

SECURITIES PURCHASE AGREEMENT

THIS AGREEMENT is dated as of the 25th day of November, 2016.

AMONG:

PROVENANCE GOLD CORP., a company existing under the laws of the Province of British Columbia and having a registered office located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8

(the "**Company**")

AND:

THOSE SECURITY HOLDERS OF THE COMPANY SET FORTH IN SCHEDULE "A" TO THIS AGREEMENT

(collectively, the "**Vendors**")

AND:

SPARX ENERGY CORP., a company existing under the laws of the Province of British Columbia and having a registered office located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8

(the "**Purchaser**")

WHEREAS:

A. The Company is the beneficial holder of the right to earn up to a one-hundred percent (100%) interest in and to a series of one-hundred-forty-nine (149) quartz claims located in the Moosehorn Range in the Yukon Territory (the "**Property**"), subject to certain royalty rights to be retained by Ian Warrick and Colin Warrick (collectively, the "**Optionors**"), pursuant to a property option agreement entered into between the Optionors and Rauno Perttu, dated effective June 10, 2016 (the "**Option Agreement**"), and subsequently assigned to the Company;

B. The Vendors are the registered and beneficial owners of one-hundred percent (100%) of the right, title and interest in and to the Vendors Shares (as hereafter defined) and the Vendors Warrants (as hereafter defined) which in the aggregate represent all of the issued and outstanding Company Shares (as hereafter defined) and Company Warrants (as hereafter defined); and

C. The Vendors have agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendors, one-hundred percent (100%) right, title and interest in and to all of the Vendors Shares and the Vendors Warrants pursuant to the terms and conditions of this Agreement;

THEREFORE this Agreement witnesses that in consideration of the premises and mutual covenants contained herein, payment by each party hereto to the others of \$10.00 and other good

and valuable consideration, the receipt and sufficiency of which is acknowledged by each party hereto, the parties agree as follows:

1. Definitions and Interpretation

1.1 In this Agreement and in the Schedules and the recitals hereto, unless the context otherwise requires, the following expressions will have the following meanings:

- (a) "**Adverse Interests**" means any lien, charge, mortgage, hypothec, pledge, assignment, option, lease, sublease, right to possession, or other security interest, encumbrance or adverse right, restriction or interest of any nature or kind.
- (b) "**Applicable Law**" means:
 - (i) any domestic or foreign statute, law (including common and civil law), code, ordinance, rule, regulation, restriction or bylaw; or
 - (ii) any judgment, order, ruling, decision, writ, decree, injunction or award, of any governmental entity, statutory body or self-regulatory authority (including a stock exchange), to the extent that the same is legally binding on the person referred to in the context in which the term is used.
- (c) "**Closing**" means the completion of the purchase and sale of all of the Vendors Shares and the Vendors Warrants and the other transactions contemplated in this Agreement, in accordance with the terms and conditions of this Agreement.
- (d) "**Closing Date**" means the date on which the Closing occurs.
- (e) "**Company**" means Provenance Gold Corp., a corporation incorporated under the laws of the Province of British Columbia.
- (f) "**Company Shares**" means the common shares in the capital of the Company, as presently constituted.
- (g) "**Company Warrants**" means the share purchase warrants of the Company, each entitling the holder to acquire one (1) Company Share at a price of \$0.15 until October 19, 2018.
- (h) "**Consideration Shares**" means the Purchaser Shares issued in consideration for the Vendors Shares, pursuant to the terms of this Agreement.
- (i) "**Consideration Warrants**" means the share purchase warrants of the Purchaser, issued in consideration for the Vendors Warrants, pursuant to the terms of this Agreement, each entitling the holder to acquire one (1) Purchaser Share at a price of \$0.15 until October 19, 2018, on substantially the same terms as the Company Warrants.
- (j) "**Legal Proceeding**" means any action, suit, claim, litigation, complaint, grievance, application, arbitration, inquiry, investigation, hearing or other civil,

criminal, regulatory, or administrative proceeding or other similar proceeding, at law or in equity, before or by any court, agency, commission, tribunal, panel or other judicial, governmental or administrative body or authority and includes any appeal or review thereof and any application or leave for appeal or review.

- (k) "**Material Adverse Effect**" means an effect, change, event, occurrence, fact or circumstance that, individually or in the aggregate with another such effect, change, event, occurrence, fact or circumstance, is or would be reasonably expected to be material and adverse to the business, affairs, operations, property, assets, liabilities, financial condition, financial results, capital or prospects (financial or otherwise) of the Company or which could or could be reasonably expected to prevent, materially delay or materially impair the ability of the respective parties to complete the transactions contemplated by this Agreement and to otherwise consummate the transactions contemplated in this Agreement, except any such effect resulting from or arising in connection with:
- (i) any adoption, implementation, proposal or change in applicable law or any interpretation thereof by any governmental entity;
 - (ii) any change in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in national or global financial or capital markets or in general economic, business, political, regulatory or market conditions;
 - (iii) any natural disaster;
 - (iv) the announcement of this Agreement or any transactions contemplated herein, or otherwise contemplated by or arising as a result of the terms of this Agreement;

provided, however, that with respect to clauses (ii) and (iii), such matter does not have a materially disproportionate effect on the Company, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Company operates.

- (l) "**Option Agreement**" means the property option agreement entered into between Rauno Perttu and the Optionors, dated effective June 10, 2016, and subsequently assigned to the Company, pursuant to which the Company has acquired the right to earn up to a one-hundred percent (100%) interest in and to the Property, subject to certain royalty rights to be retained by the Optionor.
- (m) "**Optionors**" means, collectively, Ian Warrick and Colin Warrick.
- (n) "**Property**" means the series of one-hundred-forty-nine (149) quartz claims located in the Moosehorn Range in the Yukon Territory, as more particularly described in the Option Agreement.
- (o) "**Purchaser**" means Sparx Energy Corp., a corporation existing under the laws of the Province of British Columbia.

- (p) "**Purchaser Shares**" means the common shares in the capital of the Purchaser, as presently constituted.
- (q) "**Survival Period**" has the meaning set out in section 4.4 hereof.
- (r) "**Vendors**" means collectively, Rauno Perttu, Rob Clark, Thomas Martin, Thomas L. Crom III, Russell Chambers, Jacob Brumby, Laurie Phillips, Don Hamilton, Val Hamilton, Grant Graham, Ken Manley, Rodger Gregory, J Phillips Holdings Inc. and 1034149 B.C. Ltd.
- (s) "**Vendors Shares**" means the 11,000,000 Company Shares held by the Vendors, and in such amounts as are set forth in Schedule "A" hereto, and which represent all of the outstanding Company Shares.
- (t) "**Vendors Warrants**" means the 3,500,000 Company Warrants held by the Vendors, and in such amounts as are set forth in Schedule "A" hereto, and which represent all of the outstanding Company Warrants.

1.2 In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) the division of this Agreement into articles, sections and other subdivisions and the use of headings are for convenience only and are not intended to define, interpret or limit the scope, extent or intent of this Agreement;
- (b) all references in this Agreement to "articles", "sections" and other subdivisions or Schedules are to the designated articles, sections or other subdivisions or Schedules of this Agreement;
- (c) the words "hereof", "hereto", "herein", "hereby", "herewith" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision;
- (d) the word "or" is not exclusive and the word "including" is not limiting (whether or not non-limiting language is used with reference thereto);
- (e) the words "written" or "in writing" include printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception including telex, telegraph, telecopy, facsimile or e-mail;
- (f) a "day" shall refer to a calendar day, and references to a "business day" shall refer to days on which banks are ordinarily open for business in Vancouver, British Columbia, other than a Saturday or a Sunday; in calculating all time periods the first day of a period is not included and the last day is included, and if a date is or a time period ends on a day which is not a business day, such date will be extended and the time period will be deemed to expire on the next business day;
- (g) all references to "\$" or "dollars" are references to the lawful currency of Canada;

- (h) any reference to a statute is a reference to the applicable statute and to any regulations made pursuant thereto and includes all amendments made thereto and in force from time to time and any statute or regulation that has the effect of supplementing or superseding such statute or regulation;
- (i) words importing individuals include bodies corporate and other artificial entities, and vice versa; words importing gender include the other gender; words importing one form of body corporate or artificial entity include all other forms of bodies corporate or artificial entities; and words importing the singular includes the plural, and vice versa; and
- (j) the rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the construction or interpretation of any of the terms and conditions of this Agreement.

2. Purchase and Sale

2.1 Subject to the terms and conditions of this Agreement, at the Closing, each Vendor shall sell, assign and transfer to the Purchaser, and the Purchaser shall purchase from each Vendor, one-hundred percent (100%) right, title and interest in and to their respective Vendors Shares (which in the aggregate represent all of the issued and outstanding Company Shares) and Vendors Warrants (as applicable, and which in the aggregate represent all of the issued and outstanding Company Warrants), free and clear of all Adverse Interests.

2.2 In consideration for the Vendors Shares, the Purchaser shall issue to the Vendors an aggregate of 11,000,000 Consideration Shares and 3,500,000 Consideration Warrants at the Closing, duly registered in accordance with, and in such amounts as set forth in, Schedule "A" hereto.

2.3 The Vendors hereby acknowledge that all Consideration Shares and Consideration Warrants issued in connection with the transactions contemplated in this Agreement will be subject to hold periods prescribed by applicable securities law, and that these hold period will restrict the ability of the Vendors to trade the Consideration Shares and the Consideration Warrants. The Vendors further acknowledge that certificates evidencing the Consideration Shares and the Consideration Warrants issued under this Agreement may be legended to reflect the application of these hold periods.

2.4 The parties hereby acknowledge and declare their common intention that the transfer of the Vendors Shares and the Vendors Warrants contemplated herein shall take place on a fully-deferred basis for the purposes of the *Income Tax Act* (Canada), pursuant to the provisions of section 85.1 of the *Income Tax Act* (Canada).

3. Additional Covenants

- 3.1 Each of the parties hereto shall, in good faith, use all commercially reasonable efforts to:
- (a) conduct their business and affairs in a manner such that its respective representations and warranties made by it herein remain true prior to Closing, and

to promptly notify the other parties should any representation and warranty made by it herein cease to be true;

- (b) perform and observe the covenants made by it herein; and
- (c) perform and observe matters required to satisfy any other conditions precedent to the completion of the transactions contemplated by this Agreement.

3.2 The Company and the Vendors, as required, shall deliver to the Purchaser, in a timely manner and in form and content satisfactory to the Purchaser, as required, the following information and documents (including for greater certainty any amended or supplementary documents in response to a request for amendments or additional disclosures):

- (a) all financial records of the Company;
- (b) a copy of the Option Agreement, and any subsequent assignments; and
- (c) all other information, documents and records of the Company which may be reasonably requested by the Purchaser.

4. Representations and Warranties

4.1 Each of the Vendors jointly and severally represents and warrants to the Purchaser, and acknowledges that the Purchaser is relying on such representations and warranties, that as of the date of this Agreement and the Closing:

- (a) if it is not an individual, it is duly formed, validly existing and in good standing under the laws of its jurisdiction of formation, or if it is an individual, it is of full age of majority;
- (b) it has the legal power and capacity and has taken all necessary action and has obtained all necessary approvals to enter into and execute this Agreement and to carry out its obligations hereunder;
- (c) it has duly executed this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with the Agreement's terms;
- (d) neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein by the Vendors will constitute or result in a breach of or default under, or create a state of facts which after notice or lapse of time or both will constitute or result in a breach of or default under, or will otherwise conflict with (i) if it is not an individual, its constituting documents or any resolutions of its directors, shareholders or other stakeholders, (ii) any indenture, agreement or instrument to which it is a party or by which it is bound, or (iii) any Applicable Laws or orders, rulings or other judgments or decisions of a court or regulatory authority having jurisdiction over it;
- (e) it is the registered holder and beneficial owner of one-hundred percent (100%) right, title and interest in and to its respective Vendors Shares and Vendors

Warrants (as applicable) as indicated in Schedule "A" hereto; it has good and marketable title to such securities free and clear of all Adverse Interests; its Vendors Shares are validly issued and outstanding as fully paid and non-assessable securities in the capital of the Company; it holds no other securities issued by the Company other than such Vendors Shares and Vendors Warrants (as applicable); and it holds no right, privilege, option, warrant or agreement to purchase or otherwise acquire, directly or indirectly, any other shares in the capital of the Company, aside from any rights held pursuant to the Company Warrants (as applicable);

- (f) no person has any right, privilege, option, warrant or agreement, contingent or otherwise, or any of the foregoing capable of become any right, privilege, option, warrant or agreement, to purchase or otherwise acquire, directly or indirectly, any of its respective Vendors Shares or Vendors Warrants (as applicable) or any interest or entitlement therein (other than as provided by this Agreement);
- (g) it is not a party to any unanimous shareholders agreement, escrow agreement, pooling agreement, voting trust or similar arrangements or obligations in respect of its respective Vendors Shares, Vendors Warrants (as applicable) or any other securities of the Company; and
- (h) none of the Vendors has any information or knowledge of any facts relating to the Company which if known to the Purchaser would or might reasonably be expected to deter the Purchaser from completing the transactions contemplated herein and hereby, and none of the foregoing representations and warranties and no documents furnished by or on behalf of the Vendors to the Purchaser in connection herewith or hereunder, contains any untrue statement of material fact or omits to state any material fact that the party knew or ought to have known is necessary to make any such representation or warranty not misleading to a prospective purchaser of the Vendors Shares and the Vendors Warrants seeking full information as to the Vendors Shares, the Vendors Warrants, the Company and its business and affairs.

4.2 Each of the Company and the Vendors represents and warrants, jointly and severally, to the Purchaser and acknowledges that the Purchaser is relying on such representations and warranties, that as of the date of this Agreement and the Closing:

- (a) the Company is duly formed, validly existing and in good standing under the laws of the Province of British Columbia;
- (b) the Company has the corporate power and capacity and has taken all necessary corporate action and has obtained all necessary approvals to own and lease its property and assets, to conduct its business as presently conducted, and to enter into and execute this Agreement, and any and all instruments related to the Option Agreement, and to carry out its obligations thereunder;
- (c) the Company has duly executed this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with the Agreement's terms except that (i) enforceability may be limited by

bankruptcy, insolvency or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court; (iii) rights of indemnity and contribution hereunder may be limited under applicable law; and (iv) a court may stay proceedings before them by virtue of equitable or statutory powers;

- (d) provided the conditions to Closing, as set out in section 5.3 hereof, are satisfied, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein will constitute or result in a breach of or default under, or create a state of facts which after notice or lapse of time or both will constitute or result in a breach of or default under, or will otherwise conflict with (i) any of the Company's constituting documents or any resolutions of its directors, shareholders or other stakeholders, (ii) any indenture, agreement or instrument to which the Company is a party or by which it is bound (or otherwise cause a forfeiture of rights or accelerate any performance required thereby), or (iii) to the knowledge of the Vendors, any Applicable Laws or orders, rulings or other judgments or decisions of a court or regulatory authority having jurisdiction over the Company; in each case that may result in a Material Adverse Effect;
- (e) the Company's authorized capital consists of an unlimited number of Company Shares, of which 11,000,000 Company Shares are validly issued and outstanding, all of which are held by the Vendors and all in proportions set out in Schedule "A" hereto;
- (f) except for 3,500,000 Company Warrants, all of which are held by the Vendors and all in proportions set out in Schedule "A" hereto, as of the Closing Date, no person shall have any right, privilege, option, warrant or agreement, contingent or otherwise, or any of the foregoing capable of become any right, privilege, option, warrant or agreement, to purchase or otherwise acquire, directly or indirectly, any Company Shares or any other shares in the capital of the Company from the treasury of the Company;
- (g) it is not a party to any unanimous shareholders agreement, escrow agreement, pooling agreement, voting trust or similar arrangements or obligations in respect of the Company Shares or any other securities of the Company;
- (h) as of the Closing Date, the Company has no assets, aside from the Option Agreement and cash;
- (i) as of the Closing Date, the Option Agreement has been duly and validly assigned to the Company by Rauno Perttu, the Option Agreement is a legal, valid and binding obligation of the Company in full force and effect, and the Company is in good standing in respect of its obligations due and owing under the Option Agreement;
- (j) aside from obligations due and owing pursuant to the Option Agreement, the Company's aggregate liabilities do not exceed \$25,000, as of the Closing Date;

- (k) the Company has not guaranteed or is not otherwise liable for the indemnification, assumption, endorsement or like commitment with respect to the debts, liabilities or obligations (contingent or otherwise) of any other person;
- (l) to the knowledge of the Vendors, the operations of the Company have been conducted in all material respects in compliance with all applicable laws of each jurisdiction in which the Company owns or leases property or assets or carries on business, in accordance with industry standards and otherwise in a good and workmanlike manner, and the Company has not received any notice of and knows of no state of facts which would constitute or result in any such violation of any such laws;
- (m) the Company has obtained and is in possession of all material registrations, licenses, permits, authorizations, approvals, consents and other qualifications which are required under applicable laws to own or lease its property and assets and to carry on its business;
- (n) to the knowledge of the Vendors, the financial records of the Company are complete and accurate in all material respects and present fairly the financial condition, financial performance and cash flows of the Company as at the date and for the periods indicated therein;
- (o) there are no actual, pending, contingent or, to the knowledge of the Vendors, threatened Legal Proceedings which, individually or in the aggregate, may result in or could reasonably be expected to have a Material Adverse Effect on the business, affairs, operations, property, assets, liabilities, financial condition, financial results, capital or prospects (financial or otherwise) of the Company;
- (p) the Company is not subject to any cease trade or other order of any applicable securities regulatory authority or stock exchange and, to the knowledge of the Vendors, no Legal Proceedings involving the Company which may operate to prevent or restrict trading of any securities of the Company or otherwise prevent or restrict the completion of the transactions contemplated herein are currently in progress, pending, contingent or threatened before any applicable securities regulatory authority or stock exchange;
- (q) the Company has not entered into any agreement or arrangement, written or oral, that would entitle any person to any claim against the Company for a brokerage or finder fee, commission or other compensation, or any like payment, in respect of this Agreement and the transactions contemplated herein; and
- (r) the Company does not have any information or knowledge of any facts relating to the Company which if known to the Purchaser would or might reasonably be expected to deter the Purchaser from completing the transactions contemplated herein and hereby, and none of the foregoing representations and warranties and no documents furnished by or on behalf of the Company or the Vendors to the Purchaser in connection herewith or hereunder, contains any untrue statement of material fact or omits to state any material fact that the party knew or ought to have known is necessary to make any such representation or warranty not

misleading to a prospective purchaser of the Company Shares seeking full information as to the Company Shares, the Company Warrants, the Company and its business and affairs.

4.3 The Purchaser represents and warrants to the Vendors and acknowledges that the Vendors are relying on such representations and warranties, that as of the date of this Agreement and the Closing:

- (a) the Purchaser is duly formed, validly existing and in good standing under the laws of the Province of British Columbia;
- (b) the Purchaser has the corporate power and capacity and has taken all necessary corporate action and has obtained all necessary approvals to own and lease its property and assets, to conduct its business as presently conducted, and to enter into and execute this Agreement and to carry out its obligations hereunder;
- (c) the Purchaser has duly executed this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with the Agreement's terms except that (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court; (iii) rights of indemnity and contribution hereunder may be limited under applicable law; and (iv) a court may stay proceedings before them by virtue of equitable or statutory powers;
- (d) neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated herein will constitute or result in a breach of or default under, or create a state of facts which after notice or lapse of time or both will constitute or result in a breach of or default under, or will otherwise conflict with (i) the Purchaser's constituting documents or any resolutions of its directors, shareholders or other stakeholders, (ii) any indenture, agreement or instrument to which the Purchaser is a party or by which it is bound (or otherwise cause a forfeiture of rights or accelerate any performance required thereby), or (iii) any Applicable Laws or orders, rulings or other judgments or decisions of a court or regulatory authority having jurisdiction over the Purchaser;
- (e) the Purchaser is a reporting issuer in the Provinces of British Columbia and Alberta, and does not appear on the list of issuers in default published by each of the British Columbia Securities Commission and the Alberta Securities Commission;
- (f) the Purchaser's authorized capital consists of an unlimited number of Purchaser Shares, and an unlimited number of preferred shares, of which 13,111,431 Purchaser Shares are validly issued and outstanding, and no preferred shares are issued and outstanding;

- (g) the Purchaser has not guaranteed or is not otherwise liable for the indemnification, assumption, endorsement or like commitment with respect to the debts, liabilities or obligations (contingent or otherwise) of any other person;
- (h) the Purchaser has obtained and is in possession of all material registrations, licenses, permits, authorizations, approvals, consents and other qualifications which are required under applicable laws to own or lease its property and assets and to carry on its business;
- (i) to the knowledge of the Purchaser, the financial records of the Purchaser are complete and accurate in all material respects and present fairly the financial condition, financial performance and cash flows of the Purchaser as at the date and for the periods indicated therein;
- (j) there are no actual, pending, contingent or, to the knowledge of the Purchaser, threatened Legal Proceedings which, individually or in the aggregate, may result in or could reasonably be expected to have a Material Adverse Effect on the business, affairs, operations, property, assets, liabilities, financial condition, financial results, capital or prospects (financial or otherwise) of the Purchaser;
- (k) the Purchaser is not subject to any cease trade or other order of any applicable securities regulatory authority or stock exchange and, to the knowledge of the Purchaser, no Legal Proceedings involving the Purchaser which may operate to prevent or restrict trading of any securities of the Purchaser or otherwise prevent or restrict the completion of the transactions contemplated herein are currently in progress, pending, contingent or threatened before any applicable securities regulatory authority or stock exchange; and
- (l) the Purchaser has not entered into any agreement or arrangement, written or oral, that would entitle any person to any claim against the Purchaser for a brokerage or finder fee, commission or other compensation, or any like payment, in respect of this Agreement and the transactions contemplated herein.

4.4 The representations and warranties set out herein shall survive the Closing and, notwithstanding any investigation made by or on behalf of a party hereto and the occurrence of the Closing, shall continue in full force and effect for a period of two (2) years following the date hereof (the "**Survival Period**").

5. Conditions of Closing

5.1 The Vendors shall not be obligated to complete the sale of the Vendors Shares pursuant to this Agreement and the other transactions contemplated herein, unless each of the conditions listed below is satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendors:

- (a) the representations and warranties of the Purchaser in this Agreement shall be true and correct in all material respects at the Closing;

- (b) the covenants and conditions of the Purchaser to be performed and observed in this Agreement prior to or at Closing shall have been performed and observed in all material respects;
- (c) the receipt of any consents contemplated by this Agreement or otherwise necessary for this Agreement and the completion of the transactions contemplated herein, and all such approvals being in full force and effect;
- (d) there shall have been no event or change that has had or would be reasonably likely to have a Material Adverse Effect on the Purchaser; and
- (e) there shall have been no order made or any Legal Proceedings commenced or threatened for the purpose, or which could have the effect, of preventing or restraining the completion of the transactions contemplated by this Agreement.

5.2 If any condition in section 5.1 hereof has not been fulfilled or if any such condition is or becomes impossible to satisfy, other than as a result of the failure of the Vendors or the Company to comply with their obligations under this Agreement, then the Vendors may, without limiting any rights or remedies available to the Vendors at law or in equity, either:

- (a) terminate this Agreement by notice to the Purchaser; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of the non-fulfillment of any other condition for its benefit.

5.3 The Purchaser shall not be obligated to complete the purchase of the Vendors Shares pursuant to this Agreement and the other transactions contemplated herein, unless each of the conditions listed below is satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser:

- (a) the representations and warranties of the Vendors and the Company in this Agreement shall be true and correct in all material respects at the Closing;
- (b) the covenants and conditions of the Vendors and the Company to be performed and observed in this Agreement prior to or at Closing shall have been performed and observed in all material respects;
- (c) the receipt of any consents contemplated by this Agreement or otherwise necessary for this Agreement and the completion of the transactions contemplated herein, in form and content and upon such conditions, if any, acceptable to the Purchaser, and all such approvals being in full force and effect;
- (d) there shall have been no event or change that has had or would be reasonably likely to have a Material Adverse Effect on the Company or the Property;
- (e) the Property being free of all Adverse Interests, unless otherwise disclosed to the Purchaser;
- (f) the Option Agreement being in good standing;

- (g) the Board of Directors of the Company shall have approved the transfer of the Company Shares and the Company Warrants contemplated in this Agreement, in accordance with the Articles of the Company; and
- (h) there shall have been no order made or any Legal Proceedings commenced or threatened for the purpose, or which could have the effect, of preventing or restraining the completion of the transactions contemplated by this Agreement.

5.4 If any condition in section 5.3 hereof has not been fulfilled or if any such condition is or becomes impossible to satisfy, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (a) terminate this Agreement by notice to the Vendors and the Company; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of the non-fulfillment of any other condition for its benefit.

6. Closing

6.1 The Closing shall take place at the offices of counsel to the Purchaser, at 10:00 a.m. (Vancouver time) on November 30, 2016, or such later time and date as the Purchaser may elect.

6.2 At Closing, the Vendors and the Company shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) a copy of the resolutions of the Company authorizing this Agreement and the transactions contemplated herein and hereby;
- (b) the minute books of the Company and all corporate, financial, legal and technical files, records and data of the Company;
- (c) certificates representing the Vendors Shares owned by the Vendors and duly endorsed for transfer to the Purchaser;
- (d) certificates representing the Vendors Warrants owned by the Vendors and duly endorsed for transfer to the Purchaser;
- (e) a certificate representing the Vendors Shares, duly registered in the name of the Purchaser;
- (f) a certificate representing the Vendors Warrants, duly registered in the name of the Purchaser; and
- (g) such other documents and instruments in connection with the Closing as may be reasonably requested by the Purchaser.

6.3 At Closing, the Purchaser shall deliver or cause to be delivered to the Vendors the following documents:

- (a) certificates representing the Consideration Shares and the Consideration Warrants, duly registered in accordance with Schedule "A" hereto; and
- (b) such other documents and instruments in connection with the Closing as may be reasonably requested by the Vendors.

7. Termination

7.1 This Agreement may be terminated by the mutual consent of the parties or in the following circumstances by written notice given by the terminating party to the other parties hereto:

- (a) by the Company (acting on behalf of the Vendors) or the Purchaser if the Closing has not occurred on or before December 31, 2016 or such later date as may be mutually agreed by the Purchaser and the Company;
- (b) by the Company (acting on behalf of the Vendors) if the Purchaser is in default of any covenant on its part to be performed hereunder, the Company has given written notice to the Purchaser of such default, the Purchaser has not proceeded to cure such default within fourteen (14) days of such notice and thereafter proceeded in good faith to diligently cure such default to the Company's reasonable satisfaction provided that in any case such default shall be cured within thirty (30) days after such notice (or such longer period as may be reasonably required to cure the default given the nature or circumstances thereof); and
- (c) by the Purchaser if any of the Vendors or the Company is in default of any covenant on its part to be performed hereunder, the Purchaser has given written notice to the Vendors and the Company of such default, and the Vendor in default and/or the Company has not proceeded to cure such default within fourteen (14) days of such notice and thereafter proceeded in good faith to diligently cure such default to the Purchaser's reasonable satisfaction provided that in any case such default shall be cured within thirty (30) days after such notice (or such longer period as may be reasonably required to cure the default given the nature or circumstances thereof).

7.2 Upon termination of this Agreement, each party hereto shall be released from all obligations under this Agreement. Each party's right of termination is in addition to and not in derogation or limitation of any other rights, claims, causes of action or other remedy that such party may have under this Agreement or otherwise at law or in equity with respect to such termination and any misrepresentation, breach of covenant or indemnity contained herein.

8. Notices

8.1 Any notice, communication, instrument or document required or permitted to be given under this Agreement shall be in writing and may be given by personal delivery, pre-paid, certified or registered mail, or by telecommunication, facsimile, email or other similar form of communication (in each case with electronic confirmed receipt), addressed as follows:

- (a) If to the Company or the Vendors at:

Provenance Gold Corp.
Suite 2200, 885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Attention: Rob Clark
Facsimile No.: (604) 691-6120
Email: rbmvp@shaw.ca

- (b) If to the Purchaser at:

Sparx Energy Corp.
Suite 2200, 885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Attention: Richard Grayston
Facsimile No.: (604) 691-6120
Email: rwgrayston@telus.net

With a copy to:

Cassels Brock & Blackwell LLP
Suite 2200, 885 West Georgia Street
Vancouver, British Columbia
V6C 3E8

Attention: Sam Cole
Facsimile No.: (604) 691-6120
Email: scole@casselsbrock.com

and such shall be deemed to have been given (i) if effected by personal delivery, or telecommunication, facsimile or other similar form of communication (with electronic confirmed receipt), at the time of delivery or electronic confirmed receipt unless such occurs after the recipient's customary business hours in which case it shall be deemed to have been given on the next business day; and (ii) if effected by mail, on the fourth business day after mailing excluding all days on which postal service is disrupted.

8.2 A party may at any time in the above manner give notice to the other parties of any change of address and after the giving of such notice the address or addresses specified will be the address of such party for the purpose of giving notice hereunder.

9. Expenses

9.1 Each of the parties hereto shall bear all expenses incurred by such party in connection with the preparation and fulfillment of this Agreement, including but not limited to the fees and

expenses of their legal counsel, accountants, financial and investment advisors, brokers and finders.

10. General

10.1 This Agreement (including the Schedules thereto) constitutes the entire agreement among the parties and replaces and supersedes all prior agreements, memoranda, correspondence, communications, negotiations and representations, whether oral or written, express or implied, statutory or otherwise among the parties with respect to the subject matter herein. There are no implied covenants contained in this Agreement other than those of good faith and fair dealing.

10.2 The parties shall from time to time prior to or after Closing execute and deliver any and all such instruments and other documents and perform any and all such acts and other things as may be necessary or desirable to carry out the intent of this Agreement.

10.3 Any amendments hereto or waivers in respect hereof shall only be effective if made in writing and executed by the parties thereto. No waiver shall constitute a waiver of any other provision or act as a continuing waiver unless such is expressly provided for.

10.4 Time is of the essence of this Agreement. Any failure to exercise any rights provided for hereunder shall not, in the absence of a waiver in accordance with the terms hereof, affect the subsequent enforcement of such right.

10.5 The invalidity or unenforceability of any provision hereof shall not affect or impair the validity or enforceability of the remainder of the Agreement or any other provision hereof. In the event that any provision hereof is invalid or unenforceable in a given jurisdiction, that shall not affect the validity or enforceability of the provision in any other jurisdiction. The courts shall have the power to modify this Agreement, in a manner consistent with the intent of the parties, in order to limit the application of any such offensive provision to the maximum extent permitted by law.

10.6 This Agreement and any rights herein or hereto shall not be assigned or otherwise transferred by any party hereto without the express written consent of the other parties hereto. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

10.7 This Agreement shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. For the purposes of all legal proceedings, this Agreement shall be deemed to have been made and performed in British Columbia, and the parties hereby irrevocably agree that the courts of the Province British Columbia shall have exclusive jurisdiction to entertain any action arising under this Agreement.

10.8 Each of the Vendors acknowledges and agrees that this Agreement has been prepared by Cassels Brock & Blackwell LLP, as legal counsel to the Purchaser, and that at no time has Cassels Brock & Blackwell LLP provided legal advice to the Vendors, and each of the Vendors hereby acknowledge and declare that they have either sought the requisite independent legal advice in connection with the entering into of this Agreement or have waived their right thereto.

10.9 This Agreement may be executed and delivered in two or more counterparts and by facsimile and by electronic delivery. Each such counterpart, facsimile and electronically delivered copy shall be deemed to form one and the same and an originally executed instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution or delivery.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date 11/11/11
above written.

PROVENANCE GOLD CORP.

SPARX ENERGY CORP.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

J PHILLIPS HOLDINGS INC.

1034149 B.C. LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

THOMAS MARTIN

RAUNO PERTTU

THOMAS L. CROM III

ROB CLARK



RUSSELL CHAMBERS

JACOB BRUMBY

LAURIE PHILLIPS

DON HAMILTON

VAL HAMILTON

GRANT GRAHAM

KEN MANLEY

RODGER GRANT

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THOMAS L. CROM III



RUSSELL CHAMBERS

LAURIE PHILLIPS

VAL HAMILTON

KEN MANLEY

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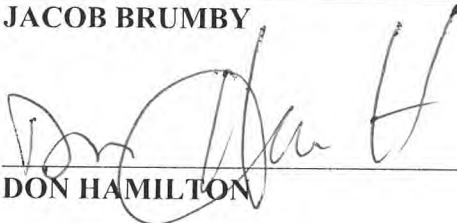
THOMAS L. CROM III

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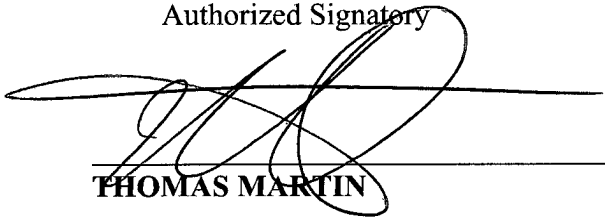
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RAUNO PERTTU

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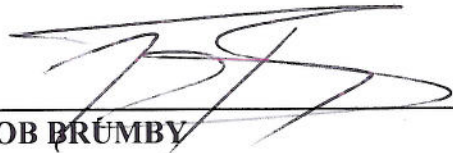
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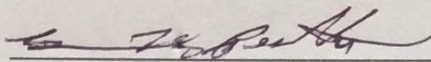
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RODGER GREGORY

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SCHEDULE "A"

LIST OF VENDORS

Name	Address	Number of Company Shares held	Number of Company Warrants held	Number of Consideration Shares to be received	Number of Consideration Warrants to be received
Thomas Martin	2709 Burdick Avenue Victoria, British Columbia V8R 3L8	1,875,000	Nil	1,875,000	Nil
Rauno Perttu	5941 Towne Drive NE Silverton, Oregon 97381	1,875,000	Nil	1,875,000	Nil
Thomas L. Crom III	273 N. Coyote Way Star Valley, Arizona 85541	1,875,000	Nil	1,875,000	Nil
Rob Clark	Suite 10, 2360 Government Street Penticton, British Columbia V2A 4W6	1,875,000	Nil	1,875,000	Nil
Russell Chambers	120 Arab Run Road Kamloops, British Columbia V2H 1M4	600,000	600,000	600,000	600,000
Jacob Brumby	2700 Lansdowne Road Victoria, British Columbia V8R 3P7	250,000	250,000	250,000	250,000
Laurie Phillips	9624 Third Street Sidney, British Columbia V8L 2Z9	250,000	250,000	250,000	250,000

Name	Address	Number of Company Shares held	Number of Company Warrants held	Number of Consideration Shares to be received	Number of Consideration Warrants to be received
J Phillips Holdings Inc.	810 Shamrock Street Victoria, British Columbia V8X 2V1	1,000,000	1,000,000	1,000,000	1,000,000
Don & Val Hamilton	8615 Seascapes Drive West Vancouver, British Columbia V7W 3J7	100,000	100,000	100,000	100,000
Grant Graham	4226 Denrob Place Victoria, British Columbia V8X 4V2	100,000	100,000	100,000	100,000
Ken Manley	10276 Rathdown Place Sidney, British Columbia V8L 4C8	200,000	200,000	200,000	200,000
1034149 B.C. Ltd.	1700 Hillside Avenue Victoria, British Columbia V8P 1A1	750,000	750,000	750,000	750,000
Rodger Gregory	2486 McNeill Avenue Victoria, British Columbia V8S 2Z4	250,000	250,000	250,000	250,000
TOTAL		11,000,000	3,500,000	11,000,000	3,500,000