

**EARN-IN AGREEMENT**

**THIS AGREEMENT** made as of the 28<sup>th</sup> day of August, 2013.

**BETWEEN:**

PENGRAM CORPORATION, of  
1200 Dupont Street, Suite 2J  
Bellingham, WA 98225

("Pengram")

**OF THE FIRST PART**

**AND:**

MIDNIGHT STAR VENTURES CORP., of  
19838 43<sup>rd</sup> Avenue  
Langely, BC V3A 6R4

("Midnight Star")

**OF THE SECOND PART**

**WHEREAS:**

A. Pengram has an option to purchase a 100% interest in certain mineral claims located in the Lone Mountain Mining District of Esmeralda County, Nevada, known as the Fish Project, which it has acquired under an agreement dated March 31, 2011, as amended on August 28, 2013, with Claremont Nevada Mines LLC. ("Claremont"), (the "Underlying Agreement"); and

B. Pengram has agreed to assign to Midnight Star up to 80% of Pengram's interest in the Underlying Agreement, on the terms and conditions hereinafter set forth.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of \$1.00 now paid by Midnight Star to Pengram (the receipt of which is hereby acknowledged), the parties agree as follows:

**DEFINITIONS**

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

- (a) "Advance Royalties" means the advance royalty payments to Claremont Nevada Mines LLC. under the Underlying Agreement;
- (b) "Property" means the mineral claims set out in Schedule "A";
- (c) "Royalty" means the amount of royalty from time to time payable to Claremont Nevada Mines LLC. under the Underlying Agreement; and
- (d) "Underlying Agreement" means the agreement dated March 31, 2011, as amended on August 28, 2013, between Pengram and Claremont Nevada Mines LLC.

## **REPRESENTATIONS, WARRANTIES AND COVENANTS OF PENGAM**

2. (a) Pengram represents and warrants to and covenants with Midnight Star that:
- (i) the Underlying Agreement is in good standing;
  - (ii) it has been duly incorporated, amalgamated or continued and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation, amalgamation or continuation;
  - (iii) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any encumbrance under the provisions of the Articles or the constating documents of Pengram or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which Pengram is a party or by which it is bound or to which it or the Property may be subject;
  - (iv) the interest in the Underlying Agreement is not the whole or substantially the whole of the undertaking of Pengram; and
  - (v) no proceedings are pending for, and Pengram is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of Pengram or the placing of Pengram in bankruptcy or subject to any other laws governing the affairs of insolvent corporations.
- (b) The representations and warranties contained in this section are provided for the exclusive benefit of Midnight Star, and a breach of any one or more thereof may be waived by Midnight Star in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or

warranty, and the representations and warranties contained in this section shall survive the execution of this Agreement and of any transfers, assignments, deeds or further documents respecting the Property.

### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF MIDNIGHT STAR**

3. (a) Midnight Star represents and warrants to and covenants with Pengram that:
- (i) it has been duly incorporated, amalgamated or continued and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation, amalgamation or continuation;
  - (ii) it is lawfully authorized to hold mineral claims and real property under the laws of the jurisdiction in which the Property is situate;
  - (iii) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any encumbrance under the provisions of the Articles or the constating documents of Midnight Star or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which Midnight Star is a party or by which it is bound or to which it or the Property may be subject; and
  - (iv) no proceedings are pending for, and Midnight Star is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of Midnight Star or the placing of Midnight Star in bankruptcy or subject to any other laws governing the affairs of insolvent corporations.
- (b) The representations and warranties contained in this section are provided for the exclusive benefit of Pengram and a breach of any one or more thereof may be waived by Pengram in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty, and the representations and warranties contained in this section shall survive the execution hereof.

### **GRANT AND EXERCISE OF OPTION**

4. Pengram agrees to assign to Midnight Star up to an 80% undivided interest in the Underlying Agreement upon Midnight Star paying as they come due under the Underlying Agreement, all advance royalty payments, BLM or County Claim Fees and Nevada State Taxes payable under the Underlying Agreement.

5. If and when the Options have terminated and Midnight Star has acquired an interest in the Underlying Agreement, Pengram and Midnight Star shall enter into an industry standard

joint venture agreement in respect of further exploration of, and/or commercial production from, the Property.

6. During the currency of this Agreement, Pengram will appoint the directors and officers of Midnight Star and its servants, agents and independent contractors, as its representatives to have rights in respect of the Property to:

- (a) enter thereon;
- (b) have exclusive and quiet possession thereof;
- (c) do such prospecting, exploration, development and other mining work thereon and thereunder as Midnight Star in its sole discretion may determine advisable;
- (d) bring upon and erect upon the Property such buildings, plant, machinery and equipment as Midnight Star may deem advisable; and
- (e) remove therefrom and dispose of reasonable quantities of ores, minerals and metals for the purposes of obtaining assays or making other tests.

7. During the currency of this Agreement Midnight Star shall:

- (a) maintain in good standing those mineral claims comprising the Property by the doing and filing of assessment work or the making of payments in lieu thereof, by the payment of taxes and rentals, and the performance of all other actions which may be necessary in that regard and in order to keep such mineral claims free and clear of all liens and other charges arising from Midnight Star's activities thereon except those at the time contested in good faith by Midnight Star;
- (b) record all exploration work carried out on the Property by Midnight Star as assessment work;
- (c) do all work on the Property in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority;
- (d) indemnify and save Pengram and Claremont harmless in respect of any and all costs, claims, liabilities and expenses arising out of Midnight Star's activities on the Property, but Midnight Star shall incur no obligation hereunder in respect of claims arising or damages suffered after termination of the Option if upon termination of the Option any workings on or improvements to the Property made by Midnight Star are left in a safe condition;
- (e) permit Pengram, at its own expense, reasonable access to the results of the work done on the Property during the last completed calendar year; and
- (f) deliver to Pengram, forthwith upon receipt thereof, copies of all reports, maps, assay results and other technical data compiled by or prepared at the direction of

Midnight Star with respect to the Property.

8. (a) The rights of Midnight Star to earn further interests in the Underlying Agreement shall terminate:
- (i) upon Midnight Star failing to incur or make any expenditure or payment which must be incurred or made under Paragraph 4; or
  - (ii) at any other time, by Midnight Star giving notice of such termination to Pengram.

#### **ROYALTY**

9. Midnight Star acknowledges that the Property is subject to a royalty being equal to 3% of Net Smelter Returns under the Underlying Agreement.

#### **INDEPENDENT LEGAL ADVICE**

10. Midnight Star and Pengram acknowledge that Northwest Law Group acts for both companies and that affiliates of Northwest Law Group own shares of Pengram. Midnight Star consents to Northwest Law Group acting solely for Pengram with respect to this Agreement and acknowledges that it has been advised to obtain independent legal advice.

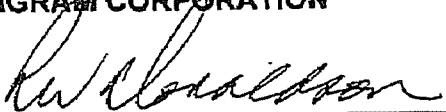
#### **GENERAL**

11. (a) No consent or waiver expressed or implied by either party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default.
- (b) The parties shall promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interest from time to time of the parties in the Property.
- (c) This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- (d) This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada and shall be subject to the approval of all securities regulatory authorities having jurisdiction.
- (e) Time shall be of the essence in this Agreement.
- (f) Wherever the neuter and singular is used in this Agreement it shall be deemed to include the plural, masculine and feminine, as the case may be.

- (g) Any reference in this Agreement to currency shall be deemed to be United States currency.
- (h) This Agreement may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

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

**PENGRAM CORPORATION**



Richard W. Donaldson, President

**MIDNIGHT STAR VENTURES CORP.**

\_\_\_\_\_  
David K. Ryan, President

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Richard W. Donaldson, President

**MIDNIGHT STAR VENTURES CORP.**

  
\_\_\_\_\_  
David K. Ryan, President

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**SCHEDULE "A"**

**List of Claims comprising the Fish Project**

The Fish claims are owned and controlled by Claremont Nevada Mines LLC and are located in the Lone Mountain Mining District of Esmeralda County Nevada and consist of 58 unpatented lode mining claims covering approximately 1275 acres.

<u>Number</u>	<u>County</u>	<u>County Number</u>	<u>NMCA</u>
1	Esmeralda	167753	962482
2	Esmeralda	167754	962483
3	Esmeralda	167755	962484
4	Esmeralda	167756	962485
5	Esmeralda	166975	948552
6	Esmeralda	166976	948553
7	Esmeralda	166977	948554
8	Esmeralda	166978	948555
9	Esmeralda	166979	948556
10	Esmeralda	167757	962486
11	Esmeralda	166980	948557
12	Esmeralda	166981	948558
13	Esmeralda	166982	948559
14	Esmeralda	166983	948560
15	Esmeralda	166984	948561
16	Esmeralda	167758	962487
17	Esmeralda	166985	948562
18	Esmeralda	167759	962488
19	Esmeralda	166986	948563
20	Esmeralda	167760	962489
21	Esmeralda	166987	948564
22	Esmeralda	167761	962490
23	Esmeralda	166988	948565
24	Esmeralda	167762	962491
25	Esmeralda	166989	948566
26	Esmeralda	166990	948567
27	Esmeralda	167763	962492
28	Esmeralda	167764	962493
29	Esmeralda	167765	962494

<u>Number</u>	<u>County</u>	<u>County Number</u>	<u>NMCA</u>
30	Esmeralda	167766	962495
31	Esmeralda	166991	948568
32	Esmeralda	167767	962496
33	Esmeralda	166992	948569
34	Esmeralda	167768	962497
35	Esmeralda	167769	962498
36	Esmeralda	167770	962499
37	Esmeralda	167771	962500
38	Esmeralda	167772	962501
39	Esmeralda	167773	962502
40	Esmeralda	167774	962503
41	Esmeralda	167775	962504
42	Esmeralda	167776	962505
43	Esmeralda	167777	962506
44	Esmeralda	167778	962507
45	Esmeralda	167779	962508
46	Esmeralda	167780	962509
47	Esmeralda	167781	962510
48	Esmeralda	167782	962511
49	Esmeralda	167783	962512
50	Esmeralda	167784	962513
51	Esmeralda	167785	962514
52	Esmeralda	167786	962515
53	Esmeralda	167787	962516
54	Esmeralda	167788	962517
55	Esmeralda	167789	962518
56	Esmeralda	167790	962519
57	Esmeralda	167791	962520
58	Esmeralda	167792	962521