

ROYALTY AGREEMENT

THIS AGREEMENT made as of the 30th day of April, 2020,

BETWEEN:

SPARK MINERALS INC., a corporation incorporated pursuant to the laws of the Province of Nova Scotia

(hereinafter called "**Spark**"),

– and –

MAXIMOS METALS CORP., a corporation incorporated pursuant to the laws of Canada

(hereinafter called "**Maximos**")

- and -

GRAVEL DEVELOPMENTS INC., a corporation incorporated pursuant to the laws of the Province of Nova Scotia

(hereinafter called "**Gravel**"),

– and –

JOHN SHURKO INC., a corporation incorporated pursuant to the laws of the Province of Nova Scotia

(hereinafter called "**Shurko**" and together with Maximos and Gravel, referred to herein as the " **Holders**"),

WHEREAS Spark has agreed to create, grant and convey to the Holders, the Royalty, as provided for herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants, agreements, representations, warranties and indemnities of the Parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows:

ARTICLE I INTERPRETATION

1.1 Definitions

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) "Affiliate" means, with respect to any Person, any other Person which directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is

under common control with, such Person. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

- (b) "Arm's Length" has the meaning given to that term in the *Income Tax Act* (Canada).
- (c) "Associate" has the meaning set out in the *Securities Act* (Nova Scotia), as amended.
- (d) "Business Day" means a day other than a Saturday, a Sunday or any other day on which the principal chartered banks located in Halifax, Nova Scotia and Toronto, Ontario are not open for business.
- (e) "Hedging Transactions" has the meaning given to it in Section 6.1.
- (f) "Interest" has the meaning given to it in Section 3.4.
- (g) "Loss" means an insured loss of or damage to Products, whether or not occurring on or off the Property and whether the Products are in the possession of Spark or its Affiliates or otherwise.
- (h) "Offer" has the meaning given to it in Section 10.2(a).
- (i) "Offeror" has the meaning given to it in Section 10.2(a).
- (j) "Parties" means the parties to this Agreement, and "Party" means any one of the Parties.
- (k) "Person" means and includes individuals, corporations, bodies corporate, limited or general partnerships, joint stock companies, limited liability companies, joint ventures, associations, companies, trusts, banks, trust companies, governmental bodies or any other type of organization or entity, whether or not a legal entity.
- (l) "Place of Delivery" means an account at a chartered bank in Canada specified in writing to Spark by the applicable Holder at least 10 Business Days prior to the date of Payment.
- (m) "Prime" means at any particular time, the reference rate of interest, expressed as a rate per annum, that the Bank of Nova Scotia establishes as its prime rate of interest in order to determine interest rates that it will charge for demand loans in Canadian dollars to its most credit worthy customers in Canada.
- (n) "Processing Returns" means, with respect to each Quarter (and without duplication):
 - (A) in all cases other than gold and silver and other than clause (C) below, the actual gross proceeds received during such Quarter by Spark from the sale or other disposition of Products;

- (B) in the case of Products comprised of gold and silver processed at a refinery, the number of ounces of refined gold and refined silver credited to the account of Spark during such Quarter multiplied by the applicable Reference Price; and
- (C) in the event that there is a Loss of Products, an amount equal to the sum of the insurance proceeds actually received by Spark during such Quarter (less any costs and expenses incurred in connection therewith) in respect of such Loss,

less the following expenses, to the extent incurred in respect of the Products for which payment or credit is received during such Quarter:

- (i) all taxes based directly on or assessed against the value or quantity of Products produced from the Property, including the following:

- direct sales tax;
- use taxes;
- gross receipts taxes;
- severance taxes; and
- crown royalties;

but excluding any and all taxes based upon the net or gross income of Spark or other operator of the Property, the value of the Property or the privilege of doing business and other taxes assessed on a similar basis;

- (ii) all transportation costs, including related insurance costs, for transportation of Products from the Property to a Processor or to the point of sale, and all direct charges and/or costs charged by any Processor of the Products (provided such charges or costs have not been previously deducted by Spark or such Processor); provided that if any processing is carried out at facilities owned or controlled, in whole or in part, by Spark, then the charges and costs for such processing (but not including mining) of such Products shall be the lesser of: (A) the charges and costs Spark would have incurred if such processing was carried out at facilities that are not owned or controlled by Spark and that are offering comparable services for comparable products; and (B) the actual charges and costs incurred by Spark with respect to such processing; and
- (iii) all actual selling, marketing and brokerage costs, including any sales commissions, relating to the sale or disposition of Products.

- (o) "Processor" means collectively any mill or other processor, refiner or smelter of the Products which processes, refines or smelts any Products to the final product stage before sale or other disposition by or for the account of Spark.

- (p) "Products" means all ores, minerals, mineral products mined, produced, extracted, derived or otherwise recovered from the Property and includes all beneficiated and other mineral products produced or derived therefrom.

- (q) "Property" means (i) the property described in Schedule "A" hereto, (ii) any property within five kilometres of the boundary of the property described in Schedule "A" hereto and (iii) any property otherwise contiguous with the properties described in parts (i) and (ii) of this definition, in each case owned by Spark or its Affiliates or in respect of which Spark or its Affiliates hold the mineral rights now or in the future.
- (r) "Quarter" means each three month fiscal period ending on March 31, June 30, September 30 or December 31.
- (s) "Reference Price", for any given Quarter, means:
 - (i) for gold, the quarterly average of the afternoon per ounce LBMA Gold Price in U.S. dollars quoted by the London Bullion Market Association (currently in partnership with ICE Benchmark Administration) for refined gold for such Quarter, calculated by dividing the sum of all such quotations during such Quarter by the number of such quotations; provided that if, for any reason, the London Bullion Market Association is no longer in operation or the price of refined gold is not confirmed, acknowledged by or quoted by the London Bullion Market Association, the Reference Price for gold shall be determined by reference to the price of refined gold in the manner endorsed by the London Bullion Market Association (if in operation) and World Gold Council; and
 - (ii) for silver, the quarterly average of the daily per ounce LBMA Silver Price in U.S. dollars quoted by the London Bullion Market Association (currently in partnership with CME Group and Thomson Reuters) for refined silver for such Quarter, calculated by dividing the sum of all such quotations during such Quarter by the number of such quotations; provided that if, for any reason, the price of refined silver is not confirmed, acknowledged by or quoted by the London Bullion Market Association, the Reference Price for silver shall be determined by reference to the price of refined silver in the manner endorsed by the London Bullion Market Association.

Should any of the price quotations referred to above cease to exist, cease to be published or should no longer be internationally recognized as the basis for the settlement of the applicable commodity, then, upon the request of either of them, Spark and the Holders shall promptly meet to select a comparable commodity quotation for purposes of this Agreement. The basic objective of such selection shall be to secure the continuity of fair market pricing of such commodity.

- (t) "ROFR Purchaser" has the meaning given to it in Section 10.2(b).
- (u) "ROFR Vendor" has the meaning given to it in Section 10.2(b).
- (v) "Royalty" shall have the meaning set out in Section 2.1.
- (w) "Royalty Interest" has the meaning given to it in Section 10.2(a).
- (x) "Second Offer" has the meaning given to it in Section 10.2(a).

1.2 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.

1.3 Severability

If any provision of this Agreement is determined by an arbitrator or a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect, without amendment.

1.4 Applicable Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein and this Agreement shall in all respects be treated as a Nova Scotia contract.

1.5 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the Parties and their respective heirs, executors, permitted representatives, successors and permitted assigns. No Party may assign any of its rights or obligations hereunder without the prior written consent of the other Parties which consent shall not be unreasonably withheld or delayed.

1.6 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any Party unless consented to in writing by such Party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided.

1.7 Currency

Unless specified otherwise, all dollar amounts expressed in this Agreement refer to, and all payments contemplated hereby shall be made in, lawful Canadian currency.

1.8 Headings

The headings used in this Agreement, and its division into articles, sections, schedules, and other subdivisions, do not affect its interpretation. Unless otherwise indicated, references in this Agreement to articles, sections, schedules, and other subdivisions are to those parts of this Agreement.

1.9 Calculation of Time.

In this Agreement, a period of days begins on the first day after the event that began the period and ends at 5:00 p.m. (Toronto time) on the last day of the period. Except with respect to the last day of a Quarter, if any period of time is to expire, or any action or event is to occur, on any day,

that is not a Business Day, the period expires, or the action or event is considered to occur, at or not later than 5:00 p.m. (Toronto time) on the next Business Day.

1.10 Interpretation of this Agreement.

The Parties acknowledge that they have each participated in settling the terms of this Agreement. The Parties agree that any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting Party will not apply in interpreting this Agreement.

**ARTICLE II
GRANT OF ROYALTY AND OPERATIONS**

2.1 Royalty

Spark hereby creates, grants and conveys to the Holders, a perpetual royalty (the "**Royalty**") in respect of the Products equal to 2% of Processing Returns, payable quarterly as set forth in Section 3.1 and otherwise in accordance with the provisions of this Agreement. Spark and the Holders expressly acknowledge and agree that the grant, sale, transfer and conveyance of the Royalty is effective as of date hereof and is intended to run with and bind each part of the Property and the rights of Spark thereto and shall be binding upon the successors and assigns of Spark and all successors of Spark in rights to the Property. The Parties hereto agree that the Royalty shall be paid 65% to Maximos Metals Corp. and 35% split equally between Shurko and Gravel.

**ARTICLE III
TIME, CALCULATION AND MANNER OF ROYALTY PAYMENTS**

3.1 Time and Calculation of Payment

The Royalty payment shall be calculated and paid for each Quarter of each calendar year during the term of this Agreement, commencing on the date hereof, provided that the first Quarter shall begin on the date hereof and end on the last day of the Quarter in which such date falls. The Royalty payment for each Quarter shall be calculated with respect to each applicable mineral by multiplying 0.02 and the amount of Processing Returns with respect to each applicable mineral for which payment or credit is received by Spark during such Quarter (as provided herein) and shall be paid to the Holders by Spark in a single payment by wire transfer in Canadian dollars, on or before the day that is forty-five (45) days after the last day of each Quarter. Any adjustment to the determination of any Royalty payment (including as a result of a provisional payment from a Processor or other third party) shall be applied to the next scheduled Royalty payment. All such Royalty and adjustment payments shall be delivered to the Holders at the applicable Place of Delivery.

3.2 Statements.

At the time each Royalty payment is paid to the Holders, Spark shall prepare and deliver to the Holders a statement setting out in reasonable detail the manner in which such Royalty payment was calculated, including: (i) the quantities of Products sold or otherwise disposed of by Spark with respect to such Quarter or the amount of Products produced and credited to the account of Spark for such Quarter, as the case may be; (ii) the calculation of the applicable Processing Returns; (iii) the calculation of Interest accrued on such Royalty payment, if any; and (iv) the calculation of any

withholding or deduction in respect of the Royalty for remittance to an applicable governmental authority pursuant to Section 3.6.

3.3 Owner Credited with Disposition.

Notwithstanding the terms of any other provision in this Agreement, Spark shall not be obligated to make any Royalty payment before Spark has received or been credited with the proceeds from the sale or other disposition of Products (but for greater certainty, shall be obligated to make such payment after receiving or being credited with such proceeds).

3.4 Objections by Holder.

A Holder may object in writing to any statement or Royalty payment amount within three (3) months of the receipt by such Holder of the relevant statement in respect of such payment. If it is determined by agreement of the Parties or by arbitration that any Royalty payment has not been properly paid in full as provided herein, Spark shall pay interest on the delinquent amount at a rate per annum of Prime plus 2% per annum ("Interest"), commencing on the date on which such delinquent amount was properly due and continuing until the date on which the Holder receives payment in full of such delinquent amount and all accrued interest thereon. For the purposes of this subsection, Prime shall be determined as of the date on which such delinquent amount was properly due.

3.5 Overpayment.

If any portion of any Royalty payment (and any related Interest amount) was overpaid, Spark shall be entitled to offset such amount against the next Royalty payment.

3.6 Withholding or Deductions.

All Royalty payments, including Interest, if any, will be made subject to withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied on such payment by or on behalf of any governmental authority having power and jurisdiction to tax and for which Spark is obligated in law to withhold or deduct and remit to such governmental authority and no gross-up or make-whole payment shall be made in respect of such withholding. Spark shall set out in detail in the statement referred to in Section 3.2 any amount so withheld or deducted.

3.7 No Deduction for Certain Costs.

All Royalty payments shall be made without deduction or set off for costs of production, mining, milling, processing, transportation, taxes or other expenses whatsoever, except as expressly provided in this Agreement.

3.8 Tailings.

All tailings, residues, waste rock, spoiled leach materials and other materials resulting from Spark's operations and activities on the Property shall be the sole property of Spark, but shall remain subject to the obligation to pay the Royalty should the same be processed or reprocessed, as the case may be, in the future and result in the production of Products.

ARTICLE IV MANAGEMENT OF OPERATIONS

4.1 Owner to Determine Operations

The Holders acknowledge and agree that all decisions concerning methods, the extent, times, procedures and techniques of any:

- (a) exploration, development and mining related to the Property;
- (b) leaching, milling, processing or extraction;
- (c) materials to be introduced on or to the Property or produced therefrom; and
- (d) decisions concerning the sale or other disposition of Products from the Property,

shall be made by Spark in its sole and absolute discretion, The Holders agree that Spark shall not be responsible to the Holders for or obliged to make any Royalty payments for Products or Product value lost in any mining or processing of the Products.

4.2 Suspension and Abandonment of the Property.

Spark may suspend operations on, in or under the Property (or any part thereof) from time to time or at any time, in its sole and absolute discretion. In addition, Spark shall be entitled to abandon the Property (or any part thereof) in its sole and absolute discretion. Upon such abandonment, this Agreement shall be null and void and of no further force or effect with respect to such part or parts of the Property that are the subject of such abandonment, provided that if Spark or any Affiliate of Spark reacquires rights in respect of such part or parts of the Property at any time after such abandonment, this Agreement and the Royalty shall again be of force and effect and shall apply to any Products derived therefrom.

4.3 Commingling,

Commingling of Products from the Property with other ores, (lore, concentrates, metals, minerals or mineral by-products produced elsewhere is permitted, provided that reasonable and customary procedures are established by Spark for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Products and in the other ores, dore, concentrates, metals, minerals and mineral by-products.

4.4 Sales to or Processing by Affiliates.

Spark will be permitted to sell Products in the form of raw ore, dore, concentrates or otherwise to an Affiliate of Spark, provided that such sales will be deemed, for the purposes of this Agreement, to have been sold at prices and on terms no less favourable to Spark than those that would be extended by an unaffiliated third person in an arm's length transaction under similar circumstances. Spark will be permitted to contract with an Affiliate of Spark or an unaffiliated third person for the smelting or other processing of Products, provided that in the case of a contract with an Affiliate, such contract is on an arm's length basis at market terms.

4.5 *Maintain Insurance.*

Spark shall use commercially reasonable efforts to maintain in good standing any policies of insurance maintained by Spark in respect of the Property or Products and present all claims under such policies in a due and timely manner.

**ARTICLE V
TERM**

5.1 *Term*

This Agreement shall continue in perpetuity, it being the intent of the Parties that the Royalty shall constitute a covenant running with and binding upon the rights of Spark to the Property and all accessions thereto and all successions thereof, whether created privately or through governmental action, and binding upon the successors and assigns of Spark. If any right, power or interest of either Party would violate the rule against perpetuities, then such right, power or interest shall terminate at the expiration of 20 years after the death of the last survivor of all the lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the date of this Agreement.

**ARTICLE VI
HEDGING TRANSACTIONS**

6.1 *Hedging Transactions*

All profits, losses and expenses resulting from Spark engaging in any commodity futures trading, option trading, metals trading, metal loans, and any other hedging transactions or any combination thereof (collectively "Hedging Transactions") are specifically excluded from calculations of Royalty payments pursuant to this Agreement. All Hedging Transactions shall be for Spark's sole account and shall not affect the calculation and payment to the Holders of the Royalty payment which shall be calculated and paid in accordance with Article III without regard for any Hedging Transactions. In the case of a Hedging Transaction in respect of a Product which is not gold or silver, the applicable Processing Returns shall be calculated as the quantity of the applicable Product for which Spark received payment during such Quarter multiplied by the applicable reference price, less the deductions set forth in clauses (i) through (iii) of the definition of Processing Returns. The applicable reference price is to be determined using the quarterly average of the daily COMEX price for the given commodity calculated in a comparable manner as used for determining the Reference Price for gold and silver, subject to the last paragraph of the definition of "Reference Price".

**ARTICLE VII
BOOKS; RECORDS; INSPECTIONS**

7.1 *Right to Audit*

Spark shall keep true, complete and accurate books and records of its sales or other dispositions of Products, prepared in all material respects in accordance with industry standards consistently applied. Subject to complying with the confidentiality provisions of this Agreement, the Holders and/or their authorized representatives shall be entitled, upon delivery of five (5) Business Days advance notice, and during the normal business hours of Spark, to perform audits or other reviews and examinations of Spark's books and records relevant to the calculation and payment of the Royalty pursuant to this Agreement no more than once per calendar year to confirm compliance with

the terms of this Agreement, including without limitation, calculations of Processing Returns. Without limiting the generality of the foregoing, the Holders shall have the right to audit all invoices and other records relating to the transportation of Products from the Property to any Processor at which Products from the Property may be processed. The Holders shall diligently complete any audit or other examination permitted hereunder. All expenses of any audit or other examination permitted hereunder shall be paid by the Holders, unless the results of such audit or other examination permitted hereunder disclose a deficiency in respect of any Royalty payments paid to the Holders hereunder in respect of the period being audited or examined in an amount greater than 5% of the amount of the Royalty properly payable with respect to such period, in which event all reasonable expenses of such audit or other examination shall be paid by Spark.

7.2 Reasonable Access.

In performing such audit the Holders and/or their agents shall have reasonable access to all production records, including all mining, stockpile and milling records of Spark relating to the Products derived from the Property (and the Holders shall be allowed to make notes or a photocopy thereof), all of which such records shall be kept and retained by Spark or operator of the Property in accordance with good mining industry practice.

**ARTICLE VIII
CONFIDENTIALITY**

8.1 No Disclosure Without Consent

The Holders shall not, without the express written consent of Spark, disclose any non-public or confidential information in respect of the terms of this Agreement or otherwise received under or in conjunction with this Agreement including information concerning Products and operations on the Property or any other properties owned or leased by Spark, other than to its employees, agents and/or consultants for purposes related to the administration of this Agreement and the Holders shall not issue any press releases concerning the terms of this Agreement or in respect of the Property or the operations of Spark, without the consent of Spark after Spark has first reviewed the content of such press release. The Holders agree to reveal such information only to their respective employees, agents and/or consultants who need to know, who are informed of the confidential nature of the information and who agree to be bound by the terms of this Section 8.1 and the Holders agree to be responsible for the breach of this Section 8.1 by its employees, agents and/or consultants.

8.2 Notice to the Other Parties.

A Holder may disclose data or information obtained under or in conjunction with this Agreement and otherwise prohibited from disclosure by this Article VIII after providing Spark and the other Holders with a copy of the proposed disclosure and if Spark and the other Holders do not object, acting reasonably, to such disclosure by notice in writing to the disclosing Holder within 48 hours after receipt of such copy:

- (a) to any third person to whom the disclosing Holder in good faith anticipates selling or assigning its interest hereunder;
- (b) to a prospective lender to the Holder; or
- (c) to a prospective equity financier or investor of the Holder;

provided that in each case the person to whom disclosure is proposed shall first have been provided with and signed and delivered to Spark and the other Holders a confidentiality agreement executed by such third party purchaser, lender, financier or investor which agreement shall include the confidentiality provisions of this Article VIII and shall otherwise be in form and substance acceptable to Spark and other Holder, acting reasonably.

8.3 Compliance with Applicable Laws.

A Holder may disclose data or information obtained under this Agreement or publicly file this Agreement if required to do so for compliance with applicable laws, rules, regulations or orders of a governmental authority having jurisdiction over such Holder, provided that the Holder shall disclose only such data or information as, in the opinion of its counsel, is required to be disclosed and provided further that it will provide Spark with a copy of the proposed disclosure and Spark shall be given the right to review and object to the data or information to be disclosed within 24 hours of its receipt of such copy prior to any release, and any such release will be subject to any reasonable objections, redactions (to the extent permitted by applicable laws) or changes proposed by Spark.

ARTICLE IX NO IMPLIED COVENANTS

9.1 No Implied Covenants

The Parties agree that there are no implied covenants or duties relating to or affecting any of their respective rights or obligations under this Agreement, and that the only covenants or duties which affect such rights and obligations shall be those expressly set forth and provided for in this Agreement.

ARTICLE X TRANSFER BY A HOLDER

10.1 Transfer

Subject to compliance with Section 10.2, a Holder may assign this Agreement in whole or in part, and any rights and obligations under this Agreement, without the written consent of Spark, provided that: (i) any such assignee enters into a written agreement with Spark and the other Holders in form and substance satisfactory to Spark, acting reasonably, to be bound by the provisions of this Agreement in all respects and to the same extent as the Holders are bound, (ii) notwithstanding the foregoing, the transferring Holder shall remain liable for all obligations of the transferring Holder under this Agreement that arose prior to such assignment and shall not be liable for any obligations that arise thereafter, and (iii) notwithstanding the foregoing, where the assignment is to an Affiliate of a Holder, such Holder shall perform such Affiliate's obligations under this Agreement to the extent that such Affiliate fails to do so, for as long as such Affiliate remains an Affiliate of such Holder.

10.2 Maximos Right of First Refusal

- (a) In the event that either Gravel or Shurko (in this clause referred to as an "**Offeror**") receives a bona fide all cash offer (the "**Offer**") from any Person dealing at Arm's Length with the Offeror to purchase all, or any part of, the Offeror's interest in the Royalty beneficially owned by or under the control or direction of the Offeror (the "**Royalty Interest**") which is acceptable to the Offeror, the Offeror shall, by notice in

writing (the "**Second Offer**"), offer to sell such Royalty Interest to Maximos at the same price and upon the same terms and conditions as are contained in the Offer. Such notice shall be accompanied by a true copy of the Offer. The Second Offer shall not be revocable except with the consent of Maximos and shall be open for acceptance by Maximos for a period of forty-five (45) days from the date upon which such notice was received by Maximos.

- (b) If the Second Offer is accepted by Maximos, then the Offeror (the "**ROFR Vendor**") shall sell and Maximos (the "**ROFR Purchaser**") shall purchase the Royalty Interest upon the terms and conditions contained in the Second Offer.
- (c) If (i) the ROFR Purchaser and ROFR Vendor do not complete the purchase of the Royalty Interest pursuant to the Second Offer within forty-five (45) days from the date of the acceptance of the Second Offer due to the fault of the ROFR Vendor or (ii) if, during the time limited therefor, the ROFR Purchaser shall not have accepted the Second Offer, then the Offeror shall be entitled to sell the Royalty Interest in accordance with the Offer.
- (d) If a sale of the Royalty Interest pursuant to the Offer is not completed within ninety (90) days from the giving of notice to the ROFR Purchaser as aforementioned, no sale of the Royalty Interest shall be made without complying with the terms of this Section 10.2 and so on from time to time.

10.3 *Gravel/Shurko Right of First Refusal*

- (a) In the event that Maximos (in this clause referred to as an "**Offeror**") receives a bona fide all cash offer (the "**Offer**") from any Person dealing at Arm's Length with the Offeror to purchase all, or any part of, the Offeror's interest in the Royalty beneficially owned by or under the control or direction of the Offeror (the "**Royalty Interest**") which is acceptable to the Offeror, the Offeror shall, by notice in writing (the "**Second Offer**"), offer to sell such Royalty Interest to Gravel and Shurko (the "**Offerees**") at the same price and upon the same terms and conditions as are contained in the Offer. Such notice shall be accompanied by a true copy of the Offer. The Second Offer shall not be revocable except with the consent of the Offerees and shall be open for acceptance by the Offerees for a period of forty-five (45) days from the date upon which such notice was received by the Offerees.
- (b) If the Second Offer is accepted by the Offerees, then the Offeror (the "**ROFR Vendor**") shall sell and the Offerees (the "**ROFR Purchasers**") shall purchase, in proportion to their percentage ownership of the Royalty Interest between themselves, the Royalty Interest upon the terms and conditions contained in the Second Offer.
- (c) If (i) the ROFR Purchasers and ROFR Vendor do not complete the purchase of the Royalty Interest pursuant to the Second Offer within forty-five (45) days from the date of the acceptance of the Second Offer due to the fault of the ROFR Vendor or (ii) if, during the time limited therefor, the ROFR Purchaser shall not have accepted the Second Offer, then the Offeror shall be entitled to sell the Royalty Interest in accordance with the Offer.
- (d) If a sale of the Royalty Interest pursuant to the Offer is not completed within ninety (90) days from the giving of notice to the ROFR Purchaser as aforementioned, no

sale of the Royalty Interest shall be made without complying with the terms of this Section 10.3 and so on from time to time.

ARTICLE XI TRANSFER BY SPARK

11.1 Transfer by Spark

Spark shall be entitled to assign, sell, transfer, lease, mortgage, charge or otherwise encumber any of the Property and its rights and obligations under this Agreement, provided the following conditions are satisfied, and upon such conditions being satisfied in respect of any such assignment, sale or transfer only (but not in respect of any such lease, mortgage, charge or other encumbrance), Spark shall be released from all obligations under this Agreement:

- (a) any purchaser, transferee, lessee or assignee of such Property or this Agreement agrees in advance in writing in favour of the Holders to be bound by the terms of this Agreement including, without limitation, this Article XI;
- (b) any purchaser, transferee or assignee of this Agreement has simultaneously acquired Spark's right, title and interest in and to such Property;
- (c) in any case where the Property has been assigned as security pursuant to any mortgage, charge or other encumbrance or is leased to another person, the mortgagee, chargee, encumbrance holder or lessee of such Property agrees in advance in writing in favour of the Holders to be bound by and subject to the terms of this Agreement in the event it takes possession of or forecloses on all or part of such Property and undertakes to obtain an agreement in writing in favour of the Holders from any subsequent purchaser, lessee, assignee or transferee of such mortgagee, chargee, lessee or encumbrance holder that such subsequent purchaser, lessee, assignee or transferee will be bound by the terms of this Agreement including, without limitation, this Article XI.

Notwithstanding any other provision of this Agreement, neither (i) an amalgamation, merger or consolidation of Spark or any of its Affiliates with or into another body corporate, including by way of a plan of arrangement, nor (ii) an acquisition or a transfer of shares of Spark or any of its Affiliates, including a transfer of all of the shares pursuant to a takeover bid and subsequent acquisition transaction (including a compulsory acquisition) or a plan of arrangement, is a transfer or event to which this Article XI applies; provided, however, that in the case of clause (i) any successor entity to Spark shall have acknowledged in writing to the Holders that it is bound by this Agreement.

ARTICLE XII INDEMNITY

12.1 By Spark

Spark agrees that it will indemnify and hold harmless the Holders, their respective agents and employees (collectively the "indemnified parties"), and each of them, from and against any and all claims, demands, liabilities, actions and proceedings, that may be made or brought against the Holders or which they may sustain, pay or incur that result from or relate to operations conducted on or in respect of the Property or that result from or relate to the mining, handling, transportation, smelting or refining of the Products or the handling or transportation of the Products, including

without limitation claims, demands, liabilities, actions and proceedings, in any way arising from or connected with any non-compliance with environmental laws or any contaminants or hazardous substances on, in or under the Property or the soil, sediment, water or groundwater forming part thereof, whether in the past, present or future, or any contaminants or hazardous substances on any other lands or areas having originated or migrated from the Property or the soil, sediment, water or groundwater forming part thereof, provided that the foregoing shall not apply to any claims, demands, liabilities, actions and proceedings to the extent they arise primarily from the gross negligence or willful misconduct of such indemnified persons. The indemnity provided in Section 12.1 is limited to claims, demands, liabilities, actions and proceedings that may be made or taken against an indemnified party in its capacity as or related to a Holder as a holder of the Royalty and will not include any indemnity in respect of any claims, demands, liabilities, actions and proceedings against an indemnified party in any other capacity.

ARTICLE XIII MISCELLANEOUS

13.1 Dispute Resolution

If at any time or any time thereafter during the term of this Agreement, any controversy, dispute, disagreement or claim shall arise between or among any of the Parties hereto, arising out of, relating to or in connection with this Agreement, or any provision hereof, or the rights or obligations of the Parties hereto, then every controversy, dispute, disagreement or claim shall be submitted to and settled by arbitration and the decision of the arbitrator appointed as hereinafter provided, to deal with such matter shall be accepted by all the parties to such controversy, dispute, disagreement or claim. The arbitration shall be conducted by a single arbitrator agreed upon by the parties to the matter. If within five (5) days after notice of the matter has been given by one of such parties to the other or others, such parties cannot agree upon a single arbitrator, then, in such event, the arbitration shall be conducted by a single arbitrator appointed by a Judge of the Supreme Court (Nova Scotia), on the application of any such party, with notice to the other or others. The arbitration shall be conducted in accordance with the provisions of the *Arbitration Act* (Nova Scotia) and of any amendment thereto or of any successor statute thereof, in force at the time of such dispute, difference or question. The decision of the arbitrator shall be final and binding upon all the parties to such dispute, difference or question and their nominees, and there shall be no appeal therefrom.

13.2 Notices

- (a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

- (i) if to Spark:

260 Brownlow Avenue, Suite 3
Dartmouth, Nova Scotia
B3B 1V9

Attention: Peter Steele
e-mail: petersteele@hushmail.com

(ii) if to Maximos:

260 Brownlow Avenue, Suite 3
Dartmouth, Nova Scotia
B3B 1V9

Attention: Matthew Allas
e-mail: wma@maximosmetals.com

(iii) if to Gravel:

Gravel Developments
184 Lower Grant Road,
Chester Basin, Nova Scotia, B0J 1K0
Attention: Jimmy Gravel
Email: graveldevelopments@gmail.com

(iv) if to Shurko:

John Shurko Inc.
49 Queen Street, PO Box 794
Chester, Nova Scotia, B0J 1J0
Attention: John Shurko
Email: johnshurko@gmail.com

- (b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a business day, on the next following business day) or, if mailed, on the third business day following the date of mailing; provided, however, that if at the time of mailing or within three business days thereafter there is or occurs a labour dispute or other event that might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.
- (c) Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 13.1.

13.3 Counterparts

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

13.4 Electronic Delivery

Delivery of an executed signature page to this Agreement by any Party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such Party.

13.5 Independent Legal Advice

Each of the Parties to this Agreement acknowledges and agrees that it has had the opportunity to seek independent legal advice.

13.6 Expenses

Each of the Parties will pay its own costs and expenses (whether internal or out-of-pocket, and whether for legal, financial, technical or other consultants) in connection with the preparation, negotiation and execution of this Agreement and any associated documents.

13.7 Business Day

Whenever any payment to be made or other action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, such payment shall be made or action shall be taken on the next following Business Day.

13.8 Relationship of the Parties.

Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, or other partnership relationship between Spark and the Holders.

13.9 Other Activities and Interests.

This Agreement and the rights and obligations of the Parties are strictly limited to the Property. Each Party will have the free and unrestricted right to enter into, conduct and benefit from any and all business ventures of any kind whatsoever, whether or not competitive with the activities undertaken pursuant hereto, without disclosing such activities to the other Party or inviting or allowing the other to participate therein.

13.10 Residency Status.

Each Holder represents that it is not a 'non-resident' of Canada for the purposes of the *Income Tax Act* (Canada).

13.11 Time of Essence.

Time shall be of the essence of this Agreement.

13.12 Accounting Principles.

All calculations hereunder shall be made in accordance with Canadian Generally Accepted Accounting Principles as the same may be in effect from time to time.

13.13 Further Assurances

Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the Party requesting such further instrument, document or action, unless expressly indicated otherwise.

[signature page follows]

IN WITNESS WHEREOF this Agreement has been executed by the Parties.

SPARK MINERALS INC.

By: /s/ "Peter Steele"
Name: Peter Steele
Title: Director
I have authority to bind the company

MAXIMOS METALS CORP.

By: /s/ "Matthew Allas"
Name: Matthew Allas
Title: President
I have authority to bind the company

GRAVEL DEVELOPMENTS INC.

By: /s/ "Jimmy Gravel"
Name: Jimmy Gravel
Title: President
I have authority to bind the company

JOHN SHURKO INC.,

By: /s/ "John Shurko"
Name: John Shurko
Title: President
I have authority to bind the company

SCHEDULE "A"

DESCRIPTION OF THE PROPERTY

Right	Property	ID	Holder Name	Issue	Expiry	Age	Term	Claims	Status	Work Required 2021	Work Available	Work Balance Required 2021	Future Renewal Fee 2020/2021	Stake/Renew Fees Paid by 21A	Paid by non-21Alpha	21Alpha Receipts	
51736	Londonderry	564476	John Shurko	2017-08-03	2021-08-03	3	2	19	Active	\$7,600.00	\$16,971.53	\$0.00	\$380.00	\$1,370.00		3	
52232	Londonderry	564476	John Shurko	2018-05-09	2021-05-09	2	1	51	Active	\$20,400.00	\$55,905.00	\$0.00	\$1,020.00	\$1,020.00		2	
52235	Londonderry	564476	John Shurko	2018-05-09	2021-05-09	2	1	4	Active	\$1,600.00	\$4,373.00	\$0.00	\$80.00	\$40.00		2	
52280	Londonderry	564476	John Shurko	2018-06-01	2021-06-01	2	1	6	Active	\$2,400.00	\$2,680.00	\$0.00	\$120.00	\$120.00		2	
52329	Londonderry	564476	John Shurko	2018-06-18	2021-06-18	2	1	48	Active	\$19,200.00	\$18,851.00	\$349.00	\$960.00	\$960.00		2	
52344	Londonderry	564476	John Shurko	2018-06-26	2021-06-26	2	1	74	Active	\$29,600.00	\$13,651.00	\$15,949.00	\$1,480.00	\$1,480.00		2	
52888	Londonderry	564476	John Shurko	2017-08-03	2021-08-03	3	2	2	Active	\$800.00	\$1,786.47	\$0.00	\$40.00	\$80.00		1	
52906	Londonderry	564789	21Alpha	2018-12-24	2020-12-24	1	1	2	Active	\$800.00	\$0.00	\$800.00	\$40.00	\$20.00		1	
53024	Londonderry	564476	John Shurko	2019-02-15	2021-02-15	1	1	51	Active	\$20,400.00	\$0.00	\$20,400.00	\$1,020.00	\$510.00		1	
53025	Londonderry	564476	John Shurko	2019-02-15	2021-02-15	1	1	62	Active	\$24,800.00	\$0.00	\$24,800.00	\$1,240.00	\$620.00		1	
53108	Londonderry	564476	John Shurko	2019-03-28	2021-03-28	1	1	9	Active	\$3,600.00	\$0.00	\$3,600.00	\$180.00	\$90.00		1	
53131	Londonderry	564789	21Alpha	2019-04-09	2021-04-09	1	1	44	Active	\$17,600.00	\$0.00	\$17,600.00	\$880.00	\$440.00		1	
53145	Londonderry	564789	21Alpha	2019-04-17	2021-04-17	1	1	9	Active	\$3,600.00	\$0.00	\$3,600.00	\$180.00	\$90.00		1	
53159	Londonderry	564476	John Shurko	2019-04-25	2021-04-25	1	1	42	Active	\$16,800.00	\$0.00	\$16,800.00	\$840.00	\$420.00		1	
53264	Londonderry	564789	21Alpha	2019-06-14	2021-06-14	1	1	12	Active	\$4,800.00	\$0.00	\$4,800.00	\$240.00	\$120.00		1	
53271	Londonderry	564476	John Shurko	2019-06-20	2021-06-20	1	1	2	Active	\$800.00	\$0.00	\$800.00	\$40.00	\$20.00		1	
53278	Londonderry	564789	21Alpha	2019-06-21	2021-06-21	1	1	11	Active	\$4,400.00	\$0.00	\$4,400.00	\$220.00	\$110.00		1	
53289	Londonderry	564476	John Shurko	2019-06-28	2021-06-28	1	1	3	Active	\$1,200.00	\$0.00	\$1,200.00	\$60.00	\$30.00		1	
53311	Londonderry	564937	Spark Minerals	2019-07-19	2021-07-19	1	1	1	Active	\$400.00	\$0.00	\$400.00	\$20.00	\$10.00		1	
53319	Londonderry	564937	Spark Minerals	2019-07-26	2021-07-26	1	1	2	Active	\$800.00	\$0.00	\$800.00	\$40.00	\$20.00		1	
53323	Londonderry	564937	Spark Minerals	2019-07-26	2021-07-26	1	1	15	Active	\$6,000.00	\$0.00	\$6,000.00	\$300.00	\$150.00		1	
53452	Londonderry	564937	Spark Minerals	2019-11-05	2021-11-05	1	1	65	Active	\$26,000.00	\$0.00	\$26,000.00	\$1,300.00	\$0.00	\$650.00		
53453	Londonderry	564937	Spark Minerals	2019-11-05	2021-11-05	1	1	45	Active	\$18,000.00	\$0.00	\$18,000.00	\$900.00	\$0.00	\$450.00		
53481	Londonderry	564789	21Alpha	2019-11-14	2021-11-14	1	1	8	Active	\$3,200.00	\$0.00	\$3,200.00	\$160.00	\$80.00		1	
53483	Londonderry	564789	21Alpha	2019-11-14	2021-11-14	1	1	37	Active	\$14,800.00	\$0.00	\$14,800.00	\$740.00	\$0.00	\$370.00		
53554	Londonderry	564919	Ashley Sawler	2019-12-20	2021-12-20	1	1	16	Active	\$6,400.00	\$0.00	\$6,400.00	\$320.00	\$160.00		1	
								640		\$256,000.00	\$114,218.00	\$190,698.00	\$12,800.00	\$7,960.00	\$1,470.00	30	
8609	Sheba	16345	John Shurko	2018-02-12	2021-02-12	3	N/A	8	Active	\$1,600.00	\$0.00	\$1,600.00	\$80.00	\$320.00		3	
9317	Sheba	16351	Jimmy Gravel	2019-10-27	2020-10-27	1	N/A	30	Active	\$3,000.00	\$0.00	\$3,000.00	\$300.00	\$300.00		1	
9318	Sheba	16376	Johnann Shurko	2019-10-27	2020-10-27	1	N/A	12	Active	\$1,200.00	\$0.00	\$1,200.00	\$120.00	\$120.00		1	
9392	Sheba	16345	John Shurko	2020-01-14	2021-01-14	1	N/A	30	Active	\$3,000.00	\$0.00	\$3,000.00	\$300.00	\$300.00		1	
								80		\$8,800.00	\$0.00	\$8,800.00	\$800.00	\$1,040.00		6	