

## MINERAL PROPERTY ACQUISITION AGREEMENT

**THIS AGREEMENT** (“Agreement”), dated for reference the 7th day of February 2017, is

**AMONG:** **JASKARN SINGH RAI** of 8978 Lindsay Pl., Surrey, BC V3V 6E3, **RITCHIE JOHN WIGHAM** of 207 St. Patrick’s Ave., North Vancouver, BC V7L 3N3 **GLEN COLIN MACDONALD** of 905 – 1600M Beach Avenue, Vancouver, BC V6G 1Y7 and **MAX BRADEN** of 3244 Kilipi Road, Mill Bay, BC V0R 2P3

(each a “Vendor” and collectively the “Vendors”)

### OF THE FIRST PART

**AND:** **SLAVE LAKE ZINC CORP.**, a British Columbia corporation, of 8978 Lindsay Pl., Surrey BC V3V 6E3

(the “Purchaser”)

### OF THE SECOND PART

**AND:** **1089621 B.C. Ltd.**, a British Columbia corporation, of 8978 Lindsay Pl., Surrey BC V3V 6E3

(the “Royalty Holder”)

### OF THE THIRD PART.

**WHEREAS** the Vendors are the registered and beneficial owners of an undivided 100% right, title and interest in and to the Property as hereafter defined;

**AND WHEREAS** the Royalty Holder is the holder of a 3.5% net smelter royalty on the Property;

**AND WHEREAS** the Purchaser is desirous of acquiring the Property, and the Vendors have agreed to sell the Property to the Purchaser on the terms and conditions contained in this Agreement;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the premises and the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

## 1. DEFINITIONS

1.01 In this Agreement:

- (a) **“Area of Interest”** means the area within ten kilometres of the outside perimeter of the Claim comprised in the Property;
- (b) **“Claim”** means the mineral claim comprised in the Property and listed in Schedule A hereto;
- (c) **“Closing”** has the meaning ascribed thereto in section 3.01;
- (d) **“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 percent of its rated concentrating capacity; or
  - (ii) if no Mill is 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 no period of time during which ore or concentrate is shipped from the Property for testing purposes, and no period of time during which milling operations are undertaken as initial tune-up, shall be taken into account in determining the date of Commencement of Commercial Production;
- (e) **“Property”** means and includes:
  - (i) the Claim; and
  - (ii) all rights and appurtenances pertaining to the Claim, including all water and water rights, rights of way, and easements, both recorded and unrecorded, to which the Vendors are now entitled in respect thereof; and
- (f) **“Royalty”** means the amount of royalty from time to time payable to the Royalty Holder hereunder and as defined in Section 9 and Schedule “B” herein.

## **2. ACQUISITION OF PROPERTY**

2.01 The Vendors hereby sell, assign and transfer to the Purchaser, and the Purchaser hereby purchases and acquires from the Vendors, an undivided 100% right, title and interest in and to the Property, subject to the Royalty, in consideration of the issuance by the Purchaser to each of the Vendors of the sum of \$1, the receipt and sufficiency of which is acknowledged by each of the Vendors, and the reimbursement of each of the Vendors’ reasonable expenses in acquiring, exploring and developing the Claim and the Property.

2.02 The Royalty Holder shall retain and be entitled to the Royalty on Net Smelter Returns as particularly described in Section 9 and Schedule “B”.

2.03 If any of the Vendors and/or associated parties acquires, through staking or otherwise, mineral claims or properties located within the Area of Interest, these properties or claims will be included under the terms of this Agreement and subject to the Royalty.

### **3. CLOSING**

3.01 The purchase and sale of the Property shall be completed at a closing (the “Closing”) to be held at a place and time as the parties may mutually agree to.

3.02 At the Closing, the Vendors shall deliver to the Purchaser such recordable transfers and related documents as the Purchaser may require in order to transfer into its name a 100% interest in the Claim and related interests comprising the Property.

### **4. TRANSFER OF DATA**

4.01 Forthwith upon the execution of this Agreement, the Vendors shall deliver to the Purchaser copies of all maps, reports, sample results, and other data and documentation relating to the Property in the possession of the Vendors relating to previous work on the Property conducted by any of the Vendors or obtained from third parties.

### **5. REPRESENTATIONS AND WARRANTIES**

5.01 each of the Vendors and the Royalty Holder hereby represents and warrants that:

- (a) each of the Vendors holds an undivided 25% interest in the Claim and the Vendors collectively are the sole and exclusive beneficial owners of a 100% interest in the Claim;
- (b) the Claim has been properly staked and recorded in compliance with the laws of the North West Territories;
- (c) there are no disputes over the title, staking or recording of any of the Claim or other interests comprising the Property and there are no disputes over the Royalty;
- (d) the Claim and other interests comprising the Property are in good standing and are free and clear of any royalty interests, liens, charges or encumbrances of any nature or kind whatsoever;
- (e) none of the Vendors or the Royalty Holder has done anything whereby the Claim or other interests comprising the Property may in any way be or become encumbered hereafter;
- (f) none of the Vendors or the Royalty Holder is aware of any circumstance whatsoever that would prevent the Purchaser from receiving a 100% unencumbered right, title and interest in and to the Claim and the other interests comprising the Property (subject to the Royalty) as a result of the completion of the sale and purchase contemplated herein;

- (g) each of the Vendors has full power and authority to enter into this Agreement and the entering into of this Agreement does not conflict with any applicable laws or any contract or other commitment to which he is party;
- (h) the Royalty Holder has full power and authority to enter into this Agreement and the entering into of this Agreement does not conflict with any applicable laws or any contract or other commitment to which it is party.

5.02 The Purchaser hereby represents and warrants that:

- (a) the Purchaser has full corporate power and authority to enter into this Agreement and the entering into of this Agreement does not conflict with any applicable laws or with its charter documents or any contract or other commitment to which it is party; and
- (b) the execution of this Agreement and the performance of its terms have been duly authorized by all necessary corporate actions including the resolution of its Board of Directors.

## **6. CONFIDENTIALITY OF INFORMATION**

6.01 The Vendors and the Royalty Holder shall treat all data, reports, records and other information of any nature whatsoever relating to this Agreement and the Property as confidential. None of the Vendors or the Royalty Holder shall, without the express written consent of the Purchaser, disclose to any third party any information concerning the Property or any operations thereon. If the shares of the Purchaser are listed on a stock exchange, then none of the Vendors or the Royalty Holder shall buy, sell or otherwise deal in the shares of the Purchaser while any material, confidential information in his possession relating to this Agreement or the Property remains undisclosed to the general public.

## **7. ARBITRATION**

7.01 If there is any disagreement, dispute or controversy (hereinafter collectively called a "Dispute") between the parties with respect to any matter arising under this Agreement or the construction hereof, then the Dispute shall be determined by arbitration in accordance with the following procedures:

- (a) the party on one side of the Dispute shall inform the other party by notice of the names of three impartial and independent persons who are recognized experts in the area which is the subject matter of the Dispute; and
- (b) the other party shall, within seven (7) days of receipt of the notice, inform the party on the other side of the Dispute the name of the one person that it wishes to act as the sole arbitrator.

7.02 The arbitration shall be conducted in accordance with the *Arbitration Act* (British Columbia) [RSBC 1996] Chapter 55 and the decision of the arbitrator shall be made within thirty (30) days following his being named, shall be based exclusively on the advancement of exploration,

development and production work on the Claim and not on the financial circumstances of the parties. The costs of arbitration shall be borne equally by the parties to the Dispute unless otherwise determined by the arbitrator in the award.

## **8. NOTICES**

8.01 Any notice, election, consent or other writing required or permitted to be given hereunder shall be deemed to be sufficiently given if delivered or mailed postage prepaid or if given by e-mail, addressed as follows:

In the case of Jaskarn Singh Rai:	8978 Lindsay Pl., Surrey BC V3V 6E3 e-mail: jrai123@gmail.com
In the case of Ritchie John Wigham:	207 St. Patrick's Ave., North Vancouver, BC V7L 3N3 Email: ritchzinc@gmail.com
In the case of Glen Colin Macdonald:	905 – 1600M Beach Avenue, Vancouver, BC V6G 1Y7 e-mail: geoglen@shaw.ca
In the case of Max Braden:	3244 Kilipi Road, Mill Bay, BC V0R 2P3 e-mail: mbraden@theedge.ca
In the case of the Purchaser:	Slave Lake Zinc Corp. 8978 Lindsay Pl., Surrey BC V3V 6E3 e-mail: jrai123@gmail.com
In the case of the Royalty Holder:	1089621 B.C. Ltd. 8978 Lindsay Pl., Surrey BC V3V 6E3 e-mail: jrai123@gmail.com

and any such notice given as aforesaid shall be deemed to have been given to the parties hereto if delivered, when delivered, or if mailed, on the third business day following the date of mailing, or, if e-mailed, on the day following transmittal, provided, however, that during the period of any postal interruption in Canada any notice given hereunder by mail shall be deemed to have been given only as of the date of actual delivery of the same. Any party may from time to time by notice in writing change its address for the purposes of this paragraph 8.01.

## **9. ROYALTY**

9.01 Upon the Commencement of Commercial Production, the Purchaser shall pay to the Royalty Holder the Royalty, being equal to 3.5% of Net Smelter Returns on the terms and conditions as set out in this section and in Schedule "B".

9.02 Installments of the Royalty payable under paragraph 9.01 above shall be paid by the Purchaser as follows:

- (a) within 60 days after the end of each of the Purchaser's first three fiscal quarters in each fiscal year and within 90 days of the end of the Purchaser's last fiscal quarter in each fiscal year, the Purchaser shall pay to the Royalty Holder an amount equal to 25% of the estimated Royalty, if any, for the fiscal year, adjusted if necessary after the first quarter of any fiscal year to reflect any change during the fiscal year in estimated Royalty; and
- (b) within 120 days after the end of the Purchaser's fiscal year, the balance, if any, of Royalty payable in respect of the fiscal year last completed.

9.03 After Commencement of Commercial Production, the Purchaser shall, within 60 days after the end of each fiscal quarter, furnish to the Royalty Holder quarterly unaudited statements respecting operations on the Property, together with a statement showing the calculation of Royalty for the fiscal quarter last completed.

9.04 Forthwith after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production occurs, the accounts of the Purchaser relating to operations on the Property may be audited by the auditors (if any) of the Purchaser, at its expense, and the statement of operations, which shall include the statement of calculation of Royalty for the year last completed. The Royalty Holder 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.

9.05 If the financial statements furnished pursuant to paragraph 9.04 disclose any overpayment of Royalty by the Purchaser during the fiscal year, the amount of the overpayment shall be debited against future installments of Royalty payable hereunder.

9.06 If the financial statements furnished pursuant to paragraph 9.04 disclose any underpayment of Royalty by the Purchaser during the year, the amount thereof shall be paid to the Royalty Holder forthwith after determination thereof.

9.07 The Purchaser 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 and other product from the Property, including accounts, records, statements and returns relating to treatment, milling and smelting arrangements of such product, and the Royalty Holder or its 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 at its own expense for the purpose of verifying the amount of Royalty payments to be made by the Purchaser to the Royalty Holder pursuant hereto. The Royalty Holder shall have the right at its own expense to have such accounts audited by independent auditors once each fiscal year.

9.08 The Purchaser may at any time purchase two-seventh (2/7th) of the Royalty from the Royalty Holder for \$1,000,000, after which the Royalty rate shall be reduced to 2.5% of Net Smelter Returns. After payment of the said \$1,000,000, the Purchaser may at any time purchase two-fifth (2/5th) of the remaining Royalty from the Royalty Holder for \$2,000,000, after which the Royalty rate shall be reduced to 1.5% of Net Smelter Returns.

9.09 The Purchaser shall be under no obligation whatsoever to place the Property into commercial production and in the event that the Property is placed into commercial production, the Purchaser shall have the right, at any time, to curtail or suspend such production as it, in its absolute discretion, may determine.

## **10. GENERAL TERMS AND CONDITIONS**

10.01 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement. A electronically signed or delivered copy of this Agreement, signed by a Party in counterpart or otherwise, shall be deemed to be and to constitute a properly executed, delivered and binding document of the Party so signing, notwithstanding any variation in the dates of execution.

10.02 The parties hereto hereby covenant and agree that they will execute such further agreements, conveyances and assurances as may be requisite, or which counsel for the parties may deem necessary to effectually carry out the intent of this Agreement.

10.03 This Agreement shall constitute the entire agreement between the parties with respect to the Property. No representations or inducements have been made save as herein set forth. No changes, alterations or modifications of this Agreement shall be binding upon either party until and unless a memorandum in writing to such effect shall have been signed by the parties hereto. This Agreement shall supersede all previous written, oral or implied understandings among the parties or among the Vendors and the Purchaser and the Royalty Holder with respect to the matters covered hereby.

10.04 Time shall be of the essence of this Agreement

10.05 The titles to the sections in this Agreement shall not be deemed to form part of this Agreement but shall be regarded as having been used for convenience of reference only.

10.06 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision shall be prohibited by or be invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

10.07 The Schedules to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. Defined terms contained in this Agreement shall have the same meanings where used in the Schedules.

10.08 This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia. The parties hereby attorn to the jurisdiction of the courts of the Province of British Columbia and agree to submit any disputes in respect of this Agreement to the courts of the Province of British Columbia.

10.09 Each of the Vendors and the Royalty Holder acknowledges and agrees that Genesis Law Corporation is legal counsel to the Purchaser only and has not provided any legal advice to any of the Vendors or the Royalty Holder. Each of the Vendors and the Royalty Holder further acknowledges and agrees that he or it has been given adequate opportunity to seek, and obtain, independent legal advice with respect to the subject matter of this Agreement and for the purpose of ensuring his or its rights and interests are protected. Each of the Vendors and the Royalty Holder represents and warrants to the Purchaser that he or it has sought independent legal advice or has consciously chosen not to do so with the full knowledge and understanding of the risks associated with not obtaining independent legal advice.

10.10 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns

**IN WITNESS WHEREOF** this Agreement has been executed by the parties hereto as of the day and year first above written.

**SLAVE LAKE ZINC CORP.**

**1089621 B.C. LTD.**

Per: "*Signed*"

Per: "*Signed*"

\_\_\_\_\_  
Authorized signatory

\_\_\_\_\_  
Authorized signatory

"*Signed*"

\_\_\_\_\_  
Jaskarn Singh Rai

"*Signed*"

\_\_\_\_\_  
Ritchie John Wigham

"*Signed*"

\_\_\_\_\_  
Glen Colin Macdonald

"*Signed*"

\_\_\_\_\_  
Max Braden



## **SCHEDULE "A"**

To that Agreement among Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald and Max Braden as the Vendors and Slave Lake Zinc Corp., as the Purchaser and 1089621 B.C. Ltd. as the Royalty Holder, dated for reference the 7th day of February 2017.

The mineral claim comprised in the Property is located within the South Slave Mining District of the North West Territories.

<b>Claim Tag Number</b>	<b>Claim Name</b>	<b>Map Number</b>	<b>Good to Date</b>	<b>Status</b>	<b>Area (hectares)</b>
F97540	MWK	NTS Map Sheet 75- E-O5	September 15, 2017	Active	188.12

The Claim is in good standing until September 15, 2017, pending two requirements to be fulfilled:

- (1) a final assessment report to be accepted by the North West Territories Mining Recorder to meet work obligations, which report has been filed and is being reviewed by the Mining Recorder's Office; and
- (2) the Claim has to be converted to a mining lease by September 15, 2017, and an application to have this done was filed by Max Braden in August 2016.

The Property is subject to a 3.5% net smelter returns royalty.

## **SCHEDULE "B"**

To that Agreement among Jaskarn Singh Rai, Ritchie John Wigham, Glen Colin Macdonald and Max Braden as the Vendors and Slave Lake Zinc Corp., as the Purchaser and 1089621 B.C. Ltd. as the Royalty Holder, dated for reference the 7th day of February 2017.

### **NET SMELTER RETURNS**

1. For the purposes of this Agreement:

(a) "Net Smelter Returns" shall mean the actual proceeds received from any mint, smelter or other purchaser for the sale of bullion, concentrates or ores produced from the Property and sold, after deducting from such proceeds the following charges to the extent that they are not deducted by the purchaser in computing payment:

- (i) in the case of the sale of bullion, refining charges only;
- (ii) in the case of the sale of concentrates, smelting and refining charges, penalties and the cost of transportation of such concentrates from the Property to any smelter or other purchaser; and
- (iii) in the case of ores shipped to a purchaser, refining charges for bullion and charges for smelting, refining and the cost of transportation from the mill to any smelter or other purchaser for concentrates.

(b) "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.

2. The Purchaser shall have the right to commingle with ore from the Property, ore produced from other properties owned or controlled by the Purchaser, provided the Purchaser shall adopt and employ reasonable practices and procedures for weighing, sampling and assaying in order to determine the amounts of products derived from, or attributable to, ore mined and produced from the Property. The Purchaser shall maintain accurate records of the results of such sampling, weighing and assaying with respect to any ore mined and produced from the Property. The Royalty Holder or its authorized agent shall be permitted the right to examine at all reasonable times such records pertaining to commingling of ores or to the calculations of Net Smelter Returns.

3. Commencing on the third anniversary of this Agreement and every year thereafter until Commencement of Commercial Production from the Property unless the Purchaser shall have abandoned the Property, the Purchaser shall pay the Royalty Holder an advance on Net Smelter Returns of \$2,500 per calendar quarter. Any advances on Net Smelter Returns paid under this paragraph shall be accumulated and be deductible from any Net Smelter Returns to the Royalty Holder to the extent such Net Smelter Returns payments exceed \$10,000 for any calendar year.

4. If, after Commencement of Commercial Production from the Property, Net Smelter Returns payable to the Royalty Holder for any calendar year are less than \$10,000, the Purchaser shall pay to the Royalty Holder on or before May 1 of the following year the difference between the \$10,000 and the amount of Net Smelter Returns payable for the said calendar year.