OPTION AGREEMENT
entered into on the 31st day of March, 2017

BETWEEN: **EXPLORATIONS MPV INC.**, a corporation duly incorporated according to law, having its principal place of business at 1080 Beaver Hall Hill, Suite 2101, Montreal, QC, H2Z 1S8, herein represented by Mr. Jean Rainville, duly authorized for these purposes as he so declares;

(hereinafter referred to as the "**MPV**")

AND: **LES RESSOURCES TECTONIC INC.**, a corporation duly incorporated according to law, having its principal place of business at 140, Avenue du Collège, Québec, QC, G1E 2Y7 herein represented by its president, Mr. Jean Laforest, duly authorized for these purposes as he so declares;

(hereinafter referred to as the "**Optionor**").

WHEREAS MPV and the Optionor have agreed that, subject to the terms and conditions set forth herein, the Optionor shall grant to MPV a sole and exclusive option to acquire a 100% undivided interest in the claims listed in Schedule "A" hereto, which are presently registered in the name of the Optionor, all of which are located in the Townships of La Ribourde and Saussure in the Province of Québec (collectively the "**Claims**" and individually a "**Claim**");

NOW, THEREFORE, the parties hereto agree as follows:

1. Option to Purchase the Claims. Subject to the terms and conditions set forth herein, the Optionor hereby grants to MPV the sole and exclusive option (the "**Purchase Option**") to purchase all of the Optionor's rights, title and interest in and to the Claims.

2. Exercise of Option.

   2.1 In order for MPV to acquire its 100% interest in the Claims, it shall:

   (a) on the date of this Agreement, pay to the Optionor a sum of $15,000;

   (b) on or before the first anniversary of this Agreement, pay to the Optionor an additional sum of $25,000 and incur exploration expenditures on the Claims in a minimum of $50,000;

   (c) on or before the second anniversary of this Agreement, pay to the Optionor an additional sum of $50,000 and incur additional exploration expenditures on the Claims in a minimum of $100,000;

   (d) on or before the third anniversary of this Agreement, pay to the Optionor an additional sum of $75,000 and incur additional exploration expenditures on the Claims in a minimum of $150,000; and

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(e) on or before the fourth anniversary of this Agreement, pay to the Optionor an additional sum of $135,000 and incur additional exploration expenditures on the Claims in a minimum of $200,000

2.2 If exploration expenditures incurred on the Claims in any period exceed the minimum amounts set forth in Subsection 2.1, the excess shall be credited toward subsequent periods. If MPV fails to complete any of the minimum exploration expenditures during any period, it may satisfy the minimum amount for such period by paying 100% of the amount of the shortfall, in cash, to the Optionor within thirty (30) days following the end of such period. MPV's failure to timely complete the applicable exploration expenditures in accordance with this Section 2, if not cured within thirty (30) days after written notice by the Optionor of such default, shall terminate this Agreement and free MPV from any obligation towards Optionor unless MPV in good faith disputes such notice, in which case within thirty (30) days after a final award of an arbitrator finding a default.

2.3 MPV shall have the right to prepay all of the amounts contemplated in Subsection 2.1 at any time, whereupon any restrictions on its enjoyment of the Claims (other than the NSR) shall cease.

2.4 For the duration of this Agreement, MPV, its employees, agents and independent contractors will have the sole and exclusive right and option to:

(a) enter the area covered by the Claims;

(b) have the exclusive and quiet possession thereof;

(c) do such prospecting, exploration, development or other work thereon and thereunder as MPV in its sole discretion may consider advisable;

(d) bring and erect such facilities as MPV may consider advisable;

(e) conduct commercial production on the area covered by the Claims or otherwise carry out mining operations, in each case for MPV's account and benefit, subject only to the NSR; and

(f) remove therefrom and sell or otherwise dispose of ore for MPV's account and benefit, subject only to the payment of the NSR and any applicable taxes.

2.5 The above notwithstanding, MPV recognizes and agrees that it may not avail itself of the rights provided for under sections 2.4 (e) and 2.4 (f) until such time as when it will have fully satisfied the earn-in provisions outlined in section 2.1 hereof

3. Title Transfer. Provided MPV has complied with Section 2 hereof, MPV shall have acquired a 100% interest in the Claims, and the Optionor will, upon receipt of written notice from MPV confirming the same, accompanied by such documents as may be required to demonstrate such compliance, promptly execute and deliver all such documents and do all such things as may be required to transfer title to the Claims to MPV or its designated nominee which transfer costs shall be assumed by MPV.

4. Net Smelter Return. MPV grants to the Optionor a 2% Net Smelter Return Royalty (the "NSR") in respect of the Claims. For the purposes of this Agreement, NSR has the meaning ascribed thereto in Schedule "B".

5. Right of First Refusal and Acquisition over NSR. In the event that the Optionor shall at any time wish to

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sell, transfer or assign to a third party its rights, title and interest in and to the NSR specified herein, the Optionor shall first offer to MPV the right to so acquire such right, title and interest on the same terms and conditions as those offered by the third party. MPV may elect to purchase one-half (1/2) of the NSR from Optionor at any time prior to the commencement of commercial production, upon 30 day's written notice to Optionor, by payment to Optionor of the sum of One Million Five Hundred Thousand Dollars ($1,500,000), whereupon Optionor shall retain the residual NSR of 1%, which shall otherwise be subject to the terms and conditions hereof.

6. Default. Notwithstanding anything in this Agreement to the contrary, if any party (a "**Defaulting Party**") is in default of any requirement herein set forth, the party affected by such default shall give written notice to the Defaulting Party specifying the default and the Defaulting party shall not lose any rights under this Agreement, unless within 30 days after the giving of notice of default by the affected party the Defaulting party has failed to take reasonable steps to cure the default by the appropriate performance and if the Defaulting Party fails within such period to take reasonable steps to cure any such default, the affected party shall be entitled to seek any remedy it may have on account of such default, including the termination of this Agreement and, if applicable, all amounts previously paid by MPV on account of the purchase price for the Claims shall be retained by the Optionor as liquidated damages.

7. Records and Audits. MPV shall maintain all necessary records to substantiate all information relevant to Section 2 and shall permit and assist the Optionor in conducting audits of the operations to verify such information. The Optionor shall provide MPV, with at least fifteen (15) business days' written notice, as well as written justification for such audit and its requirements.

8. Area of Interest.

8.1 The parties hereto agree to the establishment of an area of common interest which covers all land within one kilometre of the boundary of the area covered by the Claims.

8.2 In the event the Optionor or its affiliates would acquire, directly or indirectly, an interest in claims or other mineral titles located in the area of common interest, the Optionor must first offer the said claims to MPV at staking cost plus 20%. Optionor shall deliver to MPV a notice (the "**Permit Notice**") of such offer. The Permit Notice will specify the consideration to be paid under the acquisition, together with all other terms and conditions of the acquisition. For a period of 30 days following the date of delivery to MPV of the Permit Notice, MPV will have the exclusive right to purchase the claims or titles for the same consideration and on the same terms and conditions specified in the Permit Notice by giving notice to Optionor. If MPV does not give notice to Optionor within such 30 day period, Optionor will be free to keep the acquired claims or titles and ultimately sell them to a third party.

8.3 In the event that MPV acquires, directly or indirectly, prior to the exercise of the Purchase Option, claims in the area of common interest, the acquired claims will fall under the terms of this Agreement and be subject to the NSR in favour of the Optionor.

9. Termination or Forfeiture of Claims.

9.1 MPV may at any time elect to terminate this Agreement with no further obligation to the Optionor. If MPV terminates the Purchase Option after having made any payment to the Optionor, such payment will remain the property of the Optionor.

9.2 The Purchase Option shall terminate immediately if MPV fails to comply with any of the conditions

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stated in this Agreement within the time specified therein. MPV may also elect to terminate the Purchase Option at its own discretion by giving written notice to the Optionor of such termination. If the Purchase Option is terminated otherwise than upon the exercise thereof, MPV will:

(a) deliver at no cost to the Optionor within thirty (30) days of such termination a copy of all reports, maps, assay results and other relevant technical data complied by or in the possession of MPV with respect to the Claims and not before furnished to the Optionor including all drill cores, cuttings and related materials;

(b) ensure that there are sufficient credits available for the renewal of the Claims over a period of two years; and

(c) comply with applicable laws and regulations regarding reclamation for activities conducted by MPV on the area covered by the Claims.

9.3 MPV shall have the option to allow all or any part of the Claims to lapse without further obligation, but will notify the Optionor of any such lapse prior to its effective date so that the Optionor may have the option of retaining such Claims at its cost.

9.4 Notwithstanding the termination of the Agreement, MPV will have the right, within a period of thirty (30) days following the termination of the Agreement, to remove all buildings, structures, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the by or on behalf of MPV and any such property not removed within such 30-day period will thereafter become the property of the Optionor.

10. Representations and Warranties of the Optionor. The Optionor hereby represents and warrants to MPV as follows:

10.1 The Optionor has the necessary capacity, power and authority to execute this Agreement and perform its obligations hereunder. None of the execution and delivery of this Agreement by the Optionor or its performance of the transactions contemplated hereby will, with or without the giving of notice or the passage of time, or both (i) conflict with or constitute a default under any applicable laws, require any action, consent, approval or authorization of, any declaration, filing or registration with, or notification to, any person or government agency or department, or any action or consent under any applicable law; (ii) result in the termination, cancellation, modification, amendment, variation or renegotiation of, the loss of any right under, conflict with, constitute a default under, or accelerate the date of performance of any obligation under, any permit, license, grant, certificate, authorisation, approval, right, privilege, consent, concession or franchise issued, created, conferred or otherwise created by a governmental agency or department or any other contract to which the Optionor may be a party or by which the Optionor or any of the Claims may be bound or affected or give rise to any encumbrance of whatsoever nature, upon any of the Claims.

10.2 This Agreement constitutes a valid and binding obligation of the Optionor enforceable against it in accordance with its terms, except a enforcement of remedies may be limited by applicable laws relating to bankruptcy, insolvency and other laws affecting the enforcement of creditors rights generally and subject to general equitable principles.

10.3 The Optionor is the legal and beneficial owner of, and has good and marketable title to, and validly possesses the Claims, free and clear of any encumbrance of whatsoever nature.

10.4 There is no existing, threatened claim, demand, suit, action, cause of action, dispute, proceeding,

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litigation, investigation, grievance, arbitration, governmental proceeding or review or other proceeding against the Optionor or affecting any of the Claims and, to the knowledge of the Optionor, there is no state of facts which could provide a valid basis for any of the foregoing. There is no outstanding order, judgement, injunction, decree, award or writ of any government agency or department which adversely affects any of the Claims or the Optionor or relates to this Agreement or the transactions contemplated hereby.

10.5 The Optionor has not received any notice of expropriation of any of the Claims. There is no expropriation proceeding pending or, to the knowledge of the Optionor, threatened against or affecting the Claims.

10.6 The Claims are and will be at the time of closing, in compliance with all applicable laws, regulations, permits, licenses, grants, certificates, authorisations, approvals, rights, privileges, consents, concessions or franchises issued, created, conferred or otherwise created by a governmental agency or department and the Optionor has not been advised of any remedial action required in respect of any of the Claims.

10.7 All information which has been provided to MPV by or on behalf of the Optionor, is true and complete, in all material respects, and no material fact has been omitted therefrom which would make such information misleading. The Optionor has made or caused to be made reasonable inquiry with respect to each covenant, agreement, obligation, representation and warranty contained in this Agreement given by it and none of the aforesaid covenants, agreements, obligations, representations or warranties contains any untrue statement of a material fact or omits to state a material fact necessary to make such covenant, agreement, obligation, representation or warranty not misleading.

11. <u>Representations and Warranties of MPV.</u> MPV hereby represents and warrants to the Optionor as follows:

11.1 MPV has been incorporated and exists under the *Canada Business Corporations Act*. MPV has the necessary capacity, power and authority to execute this Agreement and perform its obligations hereunder. None of the execution and delivery of this Agreement by MPV or its performance of the transactions contemplated hereby will, with or without the giving of notice or the passage of time, or both (i) conflict with or constitute a default under any applicable laws, require any action, consent, approval or authorization of, any declaration, filing or registration with, or notification to, any person or government agency or department, or any action or consent under any applicable law or under its by-laws or any shareholder agreement (ii) result in the termination, cancellation, modification, amendment, variation or renegotiation of, the loss of any right under, conflict with, constitute a default under, or accelerate the date of performance of any obligation under, any permit, license, grant, certificate, authorisation, approval, right, privilege, consent, concession or franchise issued, created, conferred or otherwise created by a governmental agency or department or any other contract to which MPV may be a party or by which MPV or any of its assets may be bound or give rise to any encumbrance of whatsoever nature, upon any of the assets of MPV.

11.2 This Agreement constitutes a valid and binding obligation of MPV enforceable against it in accordance with its terms, except as enforcement of remedies may be limited by applicable laws relating to bankruptcy, insolvency and other laws affecting the enforcement of creditors rights generally and subject to general equitable principles.

11.3 MPV is a private issuer which is not in default under the securities laws of the Province of Québec.

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12. Covenants of MPV. During the currency of this Agreement, MPV hereby covenants and agrees with the Optionor:

(a) to conduct all work on or with respect to the Claims in a manner consistent with good mining practice and in compliance with applicable laws of the Province of Québec;

(b) to keep the Claims free and clear of all Encumbrances arising from operations of MPV hereunder (except for inchoate liens and liens contested in good faith by MPV) and will proceed with all diligence to contest and discharge any such lien that is filed; for the purposes of this Section 12, "Encumbrance" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, royalty, restrictive covenant, adverse claim or other encumbrance of any nature or kind whatsoever;

(c) while exploration and development is conducted, to furnish the Optionor with progress reports on a quarterly basis and with a final report within 60 days following the conclusion of each program, with the final report showing the exploration work performed and the results obtained and accompanied by a copy of pertinent plans, assay maps, diamond drill records on which summarize the results of MPV's exploration activities, provided that all information and data concerning or derived from such exploration and development shall be kept confidential by the Optionor except as otherwise permitted under this Agreement; and

(d) to conduct all work on the Claims in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority.

13. Indemnification. The Optionor shall and does hereby covenant to indemnify and save harmless MPV, as well as its directors, officers, employees, servants, agents, contractors and shareholders from and against any and all claims, suits, actions, proceedings, demands, liabilities, losses, damages, costs, expenses, fees, fines, penalties, interests and deficiencies of any nature or kind whatsoever arising by virtue of or in respect of any inaccuracy, misstatement, misrepresentation, act or omission made by the Optionor in connection with any matter set out herein or incidental thereto.

14. Force Majeure. MPV shall be relieved of its obligations under the Property Option in the even where a case of force majeure would arise. However, such relief will not apply to any payments required to be made to the Optionor as provided under section 2.1 hereof unless the cause of the force majeure event results in the purpose of this agreement becoming unachievable. In the event of force majeure, MPV shall promptly give notice to the other party of the Force Majeure Event stating therein the nature of the suspension, the reasons therefor, and the expected duration thereof. It shall be MPV's responsibility to use all reasonable diligence to remedy the force majeure event as quickly as practicable and to resume performance of its obligations hereunder as soon as reasonably possible.

15. Sharing of and Confidential Nature of Information.

15.1 Each party agrees that all information obtained hereunder shall be the exclusive property of the parties and not publicly disclosed or used other than for the activities contemplated hereunder except as required by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction, or with the written consent of the other party, such consent not to be

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unreasonably withheld. Where a party releases information based on a requirement at law or under the rules and regulations of any regulatory authority or stock exchange having jurisdiction, it will deliver a copy concurrently to the other party.

15.2 Consent to disclosure of information pursuant to this Section 15 shall not be unreasonably withheld where a party wishes to disclose any such information to a third party for the purpose of arranging financing for its contributions hereunder or for the purpose of selling its interest in the Claims, provided that such third party gives its undertaking to the parties that any such information not theretofore publicly disclosed shall be kept confidential and not disclosed to others.

15.3 No party shall be liable to any other for the fraudulent or negligent disclosure of information by any of its employees, servants or agents, provided that such party has taken reasonable steps to ensure the preservation of the confidential nature of such information.

16. General.

16.1 Any reference in this Agreement to any gender shall include both genders and the neuter, and words importing the singular number only shall include the plural and vice versa.

16.2 The division of this Agreement into Sections, and the insertion of headings, are for convenience of reference only and shall not affect or be utilized in the construction or interpretation of this Agreement.

16.3 Any provision of this Agreement which is, or becomes, illegal, invalid or unenforceable shall be severed therefrom and shall be ineffective to the extent of such illegality, invalidity or unenforceability and shall not affect or impair the remaining provisions hereof.

16.4 This Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes and replaces all prior agreements, understandings, negotiations, and discussions, whether oral or written, among the parties in connection therewith.

16.5 No amendment of this Agreement shall be binding unless set forth in a writing duly executed by each of the parties affected by such amendment.

16.6 Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

16.7 This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Québec (excluding any conflict of laws rule or principle which might refer such interpretation to the laws of another jurisdiction) and the laws of Canada applicable therein.

16.8 Any dispute arising under this Agreement will be determined by a single arbitrator to be appointed by the parties as follows:

(a) either party may refer any such matter to arbitration by written notice to the other and, within ten business days after receipt of such notice, the parties will agree on the appointment of an arbitrator;

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(b) no person will be appointed as an arbitrator hereunder unless such person agrees in writing to act;

(c) upon appointment in accordance with section (a), the arbitrator will immediately proceed to hear and determine the matter in question and unless otherwise agreed, such hearing shall take place in Montréal, Quebec;

(d) the determination by the arbitrator will be made within 45 days after his appointment subject to any reasonable delay due to unforeseen circumstances and the decision of the arbitrator will be in writing and signed by the arbitrator and will be final and binding upon the parties who will abide by such decision;

(e) if the parties cannot agree on a single arbitrator as provided in section (b), or if the person appointed is unwilling or unable to act, either party will have the right to request the Court to mediate in the appointment of a mutually acceptable arbitrator;

(f) in the absence of agreement, the Court shall appoint an arbitrator, who shall determine the arbitration procedure pursuant to the rules of the *Code of Civil Procedure of Québec* (the "Code");

(g) except as specifically provided in this Section, an arbitration hereunder will be conducted in accordance with the Code. The arbitrator will fix a time and place in the Province of Québec for the purpose of hearing the evidence and representations of the parties and will preside over the arbitration and determine all questions of procedure not provided for under such Act or this section. After hearing any evidence and representations that the parties may submit, the arbitrator will make an award, reduce the same in writing and deliver one copy thereof to each of the parties. The decision of the arbitrator will be made within forty-five (45) days after the conclusion of the hearing, subject to any reasonable delay due to unforeseen circumstances; and

(h) the arbitrator's fees shall be paid as specified in the award. The award of the single arbitrator will be final and binding upon each of the parties.

16.9 Nothing in this Agreement shall be interpreted as creating a joint venture or a partnership between the parties and none of the Parties to this Agreement shall have any obligation towards the other, except as specifically provided for under this Agreement.

16.10 Any tender of documents or money hereunder may be made upon the parties or their respective counsel and money shall be tendered in immediately available funds by wire transfer, by bank draft or by certified or trust cheque.

16.11 Unless otherwise specified, all references to dollar amounts in this Agreement are to the lawful currency of Canada.

16.12 Each of the parties agrees to perform such acts and execute and deliver such writings as may be necessary or desirable, from time to time, in order to give full effect to the provisions hereof, including the timely furnishing of all information.

16.13 Each of the parties shall be responsible for all expenses incurred by it in connection with the transactions contemplated hereby.

16.14 Time shall be of the essence in this Agreement.

16.15 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document. Signatures may be delivered by facsimile or electronically for the purpose of evidencing the execution of this Agreement by a party hereto.

16.16 No party shall, without the prior written consent of the other parties, make any public statement or issue any press release concerning the transactions contemplated by this Agreement, except MPV which shall be permitted to make such statements and issue such releases in accordance with its continuous disclosure obligations as a public company, if applicable.

16.17 This Agreement shall enure to the benefit of and be binding on the parties and their respective executors, heirs, administrators, successors and assigns.

16.18 Any notice, direction or other instrument required or permitted to be given under this Agreement shall be inwriting and may be given by the delivery of the same or by sending the same by telecommunication, electronic mail, facsimile or other similar form of communication, in each case addressed as follows:

(a) if to MPV at:

Explorations MPV Inc.
2101-1080 Beaver Hall Hill
Montreal, Quebec H2Z 1S8

Attention: Jean Rainville

E-mail : jrainville@blackrockmetals.com

(b) if to the Optionor at:

Les Ressources Tectonic Inc.
140, Avenue du Collège
Quebec, Quebec G1E 2Y7

Attention: Jean Laforest

E-mail: jlaforest@ressourcestectonic.com

16.19 Any notice, direction or other instrument will, if delivered, be deemed to have been given and received on the day after it was delivered, and if sent by telecommunication, facsimile or other similar form of communication, be deemed to have been given or received on the day it was so sent, if sent during the normal business hours of the recipient and otherwise on the first business day following the day it was so sent.

16.20 Any party may at any time give to the others notice in writing of any change of address of the party giving such notice and from and after the giving of such notice the address or addresses therein specified will be deemed to be the address of such party for the purposes of giving notice hereunder.

16.21 The Parties have requested that this Agreement and any notices or documents related thereto be drafted in the English language. Les parties aux présentes ont exigé que la présente convention ainsi que tous les avis ou documents qui s'y rapportent soient rédigés en anglais.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date indicated below.

Accepted and agreed to this 31st day of March, 2017.

EXPLORATIONS MPV INC.

By: Nathalie Laurin

Name: Nathalie Laurin

Title: Secretary

LES RESSOURCES TECTONIC INC.

By: [signature]

Name: Jean Lafleest

Title: Président

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SCHEDULE "A"
to the
OPTION AGREEMENT
dated April ■ , 2017

LIST OF CLAIMS

Titre	Expiration	Credits
CDC2181236	18-03-2019	$0
CDC2181237	18-03-2019	$0
CDC2181238	18-03-2019	$0
CDC2181239	18-03-2019	$0
CDC2181240	18-03-2019	$0
CDC2181241	18-03-2019	$0
CDC2182594	20-04-2019	$0
CDC2182595	20-04-2019	$0
CDC2182596	20-04-2019	$0
CDC2182597	20-04-2019	$0
CDC2182598	20-04-2019	$0
CDC2182599	20-04-2019	$0
CDC2421831	22-01-2019	$0
CDC2421832	22-01-2019	$0

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SCHEDULE "B"
to the
OPTION AGREEMENT
dated March 31st ,2017

1. For the purposes hereof, the "Net Smelter Return" or "NSR" shall mean the proceeds received by MPV from any smelter or other purchaser from the sale of any ores, concentrates or minerals produced from any or all of the Claims after deducting from such proceeds the following charges to the extent they were actually incurred by MPV or other purchaser and were not deducted by the smelter or other purchaser in computing the proceeds:

    (a) charges for treatment in the smelting, refining and other beneficiation process (including handling, processing, interest, and provisional settlement fees, weighing, sampling, assaying, umpire and representation costs, penalties, and other processor deductions or any similar expenses);

    (b) the actual costs of transportation (including, but not restricted to, loading, freight, insurance, security, transaction taxes, handling, port, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation and all similar costs) of products from the Properties to the place of treatment and then to the place of sale;

    (c) costs or charges of any nature for or in connection with insurance, storage, or representation at a smelter or refinery for products or refined metals;

    (d) sales, use, severance, excise, net proceeds of mine, and ad valorem taxes and any tax on or measured by mineral production and all other similar taxes, but not including income taxes; and

    (e) marketing costs.

2. (a) Where proceeds to be included under this Schedule are received by MPV in a transaction with a party with whom it is not dealing at arm's length, the proceeds to be included shall be based on the fair market value under the circumstances and at the time of the transaction.

    (b) Where costs deductible under this Schedule are incurred by MPV in a transaction with a party with whom it is not dealing at arm 's length, the cost to be deducted shall be the fair market cost under the circumstances and at the time of the transaction.

3. MPV may, but shall not be under any duty to, engage in price protection (hedging) or speculative transactions such as future contracts and commodity options in its sole discretion covering all or part of production from the Properties and none of the revenues, costs, profits or losses from such transactions shall be taken into account in calculating NSR or any interest therein.

4. MPV shall cause to be kept proper books of account, records and supporting materials covering all matters relevant to the calculation of the NSR and the reasonable verification thereof. The NSR shall be calculated at the end of the calendar quarter in which revenues are first received from the production of minerals and thereafter at the end of each subsequent calendar quarter during which revenues are received as aforesaid. The quarterly calculations, except for the last calendar quarter of NSR, shall be submitted to the Optionor within forty-five (45) days after the quarter involved. The calendar year-end calculation of NSR shall be submitted to the Optionor within seventy-five (75) days after the end of the calendar year. The year end calculation of NSR and the records relating thereto shall be reviewed by chartered accountants designated

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by MPV (which may be the auditor of MPV), and copies of a report thereon shall be delivered to MPV and to the Optionor. The Optionor shall have ninety (90) days after receipt of any report to object thereto in writing to MPV and, failing such objection, such report shall be deemed correct. If the Optionor shall object to any report and request a review, the accountant(s) shall be directed to review the records for the period in question and all costs relating to such review shall be paid by MPV if the original report is found to be in error to the benefit of MPV and, if not, by the Optionor. In addition, the Optionor may, on reasonable notice and at its own cost, ask for and carry out an independent review. MPV shall, for such purpose and at all reasonable times, at the Optionor's sole cost, permit agents of the Optionor to inspect and review and make copies from the aforesaid books of account, records and supporting materials relevant to the calculation of the NSR.

5. Payment of the NSR to the Optionor or shall be made by MPV within forty-five (45) days after the end of each calendar quarter based on the aforesaid calculations, other than the last calendar quarter in any year with respect to which the payment will be as estimated by MPV. Forthwith upon receipt of the calculation of the NSR for the year subject to such calculation, adjustments without interest in respect of the NSR for such year shall be made based upon the final statements so prepared for such year. For greater certainty, acceptance by the Optionor of any payment made by MPV hereunder shall not prejudice the right of the Optionor to protest or question the correctness of the amount of any such payment as contemplated herein. MPV shall pay the NSR, by cheque or bank draft payable in Canadian dollars to the Optionor at its principal place of business, or in such other manner or place as specified in writing by the Optionor.

6. If payment of any NSR is not made on the day such payment is due, then MPV shall pay interest on the delinquent payment at the prime rate charged by The Royal Bank of Canada (or its successors) on the day the delinquent payment was due. Interest shall accrue from the day the delinquent payment was due to the date of payment of the NSR and accrued interest.

7. MPV will have the right to commingle minerals from the Claims with metallurgically consistent minerals mined or removed from other properties owned by MPV or any affiliate thereof, either before or after concentration or beneficiation and before or after the commencement of commercial production, and to process such minerals at a common processing plant, whether located on or off the Claims, provided MPV shall adopt and employ reasonable practices and procedures for weighing, determination of moisture content, sampling and assaying such minerals for metal content and impurities and recording such data and utilize reasonably accurate recovery factors in order to determine the amount of economically recoverable products derived from such minerals (which shall be utilized to calculate the NSR). In addition, comparable procedures may be used by MPV to apportion among the commingled minerals any penalties imposed by a purchaser. MPV shall maintain accurate records of the results of such sampling, weighing and analysis and the Optionor shall be permitted the right, at all reasonable times and at its own cost, to observe such practices and procedures and to examine such records relating to any commingling of minerals.

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