interest reduced hereunder shall only be entitled to participate in subsequent Work Plans and Budgets to the extent of its Participating Interest at the time any subsequent Work Plans and Budgets are approved by the JV Operating Committee.

25. CONVERSION OF INTEREST:

- (a) Should a Party's (the "Diluted Party") Participating Interest in the Property be diluted to less than ten percent (10%), the Diluted Party's interest will be converted to a 2% net smelter returns royalty on all production from mines on the Property in accordance with Schedule "B" attached hereto. The non-Diluted Party can acquire one-half percent of the royalty from the Diluted Party for \$1,000,000, thereby reducing such royalty from 2% to 1.5% of the net smelter returns.
- (b) Upon the date of such conversion, the Diluted Party shall convey and assign unto the other Parties all of its rights and interests in the Property.
- (c) The Diluted Party shall henceforth have no further right, title or interest in the Property (the obligations of the Owners to the Diluted Party being contractual only) and the other Parties (the "Owners") shall become the beneficial owner of 100% of the Property. The Owners shall in their sole discretion determine all future Work Plans and Budgets to be carried out on the Property.
- (d) Each of the Parties jointly and severally agrees and undertakes that, in the event of transfer of any of its interest in the Property to any third party or parties, it shall obtain an undertaking from such third party or parties to pay all royalties which may become due and payable hereunder.

26. PRODUCTION:

- (a) Upon completion of a positive feasibility study on financial outcome, the Operator may recommend to the JV Operating Committee, at any time, to place any part of any of the Property into production. Such recommendation shall have appended to it a Work Plan and Budget for placing any such part of the Property into production. In the event the Operator makes such recommendations, the Operator shall make available to the Parties all of the data and information relied upon by the Operator in making such recommendation. The JV

Operating Committee shall meet to consider such recommendation and the appended Work Plan and Budget within a period which is not less than forty-five (45) days and not more than one hundred and twenty (120) days after the date of which both the Operator's recommendation and the aforesaid data and information is received by the JV Operating Committee. The JV Operating Committee may approve or disapprove of such Work Plan and Budget independently from the recommendation. The JV Operating Committee shall approve or disapprove such recommendation and, if the JV Operating Committee approves such recommendation and a Work Plan and Budget, each Party shall have a further forty-five (45) days to elect whether to participate in the Work Plan and Budget for its proportionate share of the cost of placing any such part of the Property into production at that time. The Operator shall be authorized to commence operations to place the Properties into production in accordance with an approved Work Plan and Budget immediately after the JV Operating Committee approves such recommendation and Work Plan and Budget. An election to participate shall commit the Party to provide its share of such cost, and an election not to participate or to participate for less than the Party's Participating Interest shall result in dilution of that Party's Participating Interest pursuant to paragraph 24 or possibly conversion to a net smelter returns royalty pursuant to paragraph 25. A failure to elect within the time stipulated shall be deemed an election not to participate. Subsequent to the aforesaid approval by the JV Operating Committee, the Parties agree to commence and continue good faith negotiations toward the consummation of a comprehensive joint operating agreement. Until such agreement is entered into, the provisions of this Agreement shall apply.

- (b) Each Party must remit to the Operator, within one hundred and twenty (120) days of making its election to participate pursuant to clause (a) above a payment equal to the sum of the following:
 - (i) The amount of that Party's share of expenditures incurred by the Operator since the start of the one hundred and twenty (120) day period plus interest on the monthly balance of such amount at the Interest Rate; and
 - (ii) The amount of that Party's share of expenditures which are estimated by the Operator to be required for expenditure in the month following the date of

payment.

Thereafter, monthly expenditure projections will be provided by the Operator on a quarterly basis thirty (30) days in advance of the quarter and each Party shall remit the required funds to the Operator on or before the first day of the month in which they will be expended.

PART III

GENERAL

27. SURRENDER OF PROPERTY:

At any time a Party may surrender or abandon its rights to one or all of the claims within the Property by written notice to the other Party provided it continues to fund and complete any agreed to contractual obligations.

28. REPORTING:

The Operator shall provide the Parties with a detailed monthly report of all activity on the Property within 15 days of the end of each quarter, and an annual report by March 31 of each year along with copies of all maps and data and a detailed statement of expenditures. The annual report shall be in format and contain such information such that it shall enable the respective Parties to prepare a report in compliance with National Instrument 43-101.

29. DISPOSITION:

Except as specifically permitted by this Agreement, no Party may assign an interest in this Agreement or in the Property without the prior written consent of the other Parties, which consent shall not be unreasonably withheld or delayed. A Party may assign its interest in this Agreement or in the Property, in whole or in part, to any "associate" as such term is defined in the *Canada Business Corporations Act*, or in conjunction with the sale or transfer of all or substantially all of its assets, on written notice to the other Party.

Any sale, assignment or transfer by a Party of all or any part of its rights or obligations hereunder shall include a provision whereby the purchaser, successor or assignee, as the case may be, shall agree to assume the rights and be subject to all the liabilities and obligations of the transferring Party under this Agreement.

30. RIGHT OF FIRST REFUSAL:

If a Party (hereinafter in this paragraph 30 referred to as the "Owner"):

- (a) receives a *bona fide* offer from an independent third party (the "Proposed Purchaser") dealing at arm's length with the Owner to purchase all or any part of the Owner's interest in this Agreement, which offer the Owner desires to accept; or

(b) intends to sell all or any part of its interest in this Agreement,

the Owner shall first offer (the "Offer") such interest in writing to the other Parties upon terms no less favourable than those offered by the Proposed Purchaser or intended to be offered by the Owner, as the case may be. The Offer shall specify the price and terms and conditions of such sale, the name of the Proposed Purchaser (which term shall, in the case of an intended offer by the Owner, mean the person or persons to whom the Owner intends to offer its interest) and, if the offer received by the Owner from the Proposed Purchaser provides for any consideration payable to the Owner otherwise than in cash, the Offer shall include the Owner's good faith estimate of the cash equivalent of the non-cash consideration. If within a period of 30 days of the receipt of the Offer, the other Party notifies the Owner in writing that it will accept the same the Owner shall be bound to sell such interest to the other Party (subject as hereinafter provided with respect to price) on the terms and conditions of the Offer. If the Offer so accepted by the other Party contains the Owner's good faith estimate of the cash equivalent consideration as aforesaid, and if another Party disagrees with the Owner's best estimate, the other Party shall so notify the Owner at the time of acceptance and the other Party shall, in such notice, specify what it considers, in good faith, the fair cash equivalent to be and the resulting total purchase price. If the other Party so notifies the Owner, the acceptance by the other Party shall be effective and binding upon the Owner and the other Party and the cash equivalent of any such non-cash consideration shall be determined by binding arbitration under the *Arbitration Act* (Ontario) and shall be payable by the other Party, subject to prepayment as hereinafter provided, within 30 days following its determination by arbitration. The other Party shall in such case pay to the Owner, against receipt of an absolute transfer of clear and unencumbered title to the interest of the Owner being sold, the total purchase price which it specified in its notice to the Owner and such amount shall be credited to the amount determined following arbitration of the cash equivalent of any non-cash consideration. If the other Party fails to notify the Owner before the expiration of the time limited therefor that it will purchase the interest offered, the Owner may sell and transfer such interest to the Proposed Purchaser at the price and on the terms and conditions specified in the Offer for a period of 90 days, provided that the terms of this paragraph shall again apply to such interest if the sale to the Proposed Purchaser is not completed within the said 90 days. Any sale hereunder shall be conditional upon the Proposed Purchaser delivering a written undertaking to the other Party, in form and content satisfactory to its counsel, to be bound by the terms

and conditions of this Agreement.

31. FORCE MAJEURE:

"Force Majeure" means any event that prevents or makes unattainable on a practical basis the performance of an obligation required by any Party hereunder where the cause of such event (other than the payment of money) is reasonably beyond the control of a Party. Any actual or threatened action by environmental or aboriginal groups to intervene or object to the operations to be undertaken on the Property or the failure to obtain required operational permits in a timely manner, are considered, for the purposes of this agreement, to be an event of Force Majeure. If an event of Force Majeure takes place:

- (a) no Party shall be liable for any failure or delay in performing its obligations hereunder caused by an act of Force Majeure; and
- (b) the period for the completion of the Exploration Program, or any Phase thereunder, shall be extended by the duration of an event of Force Majeure.

32. RELATIONSHIP OF THE PARTIES:

The obligations of each Party under this Agreement and any agreement governing the Joint Venture shall be in every case several and shall not be, or be construed to be, either joint or joint and several and nothing herein shall be construed as creating a partnership between the Parties. Nothing contained in this Agreement shall be deemed to constitute a Party an agent or legal representative of the other Party or to create a fiduciary relationship for any purpose whatsoever.

33. NOTICES:

Any notice, direction, payment or other instrument required or permitted to be given under this Agreement will be delivered as follows:

- (a) if to Eloro at:

Eloro Resources Ltd.
20 Adelaide Street East, Suite 301
Toronto, Ontario M5C 2T6
Tel: 416-868-9168
Fax: 416-361-1333

- (b) if to Tartisan at:

Tartisan Resources Corp.
Suite 2702 – 18 Harbour St.
Toronto, Ontario M5J 2Z6
Tel: 416-804-0280
Fax: 416-361-1225

Any notice, direction, payment or other instrument required or

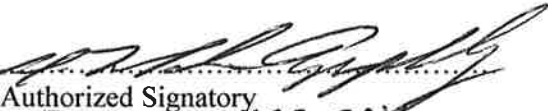
permitted to be given hereunder shall be in writing and shall, if delivered, be deemed to have been given and received on the day it was delivered, and if mailed, be deemed to have been given and received on the fifth business day following the day of mailing, except in the event of disruption of the postal services in which event notice will be deemed to be received only when actually received; and if sent by telegram, telex, telecopy, telecommunication or other similar form of communication ("telecommunication") during normal business hours (8:00 a.m. to 4:00 p.m. local time at the place of receipt), be deemed to have been given or received on the day it was sent, or in the case telecommunication sent outside normal business hours, on the next following business day.

34. TIME IS OF THE ESSENCE: Time shall in all respects be of the essence in this Agreement.
35. CHOICE OF LAW: This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
36. FURTHER ASSURANCES: Each Party agrees to take such further actions and execute any other documents as may be necessary to clarify the intent of this Agreement or complete the transactions contemplated by this Agreement.
37. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the Parties and there are no rights or obligations on the part of either Party toward the other or for the benefit of any other Party, nor any other act, matter or thing to be done or taken by either Party with respect to the Property except as herein set forth.
38. ENUREMENT: This Agreement shall enure to the benefit of and shall be binding upon the Parties and their respective administrators, successors and permitted assigns.
39. EXECUTION BY COUNTERPARTS: This Agreement may be executed in any number of counterparts, all of which when taken together shall be deemed to be one and the same document and notwithstanding their actual date of execution shall be deemed to be dated as of the date first written above.
40. EXECUTION BY FACSIMILIE: The Parties will be entitled to rely upon delivery by facsimile machine of executed copies of the executed Agreement will be legally effective to create a valid and binding agreement between the Parties in accordance with the terms hereof.
41. ATTACHMENTS: Schedule "A": Description of the Property
Schedule "B": Net Smelter Returns Royalty Agreement

The foregoing truly represents our agreement with respect to the Property. We agree to be bound by and to comply with the terms, provisions and conditions contained in the Agreement.

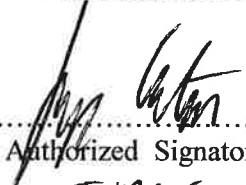
Dated at Toronto, Ontario as of the 3RD day of July, 2014.

TARTISAN RESOURCES CORP.

Per 
Authorized Signatory
D. MARK APPLEBY
President & CEO

Dated at Toronto, Ontario as of the 3rd day of JULY, 2014.

ELORO RESOURCES LTD.

Per 
Authorized Signatory
JORGE ESTEPA
Vice President

This is Schedule "A" attached to and forming part of an Option and Joint Venture Agreement made as of the 3rd day of JULY, 2014 among Tartisan Resources Corp. and Eloro Resources Ltd.

SCHEDULE "A"

DESCRIPTION OF THE PROPERTY

THE MINERAL CONCESSIONS

CODE	CLAIM	AREA (ha)
09009415X01	RUFINA No. 2	160
09009609X01	VICTORIA-APB	600
010060709	CCORI ORCCO 1	900
010289609	SAN MARKITO	100
010342010	SAN FELIPE 1	500
010342110	SAN FELIPE 2	600
010134911	SANTA ANA 1	800
010135213	RUFINA	100
10303812	SAN FELIPE 3	600

This is Schedule "B" attached to and forming part of an Option and Joint Venture Agreement made as of the 3rd day of JULY, 2014 among Tartisan Resources Corp. and Eloro Resources Ltd.

SCHEDULE "B"

NET SMELTER RETURNS ROYALTY AGREEMENT

THIS AGREEMENT made as of the ____ day of _____, _____.

AMONG:

TARTISAN RESOURCES CORP.

- and -

ELORO RESOURCES LTD.

1. For the purpose of this Schedule "B", a Party who has had its interest converted to a Net Smelter Returns Royalty shall be known as the "Royalty Holder" and the Party who acquires a 100% ownership interest in the Property shall be known as the "Owner".
2.
 - (a) The Net Smelter Returns Royalty is two percent (2%) of Net Smelter Returns as defined below.
 - (b) The Owner shall have the right at any time to acquire one-half percent of the Net Smelter Returns Royalty from the Royalty Holder upon payment of one million dollars (\$1,000,000), thereby reducing the Royalty from 2% to 1.5% of Net Smelter Returns.
3. For the purposes of this Agreement, the term "Net Smelter Returns" shall mean the aggregate of all payments from a smelter, reduction works, refinery or other processor or *bona fide* purchaser received for ores, concentrates or other products and minerals produced from the Property after the deduction for all the following costs, without duplication, related to such payments:
 - (a) all charges by a smelter, reduction works, refinery or purchaser, including, selling charges, treatment, smelting, or other reduction charges, penalties and all other deductions and expenses, but excluding all charges by a mill or incurred by the process or the milling of ore;
 - (b) all costs of transportation (except transportation costs associated with moving material to an off-site mill) incurred on all ores, concentrates or other products and minerals produced, whether transported by the Owner or a third party and including charges by common or contract carriers; and
 - (c) the amount of all federal and provincial taxes, but not income tax, imposed upon or in connection with removal or sale of ores, concentrates or other products and minerals, other than federal and provincial income tax.

4. The term "reduction works" as used herein shall include any works in which concentrated, upgraded or beneficiated minerals are refined.
5. In the event that the ores, concentrates or other products and minerals are sold to, or are treated at, a smelter or reduction works owned or operated by the Owner or any "affiliated corporation" (as defined in the *Business Corporations Act* (Ontario)) of the Owner, the prices received, and the charges levied for processing services, shall be included in the calculations used to compute Net Smelter Returns, but the prices received shall not be less than those which could be received if negotiated on an arm's length basis, and the charges shall not exceed the average to the highest and lowest charges charged for similar processing services at the nearest two smelters or reduction works in which ores, concentrates or other products and minerals are sold to any person or corporation dealing at arm's length with the Owner.
6. Payments on account of the Net Smelter Returns Royalty shall be made by the Owner monthly on or before the first day of each calendar month following the month in which settlement is made by smelter or other purchaser of ores, concentrates or other products and minerals produced from the property, and each such payment shall be accompanied by a complete copy of settlement schedules received from the said smelter or other purchaser.
7. The Owner shall keep separate, complete and accurate records pertaining to the calculation of the royalty. The Royalty Holder shall bear the right, at all reasonable times and upon reasonable notice to the Owner to visit the Property to audit books and records of the Owner with respect to determination of the amounts due on account of the Net Smelter Returns Royalty. In the event that any such audit reveals no significant variance from the Owner's calculations, the cost of such audit shall be borne by the Royalty Holder. If, however, the audit reveals a significant variance from the Owner's calculations, the Owner shall be responsible for paying interest on the amount of any shortfall at the prime rate plus 2% per annum and in addition shall reimburse the Royalty Holder for the costs of conducting the audit. A significant variance is defined hereunder as a variance which results in an additional amount becoming payable to the Royalty Holder, which amount is equal to or greater than the cost of conducting the audit which revealed the variance.
8. For the purposes of this Agreement, the term "Commencement of Commercial Production" means:
 - (a) If a mill is located on the Property, the last day of a period of forty (40) consecutive days during which for not less than thirty (30) days such concentrator processed ore from the Property at seventy-five percent (75%) of its rated concentrating capacity; OR
 - (b) If no mill is located on the Property, the last day of a period of forty (40) consecutive days during which for not less than thirty (30) days during which ore has been shipped from the Property on a reasonably regular basis for the purposes of earning revenues,

but no period of time during which ore or concentrate is shipped from the Property for testing purposes, and no period of time during which milling operations are undertaken as initial tune-up, shall be taken into account in determining the date of Commencement of Commercial Production.

9. For the purposes of this Agreement, "mill" means the crusher, concentrator and other processing facilities constructed on or in proximity to the Property and used for the processing of production from the Property, whether or not in conjunction with or after production from any other mineral property.

TARTISAN RESOURCES CORP.

ELORO RESOURCES LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory