

**AMENDED AND RESTATED OPTION AGREEMENT**

**Inexco Mining Corp. (the "Optionee")  
Suite 1330, 1075 West Georgia Street, Vancouver, BC V6E 3C9**

**and**

**Rich River Exploration Ltd.**

PO Box 131  
Grindrod, BC  
V0E 1Y0

(the "Optionor")

**Craig Alvin Lynes**

31 Violet Road, PO Box 131  
Grindrod, BC  
V0E 1Y0

("Lynes")

This Amended and Restated Option Agreement (the "Agreement") amends and restates that certain option letter agreement dated June 2, 2011, as amended February 28, 2012 and April 15, 2014, made between the Optionee and the Optionor, pertaining to the Colby Mines property, located in British Columbia, described in Schedule "A" hereto (the "Property").

**Representations:**

1. The Optionor and Lynes represent and warrant as follows:
  - A. The Optionor is the beneficial owner of a 100% interest in the Property, hereafter referred to as the "Property", located near Enderby, British Columbia, as more particularly described in Schedule "A" to this Agreement, pursuant to the terms of that certain Declaration of Trust dated June 16, 2014, appended hereto as Schedule "B";
  - B. Lynes is the legal owner of a 100% interest in the Property; and
  - C. There exists no undisclosed underlying royalty interest or any other undisclosed obligation in respect of the Property.
2. The Optionor represents that it is a company duly incorporated, organized and validly subsisting under the laws of British Columbia and that it has all the necessary corporate power and capacity to enter into this Agreement with respect to the Property and to comply with its terms.

Based on the above, the parties hereto are prepared to enter into this Agreement respecting the Property.

**Grant of Option and Consideration**

1. Upon the execution of and pursuant to the terms of this Agreement, the Optionor hereby grants to the Optionee the sole and exclusive right and option (the "Option") to earn a 100% interest in the Property, subject only to a 3% NSR, as defined below. To earn such 100% interest, the Optionee agrees to pay to the Optionor a total of \$75,000, issue to the Optionor a total of 100,00 common

shares in the capital of the Optionee and incur aggregate work expenditures of \$850,000 on the Property, all as set out below:

- A. The Optionee will pay the cash consideration to the Optionor as follows:
- a) \$10,000 upon execution of this Agreement (the prior receipt of which the Optionor hereby acknowledges);
  - b) a further \$25,000 upon the date of listing (the "Listing Date") of the Optionee's common shares on a recognized stock exchange (the "Exchange");
  - c) a further \$15,000 on or before the third anniversary of the Listing Date; and
  - d) a further \$25,000 on or before the fourth anniversary of the Listing Date.
- B. The Optionee will issue the common shares in the capital of the Optionee to the Optionor as follows:
- a) 100,000 common shares to be issued upon the Listing Date.
- C. The Optionee will incur an aggregate \$850,000 in work expenditures on the Property by the following dates:
- a) \$100,000 on or before the date of this Agreement (the prior incurring of such work expenditures the Optionor hereby acknowledges);
  - b) a further \$50,000 on or before the six month anniversary of the Listing Date;
  - c) a further \$300,000 on or before the third anniversary of the Listing Date; and
  - d) a further \$400,000 on or before the fourth anniversary of the Listing Date.

Commencing after the six month anniversary of the Listing Date, any work expenditures incurred after such six month anniversary of the Listing Date that is in excess of the requirements during the period described in paragraph 1C(c) above will be credited against the requirements of the next succeeding period, being paragraph 1(C)(d).

2. This Agreement will confer an option only. Once the Optionee has fulfilled all of the requirements set out in paragraphs 1A, 1B and 1C above, then it shall be deemed to have exercised the Option and have earned a 100% interest in the Property, subject only to a 3% NSR.

**Net Smelter Royalty**

1. A Net Smelter Returns Royalty (“NSR”) of 3% is payable to the Optionor on all base metals, rare earth elements and precious metals and gems, as described in Schedule “C”.
2. At any time prior to the date of Commencement of Commercial Production (as defined in Schedule “C” appended hereto), from the Property, the Optionee may elect to purchase from the Optionor up to an initial sixty-six and two-thirds percent (66 2/3%) of the NSR (being two percent (2%)), upon the payment to the Optionor of \$500,000 for each one percent (1%); and provided that the Optionee has exercised its option to acquire an initial sixty-six and two-thirds percent (66 2/3%) of the NSR, the Optionee may also elect to purchase the remaining one percent (1%) of the NSR at any time after the date of Commencement of Commercial Production from the Property, at a purchase price to be negotiated.

### **Operator**

The Optionee or its designate shall be the Operator of the Property during the term of the Option. The Optionor will be the primary contractor to conduct the exploration work on the Property, where possible, during the term of the Option.

### **Assessment Work**

In order to keep current the claims comprising the Property, the Optionee shall pay or cause to be paid any rates, taxes, duties, royalties, assessments or fees levied with respect to the maintenance of the Property in good standing and shall apply for or pay assessment credits for the mineral claims comprising the Property for all work and expenditures conducted on all or any part of the Property.

### **Area of Interest**

If, after the effective date of this Agreement, any of the parties to this Agreement stakes or acquires, directly or indirectly, an interest or right in a mineral claim located within three kilometres from the outer boundaries of the Property, as constituted at the effective date of this Agreement, such interest or right shall be deemed to form part of the Property and shall be subject to the terms of this Agreement.

### **Access to Information**

Throughout the term of the Option, the Optionee shall supply to the Optionor a yearly report detailing all exploration work carried out on the Property. In addition, the Optionee shall supply to the Optionor copies of any geological or geophysical reports prepared in respect of the Property, within two weeks of receiving same.

### **Termination or Abandonment**

During the term of the Option, the Optionee shall have the right to terminate this Agreement, or abandon all right, title and interest in and to the Property or in any portion of the Property, by giving fourteen (14) days' written notice of such termination or abandonment to the Optionor, and upon the effective date of such termination of this Agreement, or abandonment of the Property or any portion of the Property, this Agreement shall be of no further force and effect to the extent of such termination or abandoned portion of the Property, except annual assessment fees on the Property will have been paid up to and including the period of two (2) years from the effective date of termination or abandonment.

### **Transfer of Property**

Once the Optionee has paid all of the cash consideration, issued all the shares and completed all of the work expenditures required hereunder, the Optionor shall cause Lynes to forthwith transfer a 100% interest to the Optionee and, thereafter, a 100% interest in the Property will vest in the Optionee. The NSR will be in effect and remain attached to this Property.

### **General**

1. This Agreement shall supersede and replace any other agreement or arrangement, whether oral or written, hereunto before existing between the parties in respect of the subject matter of this Agreement.
2. This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.
3. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
4. Time shall be of the essence of this Agreement.
5. Each of the parties covenants and agrees, from time to time and at all times, to do all such further acts and execute and deliver all such further deeds, documents and assurances as may be reasonably required in order to fully perform and carry out the terms and intent of this Agreement.

6. This Agreement shall be subject to the approval of the Exchange, if applicable. Both the Optionor and the Optionee agree to file documents in a timely manner and to take such steps as are necessary so as to expedite approval by the Exchange, if applicable.

ACCEPTED AND AGREED this 16th day of June, 2014

**Inexo Mining Corp.**

Per:   
Authorized Signatory

**Rich River Exploration Ltd.**

Per:   
Authorized signatory

  
**CRAIG ALVIN LYNES**

## SCHEDULE "A"

THIS IS SCHEDULE "A" to the Agreement made as of the 16<sup>th</sup> day of June, 2014.

### THE PROPERTY

**LOCATION: Near Enderby, British Columbia**  
**Comprised of 18 (Eighteen), B.C. MTO Located Mineral Claims**

<b>Claim Name</b>	<b>Tenure No.</b>	<b>Area: hectares</b>	<b>Expiry Date</b>
COLBY MINES	544490	81.82	May 31, 2018
F-X ZINC	544492	20.46	May 31, 2018
COLBY	692003	122.71	May 31, 2018
FX- ZONE	692004	61.37	May 31, 2018
FX-N	692023	40.90	May 31, 2018
12 MILE	692043	81.80	May 31, 2018
COLBY EAST	692083	163.65	May 31, 2018
FX-N1	692134	20.45	May 31, 2018
FX - N2	692303	40.90	May 31, 2018
10 MILE - COLBY	705050	122.70	May 31, 2018
COLBY 10 MILE	705919	61.37	May 31, 2018
COLBY - DON	705920	61.35	May 31, 2018
(no name)	837392	40.91	May 31, 2018
COLBY-STAR	854163	511.31	May 31, 2018
COLBY-KING	854164	511.15	May 31, 2018
BLACK JACK COLBY	864827	265.87	May 31, 2018
COLBY TRIO	864847	61.38	May 31, 2018
COLBY JACK	978013	347.81	May 31, 2018

**SCHEDULE "B"**

THIS IS SCHEDULE "B" to the Agreement made as of the 16th day of June, 2014.

(see next page)

**DECLARATION OF TRUST**

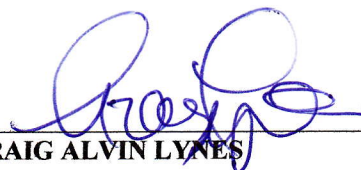
LET ALL MEN TAKE NOTICE that I, CRAIG ALVIN LYNES, of PO Box 131, Grindrod, British Columbia, V0E 1Y0, do hereby acknowledge and affirm that I do hold in trust to the sole use and benefit of Rich River Exploration Ltd. (the "Owner"), of PO Box 131, Grindrod, British Columbia, V0E 1Y0, a One Hundred Percent (100%) interest in eighteen (18) mineral claims, located in the Vernon Mining Division and in the Kamloops Division of the Yale Land District, Province of British Columbia, as more particularly described in the attached Appendix "A" (the "Claims").

I hereby acknowledge and agree that upon demand of the Owner, I will convey all my title in and to the Claims to the Owner or its nominee made in writing, at the sole cost and expense of the Owner or its nominee, but without any further consideration or remuneration of any kind.

BUT IT IS HEREBY STATED that it is a condition of this trust that I am not liable, accountable, or in any manner responsible for the maintenance of the Claims, whether of assessment work, staking, or otherwise, nor for the establishing or maintenance of the legal title of the Claims, nor for the assurance or effectiveness of the legal validity of my own title or that of the Owner, upon any conveyance of the Claims thereto, AND THAT the Claims are registered in my name only as a matter of convenience for the benefit of the Owner.

DATED at Grindrod in the Province of British Columbia this 16<sup>th</sup> day of June, 2014.

SIGNED, SEALED AND DELIVERED by CRAIG )  
ALVIN LYNES in the presence of: )  
 )  
 )  
\_\_\_\_\_)  
Name of Witness )  
\_\_\_\_\_)  
Address of Witness )  
\_\_\_\_\_)  
\_\_\_\_\_)  
Occupation )

  
\_\_\_\_\_  
CRAIG ALVIN LYNES



**Appendix "A"**  
**to Declaration of Trust**

**List of Claims**

The following claims are located in the Vernon Mining Division and in the Kamloops Division of the Yale Land District, Province of British Columbia:

<b>Claim Name</b>	<b>Tenure No.</b>	<b>Area: hectares</b>	<b>Expiry Date</b>
COLBY MINES	544490	81.82	May 31, 2018
F-X ZINC	544492	20.46	May 31, 2018
COLBY	692003	122.71	May 31, 2018
FX- ZONE	692004	61.37	May 31, 2018
FX-N	692023	40.90	May 31, 2018
12 MILE	692043	81.80	May 31, 2018
COLBY EAST	692083	163.65	May 31, 2018
FX-N1	692134	20.45	May 31, 2018
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(no name)	837392	40.91	May 31, 2018
COLBY-STAR	854163	511.31	May 31, 2018
COLBY-KING	854164	511.15	May 31, 2018
BLACK JACK COLBY	864827	265.87	May 31, 2018
COLBY TRIO	864847	61.38	May 31, 2018
COLBY JACK	978013	347.81	May 31, 2018

## SCHEDULE "C"

THIS IS SCHEDULE "C" to the Agreement made as of the 16th day of June, 2014

### NSR -- NET SMELTER RETURNS ROYALTY

1. For the purposes of this Agreement the following words and phrases shall have the following meanings, namely:

(a) "Commencement of Commercial Production" means:

(i) if a mill is located on the Property, the last day of a period of 40 consecutive days in which, for not less than 30 days, the mill processed ore from the Property at 60% of its rated concentrating capacity; or

(ii) if a mill is not located on the Property, the last day of a period of 30 consecutive days during which ore has been shipped from the Property on a reasonably regular basis for the purpose of earning revenues, but any period of time during which ore or concentrate is shipped from the Property for testing purposes, or during which milling operations are undertaken as initial tune-up, shall not be taken into account in determining the date of Commencement of Commercial Production;

(b) "Net Smelter Returns" shall mean the gross proceeds received by the Optionee in any year from the sale of Product from the mining operation on the Property, less successively:

(i) the cost of transportation of such Product to a smelter or other place of treatment, and

(ii) smelter and treatment charges;

(c) "Ore" shall mean any material containing base metals, rare earth elements and precious metals mined from the Property; and

(d) "Product" shall mean Ore mined from the Property and any concentrates or other materials or products derived therefrom, but if any such Ore, concentrates or other materials or products are further treated as part of the mining operation in respect of the Property, such Ore, concentrates or other materials or products shall not be considered to be "Product" until after they have been so treated.

2.

(a) For the purposes of calculating the amount of Royalty payable to the Optionor hereunder, if, after the Commencement of Commercial Production, the Optionee sells any Product to one of its subsidiaries or affiliates, and if the sale price of such Product is not negotiated on an arm's-length basis, the Optionee shall for the purposes of calculating Net Smelter Returns only and notwithstanding the actual amount of such sale price, add to the proceeds from the sale of such Product an amount which would be sufficient to make such sale price represent a reasonable net sale price for such Product as if negotiated at arm's

length and after taking into account all pertinent circumstances including, without limitation, then current market conditions relating to Ore, concentrates or products similar to such Product.

(b) The Optionee shall by notice inform the Optionor of the quantum of such reasonable net sale price and, if the Optionor does not object thereto, within 60 days after receipt of such notice, said quantum shall be final and binding for the purposes of this Agreement.

3. The Optionee may remove reasonable quantities of Ore and rock from the Property for the purpose of bulk sampling and of testing, and there shall be no Royalty payable to the Optionor with respect thereto unless revenues are derived therefrom.

4. The Optionee shall have the right to commingle with ores from the Property, ore produced from other properties, provided that prior to such commingling, the Optionee shall adopt and employ reasonable practices and procedures for weighing, determination of moisture content, sampling and assaying, as well as utilize reasonable accurate recovery factors in order to determine the amounts of products derived from, or attributable to Ore mined and produced from the Property. The Optionee shall maintain accurate records of the results of such sampling, weighing and analysis as pertaining to ore mined and produced from the Property.

5. Instalments of the Royalty payable shall be paid by the Optionee to the Optionor immediately upon the receipt by the Optionee of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates or other product from the Property.

6. Within 120 days after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production occurs, the accounts of the Optionee relating to operations on the Property and the statement of operations, which shall include the statement of calculation of Royalty for the year last completed, shall be audited by the auditors of the Optionee at its expense. The Optionor shall have 45 days after receipt of such statements to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct and unimpeachable thereafter.

7. If such audited financial statements disclose any underpayment of Royalty by the Optionee during the year, the amount thereof shall be paid to the Optionor forthwith after determination thereof.

8. The Optionee agrees to maintain for each mining operation on the Property, up-to-date and complete records relating to the production and sale of minerals, ore, bullion and other product from the Property, including accounts, records, statements and returns relating to treatment and smelting arrangements of such product, and the Optionor or their agents shall have the right at all reasonable times, including for a period of 12 months following the expiration or termination of this Agreement, to inspect such records, statements and returns and make copies thereof at its own expense for the purpose of verifying the amount of Royalty payments to be made by the Optionee to the Optionor pursuant hereto. The Optionor shall have the right to have such accounts audited by independent auditors at its own expense once each fiscal year.