

**Cross River Ventures Corp.**

**VIA EMAIL**

October 11, 2019

Qualitas Holdings Corp.  
5215 – 6<sup>th</sup> Avenue  
Delta, British Columbia  
V4M 1L6

Attention: Jim Rankin

Dear Sirs:

**Re: Amendment of the Option Agreement dated December 6, 2017, as amended**

We hereby refer to the Option Agreement dated December 6, 2017, as amended August 8, 2019 (as amended, the "**Option Agreement**"), between Cross River Ventures Corp. ("**CRVC**"), a company incorporated under the laws of the Province of British Columbia, and Qualitas Holdings Corp. ("**Qualitas**"), a company incorporated under the laws of the Province of British Columbia, whereby Qualitas has granted CRVC the option (the "**Option**") to earn an 100% interest in and to the Property located on Northern Vancouver Island, British Columbia (as further defined in the Option Agreement).

This letter agreement ("**Letter Agreement**") confirms our agreement to further amend section 2.2 of the Option Agreement by replacing the phrase "on or before November 8, 2019" with "on or before February 8, 2020".

This Letter Agreement and the Option Agreement shall be read together and shall have effect as though all provisions hereof and thereof were contained in one agreement and any reference to the Option Agreement in any other document executed on or after the date of this Letter Agreement shall mean the Option Agreement as amended by this Letter Agreement.

This Letter Agreement may be executed and delivered by the parties hereto in one or more counterparts, each of which will be an original, and each of which may be delivered by e-mail, facsimile or functionally equivalent electronic means, and those counterparts will together constitute one and the same instrument.

Yours sincerely,

**CROSS RIVER VENTURES CORP.**

*"Dan Placzek"*

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~~Per: Dan Placzek, Director~~

Qualitas Holdings Corp. hereby agrees to the above amendment to the Option Agreement.

Dated: October 11, 2019

**QUALITAS HOLDINGS CORP.**

*"Jim Rankin"*

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~~Per: Jim Rankin~~

**Cross River Ventures Corp.**

**VIA EMAIL**

August 8, 2019

Qualitas Holdings Corp.  
5215 – 6<sup>th</sup> Avenue  
Delta, British Columbia  
V4M 1L6

Attention: Jim Rankin

Dear Sirs:

**Re: Amendment of the Option Agreement dated December 6, 2017**

We hereby refer to the Option Agreement dated December 6, 2017 (the "**Option Agreement**"), between Cross River Ventures Corp. ("**CRVC**"), a company incorporated under the laws of the Province of British Columbia, and Qualitas Holdings Corp. ("**Qualitas**"), a company incorporated under the laws of the Province of British Columbia, whereby Qualitas has granted CRVC the option (the "**Option**") to earn an 100% interest in and to the Property located on Northern Vancouver Island, British Columbia (as further defined in the Option Agreement).

This letter agreement ("**Letter Agreement**") confirms our agreement to amend section 2.2 of the Option Agreement by replacing the phrase "within 150 days of the Effective Date" with "on or before November 8, 2019".

This Letter Agreement also confirms our agreement that the number of Option Shares (as such term is defined in the Option Agreement) to be issued to Qualitas to exercise the Option shall not be adjusted to account for the consolidation of the issued and outstanding CRVC Common Shares on a two to one basis that took place following the effective date of the Option Agreement and the date of this Letter Agreement.

This Letter Agreement and the Option Agreement shall be read together and shall have effect as though all provisions hereof and thereof were contained in one agreement and any reference to the Option Agreement in any other document executed on or after the date of this Letter Agreement shall mean the Option Agreement as amended by this Letter Agreement.

This Letter Agreement may be executed and delivered by the parties hereto in one or more counterparts, each of which will be an original, and each of which may be delivered by e-mail, facsimile or functionally equivalent electronic means, and those counterparts will together constitute one and the same instrument.

Yours sincerely,

**CROSS RIVER VENTURES CORP.**

*"Dan Placzek"*

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Per: Dan Placzek, Director

Qualitas Holdings Corp. hereby agrees to the above amendments to the Option Agreement.

Dated: August 8, 2019

**QUALITAS HOLDINGS CORP.**

*"Jim Rankin"*

\_\_\_\_\_  
Per: Jim Rankin

THIS OPTION AGREEMENT dated for reference as of Dec 6<sup>th</sup>, 2017 (the "Effective Date").

BETWEEN:

**CROSS RIVER VENTURES CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia, with its registered office located at Suite 2300, 550 Burrard Street, Bentall 5, Vancouver, British Columbia, Canada, V6C 2B5

("CRVC")

AND:

**QUALITAS HOLDINGS CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia, with its head office located at 5215 – 6<sup>th</sup> Avenue, Delta, British Columbia, Canada, V4M 1L6

("Qualitas")

WHEREAS:

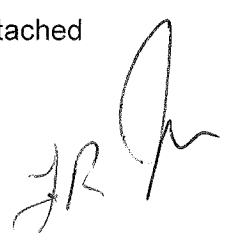
- A. Qualitas is the legal and beneficial owner of all right, title and interest in and to certain mineral claims known as the Tahsis Property, consisting of 5 claims totaling 4,866 hectares, located on Northern Vancouver Island, British Columbia, in the Nanaimo Mining Division and registered with the British Columbia Ministry of Energy, Mines, and Petroleum Resources Office, as more particularly as described in ~~Error! Reference source not found.~~ attached hereto (the "Property").
- B. CRVC is a privately-held company which is to seek the listing of its common shares on the CSE.
- C. CRVC wishes to acquire the Option (as hereinafter defined) to earn a 100% interest in and to the Property and Qualitas is willing to grant the Option upon and subject to the terms and conditions of this Agreement.
- D. The parties hereto acknowledge that the acquisition by CRVC of the Option is in connection with CRVC's application for listing on the CSE.

NOW THEREFORE, IN CONSIDERATION OF THE PAYMENT BY CRVC TO QUALITAS OF \$10.00, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED AND THE PREMISES AND THE MUTUAL COVENANTS HEREINAFTER SET OUT, THE PARTIES HERETO AGREE AS FOLLOWS:

**1. DEFINITIONS**

In this Agreement, the following terms will, except where inconsistent with the context, have the following meanings:

"**Agreement**" means this option agreement, together with the schedules attached hereto, as amended, supplemented or restated from time to time.



**"Applicable Law"** means, with respect to any person, property, transaction, event or other matter, any existing law, rule, statute, regulation, order, judgment, decree, treaty, grant, concession, franchise, licence or other requirement of any federal, regional, state, provincial, local, municipal, or international governmental or non-governmental body having the force of law (collectively, the **"Law"**) relating or applicable to such person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any existing formal and binding interpretation of the Law (or any part thereof) by any person having jurisdiction over it, or charged with its administration or interpretation.

**"Approval Date"** means the date which is the first Business Day after the date that the CSE has issued its approval in writing of the listing of the common shares of CRVC on the CSE.

**"Approved Expenditures"** means any exploration expenditures resulting or arising from, or relating to, geological and scientific surveys conducted on a mineral property where such surveys advance a mineral project or enhance an issuer's geoscientific database but does not include any of the following costs or expenses: general and administrative, land maintenance, public affairs, required property payments, staking, property or project acquisition, flight expenditures of personnel where the project or property is non-domestic, tax and GST.

**"ASC"** means the Alberta Securities Commission.

**"BCSC"** means the British Columbia Securities Commission.

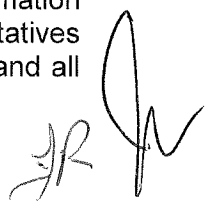
**"Business Day"** means a day, excluding a Saturday or Sunday, on which banks in Vancouver, BC are generally open for ordinary banking business.

**"CSE"** means the Canadian Securities Exchange.

**"Commercial Production"** means, and is deemed to have been achieved, when the concentrator processing ores, for other than testing purposes, has operated for a period of 30 consecutive production days at an average rate of not less than 60% of design capacity or, if a concentrator is not erected on the Property, when ores have been produced for a period of 30 consecutive production days at the rate of not less than 60% of the mining rate specified in a feasibility study recommending placing the Property in Commercial Production.

**"Confidential Information"** of a Party at any time means all information relating to the business, affairs, financial condition, assets, operations, prospects, trade secrets and other data in respect of such Party or any of its affiliates which,

- (a) at the time is of a confidential nature (whether or not specifically identified as confidential) and is known or should be known by each other Party or its Representatives as being confidential, and
- (b) has been or is from time to time made known to or is otherwise learned by any other Party or its Representatives as a result of the matters provided for in this Agreement, including all notes, analyses, compilations, evaluations, studies, maps, computer programs or data or other documentation or information whatsoever relating to the Party, or prepared by the recipient, its Representatives or others containing or based upon, in whole or in part, such information and all



non-public information obtained by visiting the facilities of the Party or its affiliates; but not including any information that at such time:

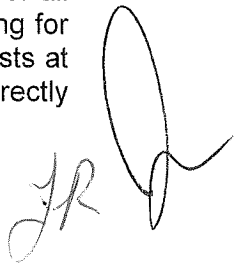
- (i) has become generally available to the public other than as a result of a disclosure by the other Party or any of its Representatives;
- (ii) was rightly available to the other Party or its Representatives on a non-confidential basis before the date of this Agreement; or
- (iii) becomes rightly available to the other Party or its Representatives on a non-confidential basis from a person other than the first-mentioned Party or any of its Representatives who is not, to the knowledge of such other Party or its Representatives, otherwise bound by confidentiality obligations to such first-mentioned Party in respect of such information or otherwise prohibited from transmitting the information to the other Party or its Representatives;

**"Encumbrance"** means any interest or equity of any person (including any right to acquire, option or right of pre-emption or first offer or first refusal) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or other security agreement or arrangement or any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, royalty, carried interest, deferred obligation or similar right or encumbrance.

**"Environmental Laws"** means all requirements of the common law or of environmental, health or safety statutes, regulations, rules, ordinances, policies, orders, approvals, notices, licenses, permits or directives of any federal, territorial, provincial or local judicial, regulatory or administrative agency, board or governmental authority including, but not limited to those relating to: (i) noise; (ii) pollution or protection of the air, surface water, ground water or land; (iii) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (iv) exposure to hazardous or toxic substances; or (v) the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of any lands.

**"Exercise Notice"** has the meaning defined in section 4.1.

**"Expenditures"** means, all eligible costs and expenses incurred by a Party on the Property including, but not limited to: monies expended in doing geophysical, geochemical and geological surveys, drilling, drifting and other surface and underground work, assaying and metallurgical testing and engineering and costs, fees and expenses which may be paid to obtain feasibility, engineering or other studies or reports on or with respect to the Property or any part of it, and in acquiring facilities for the Property and equipping the Property for and commencing Commercial Production (as hereinafter defined), including without limitation all taxes, management, legal and land fees associated with the management of the Property, the costs, fees and expenses of recording work for assessment credit under applicable legislation and property and mining taxes relating to or in respect of the Property; and in paying the fees, wages, salaries, travelling expenses and fringe benefits (whether or not required by law) of all persons engaged in work with respect to or for the benefit of the Property, in paying for the food, lodging and other reasonable needs of such persons and including all costs at prevailing charge out rates for any personnel who from time to time are engaged directly in work on the Property, such rates to be in accordance with industry standards.



**"Force Majeure"** means acts of God and of public enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests, and orders of courts or other lawful authorities, civil disturbances, government and military actions, strikes, and any other causes not within the control of the party claiming a suspension, which by the exercise of due diligence, such party will not be able to avoid or overcome.

**"Net Proceeds"** means the Sale Proceeds of Precious Metals less the Mining and Smelting Costs of Precious Metals.

**"Mining and Smelting Costs"** means the following charges levied by third parties to the extent that they are not deducted by the purchaser in computing payment:

- (a) assay costs and umpire assay costs charged by any mint, smelter, refinery or other purchaser;
- (b) smelting and refining charges, penalties, and the reasonable cost of transportation and handling of such minerals, concentrates, metals (including bullion) or products from the Property to any mint, smelter, refinery or other purchaser; and
- (c) related insurance on such minerals, concentrates, metals (including bullion) or products from the Property.

**"Option Shares"** means common shares of CRVC to be issued to Qualitas as provided herein in order to exercise the Option.

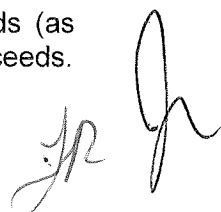
**"Party"** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns.

**"Precious Metals"** is defined as gold, silver, platinum, palladium and rare earth elements.

**"Property"** means the Tahsis property located on Northern Vancouver Island, British Columbia in the Nanaimo Mining Division and registered with the British Columbia Ministry of Energy, Mines, and Petroleum Resources Office, as more particularly described in **Error! Reference source not found.** and consisting in 5 claims, more particularly as described in **Error! Reference source not found.**, as well as all data regarding the "Tahsis Project" comprising, but not limited to, all financial information, agreements, documents, engineering reports, files, filings, geological data and reports, information and maps.

**"Representatives"** with respect to any Party means its affiliates and its and their respective directors, officers, employees, agents, counsel, consultants and other representatives and advisers.

**"Royalty"** means a three percent (3.0%) net smelter return ("**NSR**") royalty whereby the Mining and Smelting Costs (as hereinafter defined) attributed to the production of Precious Metals (as hereinafter defined) on the Property will be deducted by CRVC from the actual proceeds of the sale of Precious Metals mined from the Property, determined on a quarterly basis, with the 3.0% NSR royalty calculated on the Net Proceeds (as hereinafter defined), as outlined in the following formula:  $\text{Royalty} = 0.030 \times \text{Net Proceeds}$ .





“**Sale Proceeds**” means actual proceeds received from any mint, smelter, refinery or other purchaser from the sale of minerals, concentrates, metals (including bullion) or products derived from the Precious Metals on the Property and sold.

## 2. GRANT OF OPTION

2.1 For \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Qualitas hereby grants to CRVC the sole and exclusive right and option (the “**Option**”) to acquire an undivided 100% interest in and to Qualitas’ right, title and interest in and to the Property free and clear of all liens, charges and encumbrances of any kind whatsoever in accordance with the terms of this Agreement.

2.2 The issuance of the Option Shares as provided herein is subject to the listing of the CRVC common shares on the CSE. In the event that listing does not occur within 150 days of the Effective Date, this Agreement shall be deemed terminated, unless extended by mutual agreement by CRVC and Qualitas, and the provisions of section 5.3 of this Agreement shall apply accordingly.

## 3. EXERCISE OF OPTION

3.1 Subject to the terms of this Agreement, in order to exercise the Option, CRVC shall make the following payment, issue the following Option Shares and incur the following expenditures:

(a) Payments and Option Share Issuances. CRVC must:

(i) pay to Qualitas \$20,000 as a non-refundable deposit upon execution of this Agreement;

(ii) issue to Qualitas 300,000 Option Shares within ten business days of the Approval Date;

(iii) issue to Qualitas:

(A) 250,000 Option Shares on or before the 1st anniversary of the Approval Date; and

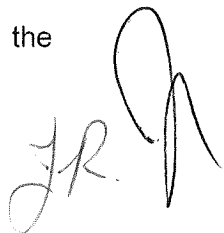
(B) 250,000 Option Shares on or before the 2nd anniversary of the Approval Date,

all of which Option Shares will be subject to such hold periods as are prescribed by applicable securities laws and the rules and policies of the CSE.

(b) Work Commitments. CRVC must incur the following Expenditures on the Property:

(i) a cumulative total of not less than \$100,000 in Expenditures on or before the first anniversary of the Approval Date (the “**First Expenditure Deadline**”); and

(ii) an additional \$150,000 on or before the second anniversary of the Approval Date (the “**Second Expenditure Deadline**”).



#### 4. EXERCISE OF OPTION

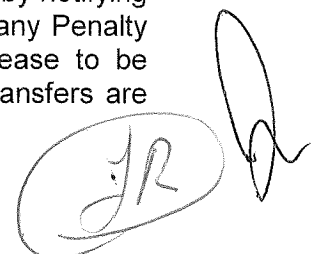
- 4.1 In the event that CRVC has satisfied the payments, share issuances and work commitments as set forth in Article 3, CRVC will have exercised the Option and CRVC may then deliver notice to Qualitas confirming that it has satisfied all the requirements to exercise the Option (the "**Exercise Notice**").
- 4.2 Upon receipt of the Exercise Notice from CRVC, 100% of Qualitas' right, title and interest in and to the Property will immediately vest in CRVC and Qualitas shall forthwith cause the transfer of the Property to CRVC.

#### 5. TERMINATION

- 5.1 If at any time prior to delivery of the Exercise Notice CRVC fails to perform any of its obligations under this Agreement which failure materially interferes with the implementation of this Agreement, Qualitas may terminate this Agreement provided that:
- (a) Qualitas has first delivered to CRVC written notice of such default containing particulars of the obligation which CRVC has not performed; and
  - (b) CRVC has not, within 30 days of the date such written notice is deemed delivered to it, cured such default or commenced proceedings to cure such default.

Qualitas may terminate this Agreement at any time after CRVC has failed to comply with subsection (b) above upon delivering written notice of such termination to CRVC and termination shall be effective on the date such notice is deemed delivered and the provisions of section 5.3 shall apply accordingly.

- 5.2 CRVC may terminate this Agreement at any time upon delivering written notice of such termination to Qualitas and termination shall be effective on the date such notice is deemed delivered and the provisions of section 5.3 shall apply accordingly.
- 5.3 In the event that this Agreement terminates pursuant to sections 2.2, 5.1 or 5.2, all of CRVC's obligations under this Agreement shall terminate on the date such notice is deemed delivered.
- 5.4 In the event that CRVC has terminated this Agreement and has not incurred a cumulative total of at least \$50,000 in Expenditures on or before the first anniversary of the Approval Date (the "**Required Expenditures**"), CRVC shall pay to Qualitas, as a penalty (the "**Penalty**"), the difference between \$50,000 and the amount of Expenditures actually completed as of the date of termination of this Agreement. However, the Penalty shall not be payable if CRVC's failure to incur the Required Expenditures arises from a breach of this Agreement by Qualitas or if Qualitas has not incurred a minimum of \$75,000 in Approved Expenditures on the Property on or before January 14, 2018 in compliance with section 7.2(d).
- 5.5 Notwithstanding any other term of this Agreement, CRVC may abandon its legal and beneficial interest in any claim or claims comprising the Property at any time by notifying Qualitas of its intention to do so, provided that CRVC has paid to Qualitas any Penalty owing pursuant to section 5.4. The abandoned claim or claims shall cease to be governed by the terms of this Agreement from the date such transfer or transfers are deemed delivered to Qualitas by CRVC.



## 6. TITLE

Qualitas will transfer or cause to transfer all registered title to the Property to CRVC or CRVC's agent or nominee immediately upon receipt of the Exercise Notice. Qualitas will do all such things and execute all such documents, or letters or notifications, or cause to do all such things and execute all such documents, or letters or notifications, as are necessary to transfer all legal title to the Property to CRVC or CRVC's agent or nominee.

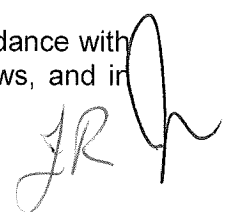
## 7. REPRESENTATIONS AND WARRANTIES

7.1 **Mutual Representations and Warranties of the Parties.** CRVC and Qualitas hereby represent and warrant to each other as follows:

- (a) **Incorporation and Good Standing.** It is a company duly incorporated under the laws of British Columbia, validly exists and is in good standing with respect to the filing of annual reports with the Registrar of Companies for British Columbia.
- (b) **Due Authorization.** It has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement have been duly authorized by all necessary action on its part.
- (c) **Enforceability of Obligations.** This Agreement has been duly executed and delivered by it and constitutes a valid and binding obligation of it enforceable against it in accordance with its terms, subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunction are only available in the discretion of the court from which they are sought.
- (d) **No Conflicts.** The execution and delivery by it of this Agreement, the performance of its obligations under this Agreement and the completion of the transactions contemplated under this Agreement will not:
  - (i) conflict with, or result in the breach of or the acceleration of any indebtedness under, or constitute default under its constating documents or any indenture, mortgage, agreement lease, license or other instrument of any kind whatsoever to which it is a party or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which it is bound; or
  - (ii) result in the violation by it of any law or regulation of any kind whatsoever.

7.2 **Representations and Warranties of Qualitas.** Qualitas represents and warrants to CRVC that:

- (a) **Title.** Qualitas is the legal owner of 100% of the interests in the Property, free and clear of any Encumbrances and has good and valid title to the Property, and the claims relating to the Property are in good standing with respect to all filings, and all taxes, charges and assessments have been paid in full as required under applicable laws and regulations.
- (b) **Proper Staking.** The Property has been located by Qualitas in accordance with the *Mineral Tenure Act* (British Columbia) and all other applicable laws, and in



accordance with industry standards and in a good workmanlike manner and are not in conflict with any prior surface rights.

- (c) **Recording.** Qualitas has caused the claims comprising the Property to have been filed, accepted and recorded as map claims with the British Columbia Ministry of Energy and Mines in accordance with the *Mineral Tenure Act* (British Columbia) and all other applicable laws.
- (d) **Approved Expenditures.** Qualitas will have incurred or caused to have been incurred a minimum of \$75,000 in Approved Expenditures on the Property within the past three years and on or before January 14, 2018 and assessment credits in the minimum amount of \$75,000 will be registered with the British Columbia Ministry of Energy and Mines once it has incurred the aforementioned \$75,000 in Approved Expenditures on the Property in full. Qualitas shall forthwith inform CRVC once it has incurred such Approved Expenditures in full.
- (e) **Approvals and Consents.** No approvals are required under the laws of any applicable jurisdiction or any third parties for the direct or indirect acquisition of an interest in the Property by CRVC.
- (f) **No Other Agreements.** Except as provided for by this Agreement, no person, firm, corporation or other entity of any kind whatsoever has any form of right to explore, develop or otherwise exploit the Property, and there are no outstanding agreements or options of any kind whatsoever to acquire or purchase the Property or any interest in the Property of any kind whatsoever, and no person has any royalty or other interest of any kind whatsoever in production from the Property except as provided for herein.
- (g) **Property Not Whole Undertaking.** The Property is not the whole or substantially the whole of the undertaking of Qualitas and shareholder approval is not required in order for Qualitas to dispose of the interest in the Property being disposed of pursuant to the terms of this Agreement.
- (h) **No Breaches.** To the best of its knowledge, Qualitas is not in breach of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever, including without limitation environmental laws.
- (i) **Information.** All information made available in writing to CRVC regarding the Property and Qualitas is or will be at the time of delivery true and accurate.
- (j) **No Litigation Etc.** There are no actions, suits, judgments, investigations or proceedings of any kind whatsoever outstanding, or to the best of its knowledge, pending or threatened against or affecting Qualitas at law or in equity or before or by any Federal, Provincial, State, Municipal or other governmental department, commission, board, bureau or agency of any kind whatsoever and there is no basis therefor.
- (k) **No Adverse Claims or Challenges.** To the best of its knowledge, there are no adverse claims or challenges of any kind whatsoever, including without limitation claims or challenges by native or aboriginal peoples, against or to the ownership of, or title to, the Property nor is there any basis therefor.
- (l) **The Property.** The Property is properly and accurately described in **Error! Reference source not found.** attached hereto.

- (m) **Environmental Laws.** All past and current operations on and relating to the Property have been or are being carried on in compliance with all applicable federal, provincial and municipal laws, including Environmental Laws.
- (n) **Spills.** There have been no material spills, discharges, leaks, emissions, ejections, escapes, dumpings or other releases of any kind of any toxic or hazardous substances in, on or under the Property or the environment surrounding it.
- (o) **Restrictions on Property.** Qualitas is not aware of any restriction or any proposed restriction which would hinder or prohibit CRVC's intended exploration, development and mining activities on the Property.
- (p) **Other Agreements.** The operation of the Property is not subject to any written or verbal operating, management, maintenance or other agreement.

7.3 **Representations and Warranties of CRVC.** CRVC represents and warrants to Qualitas that:

- (a) **Liabilities.** CRVC has no liabilities or material agreements which would prevent it from executing this Agreement.
- (b) **Consent and Approvals.** Except for CSE approval (and any third party consents imposed by them), no approvals are required under the laws of any applicable jurisdiction or from any third parties for the exercise of the Option and acquisition of the Property by CRVC, including without limitation the BCSC or the ASC.

7.4 **Duration of Representations and Warranties.** The representations and warranties of the parties shall remain in full force and effect during the term of this Agreement.

## 8. ROYALTY

8.1 Qualitas and CRVC acknowledge that the completion of the obligations as outlined in section 3.1 of this Agreement will result in CRVC acquiring 100% legal and beneficial interest in the Property, subject to Qualitas retaining the Royalty (a 3.0% NSR royalty) in the Property, of which CRVC will be entitled to re-purchase two-thirds of the Royalty as set forth below.

8.2 The Royalty will be paid in quarterly instalments on or before 90 days after the end of each quarterly financial reporting period of CRVC once Commercial Production commences on the Property.

8.3 In the event that Commercial Production is achieved on the Property, CRVC will have the right to purchase from Qualitas up to two-thirds of the Royalty (up to a 2.0% NSR royalty) for \$1,000,000 per 1.0% NSR royalty purchased.

## 9. ASSIGNMENT

CRVC may, at its discretion, assign this Agreement with Qualitas' written consent, which shall not be withheld acting reasonably. This Agreement, if assigned, will remain in full force and effect with the underlying benefits and 3.0% Royalty remaining to the benefit of Qualitas, or bought down by CRVC or its assign in accordance with the terms and conditions of this Agreement, unless terminated in accordance with Article 5.

## 10. AREA OF COMMON INTEREST

- 10.1 The Parties agree to the establishment of an area of interest which covers all land within 2 kilometers of the boundary of the Property.
- 10.2 In the event that Qualitas acquires, directly or indirectly, mining permits in the area of common interest, Qualitas must first offer the acquired mining permits to CRVC at staking cost plus 20%. Qualitas will deliver to CRVC 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 CRVC of the Permit Notice, CRVC will have the exclusive right to purchase the acquired mining permits for the same consideration and on the same terms and conditions specified in the Permit Notice by giving notice to Qualitas. If CRVC does not give notice to Qualitas within such 30 day period, Qualitas will be free to keep the acquired mining permits and ultimately sell them to a third party.

## 11. COVENANTS AND AGREEMENTS

- 11.1 Qualitas hereby acknowledges and agrees that upon execution of this Agreement, and after Qualitas has completed the Approved Expenditures in accordance with section 7.2(d) hereof, CRVC, its servants, agents and independent contractors, shall have the sole and exclusive right to explore and develop the Property, including, but not limited to, the sole and exclusive right to:

- (a) enter on the Property and have sole and exclusive and quiet possession thereof;
- (b) conduct such prospecting, exploration and development and other mining exploration work as CRVC in its sole discretion may determine advisable;
- (c) bring upon and/or erect upon the Property, or any portion thereof, such buildings, plants, machinery and equipment as CRVC may in its sole discretion deem advisable; and
- (d) remove and dispose of reasonable quantities of ores, mineral and metals for the purposes of obtaining assays or making other tests as CRVC may in its sole discretion deem advisable; and
- (e) do all such further acts as may be, from time to time, reasonably necessary to carry out the full intent and meaning of this Agreement.

- 11.2 CRVC covenants and agrees with Qualitas that, from and including the Effective Date through to and including the Exercise Date, CRVC shall:

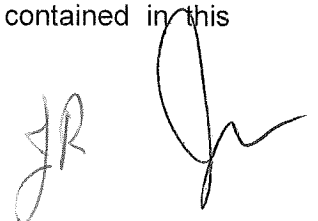
- (a) maintain the claims comprising the Property in good standing by doing and filing assessment work or making payments in lieu thereof, and by paying taxes and rentals and performing of all other actions which may be necessary in that regard, save and except as otherwise provided for herein;
- (b) to the best of its ability, perform all work on the Property in a good and workmanlike fashion in accordance with sound mining and engineering practices and in accordance with all applicable laws and regulations of all applicable governmental authorities; and

A handwritten signature in black ink, appearing to be 'JR' followed by a stylized flourish.

- (c) subject to the provisions of section 11.3, permit the directors, employees and authorized agents of Qualitas, at their own risk and expense, access to the Property at all reasonable times.
- 11.3 Qualitas hereby agrees to indemnify CRVC against, and save CRVC harmless from, all costs, claims, liabilities, damages and expenses of any kind whatsoever that CRVC may incur or suffer as a result of any injury (including injury causing death) to any director, employee or authorized agent of Qualitas while on the Property.
- 11.4 CRVC and Qualitas covenant and agree each with the other that:
- (a) prior to the Exercise Date, neither party shall sell, assign, transfer, mortgage, charge or otherwise encumber the Property or any part thereof, or any interest in them without the prior written consent of the other party; and
  - (b) during the term of this Agreement, Confidential Information shall not be disclosed by either party hereto to any other party (except to its Representatives) without the previous written consent of the other party hereto, such consent not to be unreasonably withheld, except to the extent that such disclosure may be necessary for observance of the requirements of securities commissions, stock exchanges or other legal requirements or for the accomplishment of the purposes of this Agreement. If a party does not give a definitive written reply to any request for permission to disclose on the second business day following the date of this Agreement. If a party does not give a definitive written reply to any request for permission to disclose on the second business day following the date request for same is deemed delivered, consent to such disclosure shall be deemed to have been given. Notwithstanding the foregoing, each Party may disclose Confidential Information to its Representatives or to any third party, provided that it procures that the Representative or proposed third party will be bound by the confidentiality undertakings set out in this Agreement.

## 12. GENERAL TERMS

- 12.1 **Expenses.** Each Party will be responsible for all legal and other expenses incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement.
- 12.2 **Announcements.** The Parties acknowledge that they may be required to make a public announcement regarding the arrangements contemplated by this Agreement upon execution thereof. If such disclosure is required, the Parties will consult regarding the wording and issuance of public disclosure.
- 12.3 **Indemnification.** Qualitas will indemnify and save harmless CRVC from and against all suits, claims, demands, losses and expenses arising out of operations conducted upon the Property by Qualitas or its contractors prior to the date of this Agreement. Each Party will indemnify and hold the other Parties harmless in respect of any claim, demand, action, cause of action, damage, loss, cost, liability or expense which may be made or brought against any other Party or which such Party may suffer or incur directly or indirectly as a result of, in respect of or arising out of the first Party concurring from any incorrectness in or breach of any representation or warranty contained in this Agreement.



12.4 **No Pledge.** Neither Party can pledge or otherwise encumber its interest in the Property without the written consent of the other Party hereto, including royalties or any other financing instrument.

12.5 **Notices.** Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement will be in writing and will be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent prepaid by fax or other similar means of electronic communication, in each case to the applicable address set out below:

If to Qualitas:

**Mailing Address** 5215 6<sup>th</sup> Avenue  
Delta, British Columbia  
Canada, V4M 1L6

**Contact Person** Jim Rankin

**Fax Number** (604) 943-7820

**E-mail address** [eml@dccnet.com](mailto:eml@dccnet.com)

If to CRVC:

**Mailing Address** Suite 2300, 550 Burrard Street  
Vancouver, British Columbia  
Canada, V6C 2B5

**Contact Person** John Fraser

**E-mail address** [johnnyfraz@gmail.com](mailto:johnnyfraz@gmail.com)

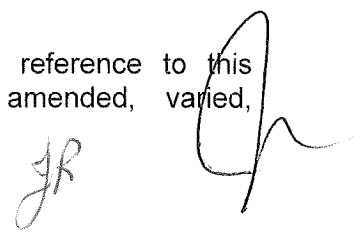
or to such addresses as each Party may from time to time specify by notice.

Any notice will be deemed to have been given and received:

- (a) if personally delivered, then on the day if personally delivered, then on the day of personal service to the recipient Party, provided that if such date is a day other than a Business Day such notice will be deemed to have been given and received on the first Business Day following the date of personal service;
- (b) if sent by email transmission and successfully transmitted prior to 5:00 pm on a Business Day (recipient Party time), then on that Business Day, and if transmitted after 5:00 pm on that day then on the first Business Day following the date of transmission.

12.6 **Interpretation.** Unless the context otherwise requires, in this Agreement:

- (a) The headings to the Articles, Sections, subsections or clauses of this Agreement are inserted for convenience only and are not intended to affect the construction hereof;
- (b) this Agreement will be read with such changes in gender or number as the context requires;
- (c) a reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, varied,





supplemented, novated or replaced except to the extent prohibited by this Agreement or that other agreement or document;

- (d) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation, code, by-law, ordinance or statutory instrument issued under it;
- (e) a reference to writing includes a facsimile or electronic mail transmission and any means of reproducing words in a tangible and permanently visible form;
- (f) headings and any table of contents or index are for convenience only and do not form part of this Agreement or affect its interpretation;
- (g) if an act must be done on a specified day which is not a Business Day, it must be done instead on the next Business Day; and
- (h) if any provision of this Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, the remaining provisions will nevertheless be and remain valid and subsisting and the said remaining provisions will be construed as if this Agreement had been executed without the illegal, invalid or unenforceable portion.

12.7 **Currency.** All dollar amounts expressed herein, unless otherwise specified, refer to lawful currency of Canada.

12.8 **Knowledge.** Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Qualitas, Qualitas confirms that it has made due and diligent inquiry of such persons as considered necessary.

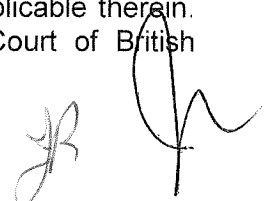
12.9 **Entire Agreement.** This Agreement including the Schedule hereto are the full expression of the Parties' intentions and rights and the entire agreement between them and supersede all prior agreements, understandings, negotiations and discussions whether oral or written of the Parties. No amendment or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any other provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provisions nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

12.10 **Further Assurances.** The Parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement.

12.11 **Manner of Payment.** All cash payments to be made to any Party may be made by wire transfer to a bank account the details of which are provided by the receiving Party to the sending Party or by certified cheque or draft delivered to such Party at its address for notice purposes as provided herein.

12.12 **Enurement.** This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

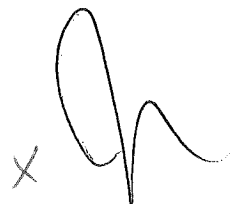
12.13 **Governing Law.** This Agreement will be governed by and interpreted in accordance with the laws of British Columbia and the laws of Canada generally applicable therein. Each Party irrevocably submits to the jurisdiction of the Supreme Court of British



Columbia in Vancouver, British Columbia with respect to any matter arising under or related to this Agreement.

12.14 **Time of the Essence.** Time is of the essence in the performance of each obligation under this Agreement.

*[Remaining of page left intentionally blank.]*

A handwritten signature in black ink, consisting of a large, stylized initial 'A' followed by a cursive 'n' and a trailing flourish. A small 'x' is written to the left of the signature.

12.15 **Counterparts.** This Agreement may be executed in any number of counterparts and all such counterparts, taken together, will be deemed to constitute one and the same instrument. This Agreement may be signed by facsimile.

**IN WITNESS WHEREOF** this Agreement has been executed as of the date first above given.

**CROSS RIVER VENTURES CORP.**

*"John Fraser"*

Name:

Title:

*JOHN FRASER*  
*CEO/CFO*

**QUALITAS HOLDINGS CORP.**

*"Jim Rankin"*

Name: Jim Rankin

Title:

*President*  
*CEO*

## SCHEDULE "A"

### THE PROPERTY

<b>Title Number</b>	<b>Claim Name</b>	<b>Issue Date</b>	<b>Good To Date</b>	<b>Area (ha)</b>
1046318	TAS 1	2016/AUG/29	2018/JAN/15	707.8735
1046319	TAS 2	2016/AUG/29	2018/JAN/15	1456.572
1046320	TAS 3	2016/AUG/29	2018/JAN/15	935.4725
1046321	TAS 4	2016/AUG/29	2018/JAN/15	1038.7511
1046322	TAS 5	2016/AUG/29	2018/JAN/15	726.8611