

## PROPERTY OPTION AGREEMENT

**THIS PROPERTY OPTION AGREEMENT** (this “**Agreement**”) is dated as of October 18, 2023,

**BETWEEN:**

**RUSH RARE METALS CORP.**, a company incorporated and registered in British Columbia, Canada, having its registered office is at #600 – 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7, Email : [ifgsmith@yahoo.ca](mailto:ifgsmith@yahoo.ca)

(the “**Optionor**”)

**AND:**

**MYRIAD URANIUM CORP.**, a company incorporated and registered in British Columbia, Canada, having its registered office at #600 – 1090 West Georgia Street, Vancouver, British Columbia, Canada V6E 3V7, Email: [tdlamb@gmail.com](mailto:tdlamb@gmail.com)

(the “**Optionee**”)

**WHEREAS:**

- A. The Optionor is the sole legal and beneficial owner of the Property, subject to the NSR Royalty (as defined herein);
- B. The Optionor desires to grant to the Optionee, and the Optionee desires to acquire from the Optionor, the option to earn up to a 75% interest in or to the Property on the terms and conditions contained in this Agreement;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties agree as follows:

**1. Definitions**

1.1 In this Agreement, except as otherwise expressly provided or as the context otherwise requires:

- (a) “**Acquiring Party**” has the meaning ascribed thereto in Section 10.2;
- (b) “**Affiliate**” means, in reference to a person, any other person which: (i) directly or indirectly controls or is controlled by the first person; or (ii) is directly or indirectly controlled by a person which also directly or indirectly controls the first person; and for the purposes of this definition, a person will “**control**” another person if such person has the power to direct or cause the direction of the management and policies of the other person, whether directly or indirectly, and whether by ownership of shares or other equity interests, the right to appoint managers, directors or corporate management, the holding of voting or contractual rights, by being the managing partner of a general partnership or the general partner of a limited partnership, or otherwise;

- (c) “**Applicable Laws**” means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority to which a specified person, property or matter is subject;
- (d) “**Area of Mutual Interest**” means that area as defined in Section 10.1;
- (e) “**Business Day**” means any day, other than a Saturday, a Sunday or a statutory or civic holiday observed by the banks at Vancouver, British Columbia;
- (f) “**Default**” has the meaning ascribed thereto in Section 9.1;
- (g) “**Development Work**” means all activities (other than Exploration Work) directed toward preparing for the recovery and removal of uranium from the Property, and all related environmental compliance;
- (h) “**Effective Date**” means the date of this Agreement stated on page 1;
- (i) “**Encumbrance**” means any mortgage, privilege, easement, charge, hypothecation, lien, pledge, security interest, adverse claim, assignment, option, claim or other title defect, or other encumbrance of any kind or nature whatsoever (including any agreement to give any of the foregoing), whether or not registered or registrable or whether consensual or arising by operation of law (statutory or otherwise);
- (j) “**Exchange**” means the Canadian Securities Exchange;
- (k) “**Excluded Portion**” has the meaning given to such term in Section 4.1;
- (l) “**Expansion Work**” means all activities directed toward the expansion of the area of the Property, provided that the Parties, each acting reasonably, agree in writing to such activities;
- (m) “**Exploration Work**” means all activities directed toward ascertaining the existence, location, quantity, quality, or commercial value of deposits of uranium, including any prefeasibility and/or feasibility studies and drilling required after discovery of potentially commercial mineralization, and all related environmental compliance;
- (n) “**First Option**” means the option held by the Optionee to acquire from the Optionor up to a fifty percent (50%) interest in the Property as provided for in Section 3.1;
- (o) “**First Option Cash Payments**” has the meaning ascribed thereto in Section 3.1(a)(ii);
- (p) “**First Option Earn-In Due Date**” means two years following the Effective Date;
- (q) “**First Option Earn-In Notice**” has the meaning given to such term in Section 3.1(c);
- (r) “**First Option Period**” means the period from the Effective Date to the First Option Earn-In Due Date, unless terminated earlier in accordance with the terms of this Agreement;
- (s) “**First Option Shares**” has the meaning ascribed thereto in Section 3.1(a)(iv);
- (t) “**First Option Work Requirements**” has the meaning given to such term in Section 3.1(a)(v);
- (u) “**First Year Shares**” has the meaning ascribed thereto in Section 3.1(a)(iii);

- (v) **“Governmental Authority”** means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; (e) any stock or securities exchange (including the Exchange); and (f) any public utility authority;
- (w) **“Initial Cash Payment”** has the meaning ascribed thereto in Section 3.1(a)(i);
- (x) **“Initial Shares”** has the meaning given to such term in Section 3.1(a)(i);
- (y) **“JV Company”** means a joint venture corporation, as may be acceptable to the Optionee and the Optionor, acting reasonably.
- (z) **“JV Company Constituent Documents”** means the documents governing or relating to the formation and governance of the JV Company and the rights of the Parties in or with respect to the JV Company and the further exploration, development, and mining of the Property, other than this Agreement;
- (aa) **“NSR Royalty”** means a two and a half percent (2.5%) net smelter returns royalty payable to third parties pursuant to a project sale agreement respecting the Property dated as of April 8, 2022;
- (bb) **“Operations”** means the activities and operations of the Parties under this Agreement, including Exploration Work and Development Work;
- (cc) **“Operator”** has the meaning given to such term in Section 3.5(a);
- (dd) **“Other Party”** has the meaning given to such term in Section 11.2;
- (ee) **“Party”** means a party to this Agreement;
- (ff) **“person”** includes any individual, partnership, limited partnership, firm, trust, body corporate, Governmental Authority, agency or instrumentality, unincorporated body of persons or association;
- (gg) **“Preliminary Economic Assessment”** means a means a study, other than a Preliminary Feasibility Study, that includes an economic analysis of the potential viability of mineral resources associated with the Property;
- (hh) **“Preliminary Feasibility Study”** means a preliminary feasibility study as defined pursuant to the Canadian Institute of Mining, Metallurgy and Petroleum [https://mrmr.cim.org/media/1088/cim\\_definition\\_standards\\_may10\\_2014.pdf](https://mrmr.cim.org/media/1088/cim_definition_standards_may10_2014.pdf), as may be amended from time to time;
- (ii) **“Property”** means the mining claims set out in Schedule “A” to this Agreement, and all mining leases and other mining interests derived from any such claims, and a reference herein to a mineral claim comprised in the Property includes any mineral leases or other interests into

which such mineral claim may have been converted. “Property” also includes any mineral interests that become part of the Property by operation of the Area of Mutual Interest provisions established in Section 10;

- (jj) “**Qualifying Expenditures**” means, unless otherwise provided in this Agreement, all reasonable costs, expenses, obligations and liabilities incurred in connection with Exploration Work, Development Work and Expansion Work, and which were expended on or for the benefit of the Property computed in accordance with IFRS consistently applied, including without limitation the following: (i) maintaining the Property in good standing and fulfilling any of the requirements of any title documents, permits or applicable laws with respect to the Property, including the costs of any discussions or negotiations with Governmental Authorities or indigenous people in connection therewith, (ii) mobilization and de-mobilization of work crews, supplies, facilities and equipment to and from the Property, including all transportation, insurance, customs brokerage and import and export taxes, fees and charges and all other governmental levies in connection therewith, (iii) implementing and carrying out any program of surface or underground prospecting, exploring or mapping or of geological, geophysical or geochemical surveying, (iv) trenching or other surface or near surface sampling, reverse circulation, diamond or other drilling, (v) drifting, raising or other underground work, (vi) assaying and metallurgical testing, (vii) carrying out: (A) environmental studies and preparing environmental impact assessment reports, and (B) all required restoration and reclamation of the Property required as a result of activities thereon hereunder, (viii) preparing and making submissions to Governmental Authorities with respect to substitute or successor title to any of the Property and test and production permits, (ix) acquiring, constructing and transporting facilities, (x) reasonable fees, wages, salaries, traveling expenses and reasonable fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property and the food, lodging and other reasonable needs of such persons; (xi) monies expended in performing Preliminary Feasibility Studies to evaluate the economic feasibility of developing and mining the Property including expenditures for metallurgical test work and preliminary design work; and (xii) monies expended for reasonable travel expenses and transportation of employees and contractors, materials, equipment and supplies necessary for the conduct of Exploration Work;
- (kk) “**ROFR**” has the meaning given to such term in Section 11.2;
- (ll) “**Second Option**” means the option held by the Optionee, following the exercise of the First Option, to acquire from the Optionor an additional twenty percent (25%) interest in the Property as provided for in Section 3.2;
- (mm) “**Second Option Earn-In Due Date**” has the meaning given to such term in Section 3.2(a);
- (nn) “**Second Option Earn-In Notice**” has the meaning ascribed thereto in Section 3.2(c);
- (oo) “**Second Option Period**” means the period following the successful exercise by the Optionee of the First Option until the Second Option Earn-In Due Date, unless this Agreement is terminated earlier in accordance with the terms of this Agreement;
- (pp) “**Second Option Work Requirements**” has the meaning ascribed thereto in Section 3.2(a);
- (qq) “**Selling Party**” has the meaning given to such term in Section 11.2;

- (rr) “**Shares**” means fully paid and non-assessable common shares in the capital of the Optionee; and
- (ss) “**Term**” means the period during which this Agreement remains in effect in accordance with Section 1.8.
- 1.2 Headings used in this Agreement are for convenience only and are not intended as a guide to the interpretation of this Agreement or any portion thereof.
- 1.3 The word “including”, when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope.
- 1.4 All accounting terms not otherwise defined herein have the meanings assigned to them, and all calculations to be made hereunder are to be made, in accordance with Canadian generally accepted accounting principles applied on a consistent basis.
- 1.5 In this Agreement, except as otherwise specified, all references to currency mean Canadian currency.
- 1.6 A reference to: (a) a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations, (b) an entity includes any successor to that entity, and (c) “acceptance”, “approval”, “authorization” or “consent” means written acceptance, approval, authorization or consent.
- 1.7 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, and vice versa.
- 1.8 Unless earlier terminated in accordance with this Agreement, this Agreement shall be in effect from the Effective Date until the First Option Earn-In Due Date, unless the Optionee delivers a First Option Earn-In Notice on or before the First Option Earn-In Due Date pursuant to Section 3.1(c), in which case this Agreement shall continue in effect until the earlier of (i) the Second Option Earn-In Due Date, or (ii) the JV Company formation date in accordance with Applicable Laws and the Parties have executed the JV Company Constituent Documents pursuant to Section 6.1, upon which this Agreement shall be superseded by the JV Company Constituent Documents.

## **2. Representations and Warranties**

- 2.1 The Optionor represents and warrants to the Optionee that:
- (a) it has been duly incorporated and validly exists as a corporation in good standing under the Applicable Laws of the Province of British Columbia;
- (b) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any Encumbrance under the provisions of, the Articles or the constating documents of the Optionor or any shareholders’ or directors’ resolution, indenture, agreement or other instrument whatsoever, to which the Optionor is a party or by which it is bound or to which it may be subject;

- (c) it has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of the Optionor, enforceable against it in accordance with this Agreement's terms;
- (d) no proceedings are pending for, and the Optionor is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding-up of the Optionor or the placing of the Optionor in bankruptcy or subject to any other laws governing the affairs of insolvent persons;
- (e) it is, under all Applicable Laws, legally entitled to hold the Property and all mineral claims comprised therein, and, undertakes to remain so entitled during the Term;
- (f) it holds the entire one hundred percent (100%) undivided legal and beneficial interest in and to the Property and is the registered holder of the claims comprising the Property, free and clear of all Encumbrances except for the NSR Royalty, and no taxes or rentals are due in respect of any thereof;
- (g) there is no adverse claim or challenge against or to the ownership of or title to the Property, nor to the knowledge of the Optionor after due inquiry is any of the foregoing pending or threatened nor is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Property or any portion thereof or any interest therein, and no person has any royalty or other interest whatsoever in production from any of the Property;
- (h) the claims comprising the Property have been duly and validly recorded and are in good standing pursuant to all Applicable Laws on the Effective Date and until the dates set opposite the respective names thereof in Schedule "A";
- (i) it has no notice, or knowledge of, any proposal to terminate or vary the terms of or rights attaching to the Property from any Governmental Authority;
- (j) no toxic or hazardous substance or waste has been disposed of or is located on the Property as a result of activities of the Optionor or, to the knowledge of Optionor, its predecessors in title or interest;
- (k) there is no outstanding directive or order, or similar notice issued by any Governmental Authority, including agencies responsible for environmental matters, affecting the Property or the Optionor nor to the knowledge of the Optionor after due inquiry is there any basis therefor or any reason to believe that such an order, directive or similar notice is pending;
- (l) all work carried out on the Property by or under the Optionor's direction has been done in full compliance with all Applicable Laws and it has no reason to believe that all prior work carried out on the Property by other persons has not been done in full compliance with all Applicable Laws;
- (m) it is not aware of any facts relating to any of the Property and undisclosed to the Optionee in writing which, if known to the Optionee, could reasonably be expected to cause the Optionee to decide not to enter into this Agreement or not to proceed to exercise the First Option or Second Option or which cause the representations and warranties in this Section to be false or misleading; and

- (n) no finders' fee or other similar compensation is payable to any person in connection with the Optionor's consummation of the transactions herein contemplated for which the Optionee will have any responsibility whatsoever.
- 2.2 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee, and a breach of any one or more thereof may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof.
- 2.3 The Optionee represents and warrants to the Optionor that:
- (a) it has been duly incorporated and validly exists as a corporation in good standing under the Applicable Laws of the Province of British Columbia, Canada;
  - (b) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transaction herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any Encumbrance under the provisions of, the Articles or the constating documents of the Optionee or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionee is a party or by which it is bound or which it may be subject;
  - (c) it has duly executed and delivered this Agreement, and this Agreement constitutes a legal, valid and binding obligation of the Optionee, enforceable against it in accordance with this Agreement's terms;
  - (d) no proceedings are pending for, and the Optionee is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding-up of the Optionee or the placing of the Optionee in bankruptcy or subject to any other laws governing the affairs of insolvent persons;
  - (e) at the time of delivery of any Shares to the Optionor hereunder, it will be a "reporting issuer" in British Columbia and not in default of any requirements of any applicable securities laws;
  - (f) the Shares to be issued hereunder will, at the time of issue, be duly allotted, validly issued, fully paid and non-assessable and will be free of all Encumbrances and be issued in accordance with Applicable Laws including the rules and policies of the Exchange (or such other stock exchange on which the Shares are trading at the applicable time); and
  - (g) no finders' fee or other similar compensation is payable to any person in connection with the Optionee's consummation of the transactions herein contemplated for which the Optionor will have any responsibility whatsoever.
- 2.4 The representations, warranties and covenants contained in Section 2.3 are provided for the exclusive benefit of the Optionor and a breach of any one or more thereof may be waived by the Optionor in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation, warranty, or covenant; and the representations, warranties and covenants contained in Section 2.3 will survive the execution hereof.

### 3. Options

#### 3.1 **First Option**

- (a) Optionor hereby grants to Optionee the sole and exclusive right and option, subject to the terms of this Agreement, to acquire a fifty percent (50%) interest in the Property, free and clear of all Encumbrances, save and except for the NSR Royalty or as required under Applicable Laws, by:
- (i) As consideration for granting the First Option, on or before the Effective Date (A) making an initial cash payment of \$100,000 (the “**Initial Cash Payment**”) to the Optionor; and (B) issuing an aggregate of 576,209 Shares (the “**Initial Shares**”) to the Optionor or the Optionor’s nominee(s);
  - (ii) As consideration for maintaining the First Option, on or before the date which is 90 days from the Effective Date, making an additional cash payment of \$35,000 (collectively with the Initial Cash Payment, the “**First Option Cash Payments**”) to the Optionor;
  - (iii) As further consideration for maintaining the First Option, on or before the date which is one year from the Effective Date, issuing an additional \$150,000 worth of Shares (the “**First Year Shares**”) to Optionor or its nominee(s);
  - (iv) As further consideration for maintaining the First Option, on or before the First Option Earn-In Due Date, issuing an additional \$250,000 worth of Shares (the “**Second Year Shares**”, and collectively with the Initial Shares and the First Year Shares, the “**First Option Shares**”) to Optionor or its nominee(s); and
  - (v) As consideration for the exercise of the First Option, on or before the First Option Earn-In Due Date, incurring Qualifying Expenditures on the Property of at least \$1,500,000. Such Qualifying Expenditures are referred to herein as the “**First Option Work Requirements**”. If the Optionee has not made the First Option Work Requirements on or before the First Option Earn-In Due Date, then on or before On or before the First Option Earn-In Due Date the Optionee shall be entitled to make a cash payment to the Optionor for the outstanding remaining amount of the First Option Work Requirements, and when made such cash payment shall be counted towards the First Option Work Requirements.
- (b) This Agreement and the First Option shall be terminated if the Optionee has failed to make the First Option Cash Payments, issue the First Option Shares or complete the First Option Work Requirements on the timing required in Section 3.1(a).
- (c) Subject to Section 3.1(b), provided Optionee has made the First Option Cash Payments, has issued the First Option Shares and has completed the First Option Work Requirements, and any disputes regarding the completion of the First Option Work Requirements have been resolved, and as applicable any shortfall cured (including by the payment of cash by the Optionee to the Optionor in the amount of any such shortfall), the Optionee shall have the right but not the obligation to exercise the First Option and acquire and receive from Optionor a fifty percent (50%) interest in the Property by providing a notice of intention to exercise the First Option (the “**First Option Earn-In Notice**”), which notice shall include a detailed accounting of all Qualifying Expenditures respecting the First Option Work Requirements. Upon delivery of the First Option Earn-In Notice, resolution of any disputes regarding the First Option Work Requirements, and as applicable any shortfall in such requirements having been



cured, the Optionee shall be deemed to have acquired a fifty percent (50%) interest in the Property, free and clear of all Encumbrances, save and except for the NSR Royalty or as may be required under Applicable Laws.

### 3.2 Second Option

- (a) Provided that the Optionee has duly exercised the First Option and acquired a fifty percent (50%) interest in the Property, the Optionee shall have the sole and exclusive right and option, subject to the terms of this Section 3.2, to acquire an additional twenty-five percent (25%) interest in the Property, free and clear of all Encumbrances, save and except for the NSR Royalty or as provided under Applicable Laws by incurring additional Qualifying Expenditures on the Property of at least \$4,000,000 (the “**Second Option Work Requirements**”) (for total Qualifying Expenditures of at least \$5,500,000), at any time within four (4) years of the Effective Date (the “**Second Option Earn-In Due Date**”). If the Optionee has not made the Second Option Work Requirements on or before the Second Option Earn-In Due Date, then on or before the Second Option Earn-In Due Date the Optionee shall be entitled to make a cash payment to the Optionor for the outstanding remaining amount of the Second Option Work Requirements, and when made such cash payment shall be counted towards the Second Option Work Requirements.
- (b) The Second Option shall terminate automatically if the Optionee does not, on or before the Second Option Earn-In Due Date, complete the Second Option Work Requirements, in which case (i) if the JV Company Constituent Documents are agreed at such time, this Agreement shall terminate and the relationship of the Parties will be governed by the JV Company Constituent Documents, or (ii) if the JV Constituent Documents are not agreed at such time, this Agreement will continue in force until the JV Constituent Documents are agreed.
- (c) Subject to Section 3.2(b), provided the Optionee has completed the Second Option Work Requirements, and any disputes regarding the completion of the Second Option Work Requirements have been resolved, and as applicable any shortfall cured (including by the payment of cash by the Optionee to the Optionor in the amount of any such shortfall), the Optionee shall have the right but not the obligation to exercise the Second Option and acquire and receive from Optionor an additional twenty-five (25%) interest in the Property (for a total interest of 75%) by providing a notice of intention to exercise the Second Option (the “**Second Option Earn-In Notice**”), which notice shall include a detailed accounting of all Qualifying Expenditures respecting the Second Option Work Requirements. Upon delivery of the Second Option Earn-In Notice, resolution of any disputes regarding the Second Option Work Requirements, and as applicable any shortfall in such requirements having been cured, the Optionee shall be deemed to have acquired an additional twenty-five (25%) interest in the Property (for a total interest of 75%), free and clear of all Encumbrances, save and except for the NSR Royalty or as may be required under Applicable Laws.

### 3.3 Prefeasibility Study or Preliminary Economic Assessment

Upon completion by the Optionee of a Prefeasibility Study or Preliminary Economic Assessment respecting the Property, Optionee shall be obligated to issue an additional \$2,500,000 worth of Shares to Optionor or its nominee(s).

### 3.4 Exchange Acceptance, Share Restrictions and Value of Shares

- (a) Each of Optionor and the Optionee acknowledges and agrees that their respective rights and obligations hereunder are subject to acceptance by the Exchange, if required under the policies of the Exchange, of a filing to be made in respect of this Agreement. Upon execution of this Agreement, each of the Optionor and the Optionee shall prepare and make all filings required under the policies of the Exchange and to obtain the approval of this Agreement by the Exchange, if required under the policies of the Exchange.
- (b) Without limiting Section 3.4(a), any Shares issued pursuant to this Agreement will be issued in accordance with Applicable Laws pertaining to securities and the policies of the Exchange (or such other stock exchange on which the Shares are trading at the applicable time), including without limitation any hold periods or escrow conditions imposed by Applicable Laws pertaining to securities or the policies of the Exchange (or such other stock exchange on which the Shares are trading at the applicable time).
- (c) The value of each Share issued hereunder, except for the Initial Shares, shall be the value weighted average trading price of the Shares on the Exchange (or such other Canadian stock exchange on which the Shares are trading at the applicable time) for the 10 trading days preceding the date on which such Share is issued.

### 3.5 Operations During First Option Period and the Second Option Period

Throughout the First Option Period and, as applicable, subject to the JV Company Constituent Documents, throughout the Second Option Period:

- (a) The Optionee will have the right to serve as operator of the Property (the “**Operator**”). If the Optionee at any time or from time to time elects to not serve as Operator, then the Optionor will have the right to serve as Operator.
- (b) The Operator shall keep the other Party informed in a timely manner, in advance, of all Operations to be conducted by the Operator on the Property.
- (c) Neither Party shall grant any Encumbrance against its interest in the Property without the consent of the other Party, such consent not to be unreasonably withheld.

### 3.6 Termination of the First Option

- (a) If the First Option is terminated otherwise than upon the exercise thereof pursuant to the terms hereof, the Optionee will:
  - (i) deliver at no cost to the Optionor within thirty (30) days of such termination all copies of all reports, maps, assay results and other relevant technical data compiled by or in the possession of the Optionee with respect to the Property and not already furnished to the Optionor; and
  - (ii) comply at its own expense with Applicable Laws regarding reclamation for activities carried out by or on behalf of the Optionee on the Property, including with respect to the plugging of any exploration holes drilling on the Property during the Term.

- (b) Notwithstanding termination of the First Option, the Optionee will have the right, within a period of one (1) year following the end of the First Option Period, to remove from the Property all buildings, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the Property by or on behalf of the Optionee.

#### **4. Further Obligations**

- 4.1 The Optionee will be entitled, at any time and from time to time, to determine that any part or portion of the Property (an “**Excluded Portion**”) shall no longer form part of the Property governed by this Agreement, but only upon first giving sixty (60) days’ notice of its intention to do so to the Optionor. In such event, the Optionor will be entitled to receive from the Optionee, on request, a quit claim of any interest held by the Optionee of the Excluded Portion, together with copies of all plans, assay maps, drill records and factual engineering data in the Optionee’s possession and relevant thereto. Any exclusion of an Excluded Portion shall be conducted in accordance with Applicable Laws, and the Excluded Portion will cease to be subject to this Agreement in accordance with the foregoing. For clarity, the Optionor shall continue to hold and be the beneficial owner of any Excluded Portion, and the Optionee shall cease to have any claims or rights in respect thereof.
- 4.2 Subject only to Section 4.1, for the period of two years starting as of the Effective Date, the Optionee will be required to ensure that the claims comprising the Property are maintained in good standing by paying such filing fees, by performing such Exploration Work and Development Work and by incurring such minimum exploration/development expenditures as are required under the claims comprising the Property and under such Applicable Laws respecting the Property.
- 4.3 During the First Option Period and the Second Option Period, the Operator will, or will cause the following to be done:
  - (a) make all required filings with the relevant Governmental Authorities to keep the Property in good standing during the Term;
  - (b) conduct all exploration and development on the Property in accordance with the terms and conditions set forth in this Agreement;
  - (c) permit the directors, officers, employees, and designated consultants of the other Party, at their own risk and cost, reasonable access to the Property and to all technical records, other factual and engineering data and all financial records relating to the Property which is in the possession of the Operator;
  - (d) while exploration and development are carried out, furnish the other Party with : (i) an informal mid-month report on or before the 17<sup>th</sup> calendar day of each calendar month; and (ii) a monthly report within ten (10) days following the conclusion of each calendar month. Each mid-month report can be delivered by e-mail or letter, and will provide a general update as to exploration progress, while the monthly report will show in writing, in reasonable detail, the exploration and development performed and the results obtained during the relevant period and will be accompanied by a statement of costs and copies of pertinent plans, assay maps, drill records and other factual engineering data, if and when available. All information and data concerning or derived from the exploration and development will be kept confidential except as permitted under the terms of this Agreement;
  - (e) while exploration and development are carried out, furnish the other Party with a final report within ninety (90) days following the conclusion of each program. The final report will show

the exploration and development performed and the results obtained and will be accompanied by a statement of costs and copies of pertinent plans, assay maps, drill records and other factual engineering data. All information and data concerning or derived from the exploration and development will be kept confidential except as permitted under the terms of this Agreement;

- (f) deliver to the other Party on or before March 31 in each year an annual report (including up to date maps if there are any) describing the results of work done in the last completed calendar year, together with reasonable details of Qualifying Expenditures made;
- (g) deliver to the other Party forthwith after receipt by the Operator material data and results, assay results for samples taken from the Property, together with reports showing the location from which the samples were taken and the type of samples;
- (h) do all work on the Property in a good and workmanlike manner and in accordance with all Applicable Laws;
- (i) indemnify and save the other Party harmless in respect of any and all costs, claims, liabilities and expenses arising out of the Operator's activities on the Property; provided that the Operator will incur no obligation thereunder in respect of claims arising or damages suffered after termination of the First Option if upon termination of the First Option any workings or improvements to the Property made by the Operator are left in a safe condition; and
- (j) meet with the other Party as and where reasonably requested by the other Party to discuss and review the status of exploration and Qualifying Expenditures, provided that such meetings do not reasonably interfere with the activities of the Operator hereunder.

## **5. Property Registration and Conveyance**

- 5.1 If permitted under Applicable Law, a memorandum of this Agreement will, upon the written request of any Party, be recorded in the office of any Governmental Authority so requested, in order to give notice to third persons of the respective interests of the Parties in the Property and this Agreement. Each Party hereby covenants and agrees with the requesting Party to execute such documents as may be necessary to perfect such recording.
- 5.2 During the First Option Period, the claims comprising the Property shall be registered in the name of the Optionor.
- 5.3 Upon successful exercise of the First Option by the Optionee, the Optionee will become the beneficial owner as to the fifty percent (50%) of the Property acquired by the Optionee pursuant to the First Option, and in such case if the Second Option is thereafter exercised, the claims comprising the Property will continue to be held in the name of the Optionee and the Optionee will become the beneficial owner as to the seventy-five percent (75%) of the Property acquired by the Optionee pursuant to the First Option and the Second Option.

## **6. Joint Venture and Net Profits Interest**

- 6.1 Upon exercise of the First Option or the Second Option, at its discretion, the Optionee shall form the JV Company for the purposes of the continued exploration, development and exploitation of the Property. The Parties will use their reasonable commercial efforts to form the JV Company (if deemed necessary or advisable by the parties) and negotiate, settle upon, execute and deliver the JV Company Constituent Documents which shall include such terms and conditions normally provided

for in commercial transactions of such nature that are mutually acceptable to the parties, each acting reasonably, including without limitation the guiding principles for the JV Company set out in Schedule “B” to this Agreement.

- 6.2 Upon exercise of the First Option, the Optionee will be deemed to have granted to the Optionor a net profit interest on the Property, as further described in Section 15.0 of Schedule “B” to this Agreement.

## **7. Force Majeure**

- 7.1 If the Optionee is at any time prevented or delayed in complying with any provisions of this Agreement by reason of land claims, strikes, walk-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of terrorism, acts of God, pandemic, Applicable Laws restricting normal operations, shipping delays or any other reason or reasons beyond the control of the Optionee, the time limited for the performance by the Optionee of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay.

- 7.2 The Optionee will within fourteen (14) days give notice to the Optionor of each event of force majeure under Section 7.1 and upon cessation of such event will furnish the Optionor with notice to that effect together with particulars of the number of days by which the obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

## **8. Confidentiality**

- 8.1 No information furnished in respect of the activities carried out on the Property or derived in respect thereof, or related to the products extracted from the Property, will be disclosed or published by a Party without the written consent of the other Party, but such consent in respect of the information required to be publicly disclosed pursuant to Applicable Laws may not be unreasonably withheld. This provision will not apply to information which becomes part of the public domain if it does not become part of the public domain by the actions of a Party. This Section will survive the termination of this Agreement.

- 8.2 Nothing in Section 8.1 will prevent a Party from disclosing information to a third person for purposes of corporate reorganization, financing, review of materials, data, and results by a consultant and like matters provided that such third person agrees to be bound by these provisions of confidentiality.

- 8.3 In the event a Party is required pursuant to Applicable Laws to publicly disclose information by way of a news release or similar disclosure, it will provide at least one (1) Business Day’s notice to the other Party who will have the right, acting reasonably, to request changes to the proposed dissemination of information. The Party disclosing information must act reasonably and take into account such comments prior to the issuance of such information.

## **9. Default and Termination**

- 9.1 If at any time during the Term a Party fails to perform any obligation required to be performed hereunder or is in breach of a warranty given herein, which failure or breach materially interferes with the implementation or performance of this Agreement (a “**Default**”), the non-defaulting Party may terminate this Agreement but only if:

- (a) the non-defaulting Party provides a notice of default to the defaulting Party containing particulars of the Default; and

- (b) the defaulting Party has not, within 30 days after delivery of such notice of default, cured such Default or begun proceedings to cure such Default by appropriate payment or performance (the defaulting Party hereby agreeing that should it so begin to cure any Default it will prosecute the same to completion without undue delay).

## 10. Area of Mutual Interest

- 10.1 The “**Area of Mutual Interest**” will be deemed to comprise that area which is within three (3) kilometers of any portion of the Property as at the date of execution of this Agreement. Nothing in this Agreement will cause the Area of Mutual Interest to be expanded.
- 10.2 If at any time during the Term any Party or an Affiliate of any Party (in this Section only, called in each case the “**Acquiring Party**”) stakes or otherwise acquires, directly or indirectly, any right to or interest in any mining claim, licence, lease, grant, concession, permit, patent, or other mineral property located wholly or partly within the Area of Mutual Interest, the Acquiring Party will forthwith give notice to the other Party of that staking or acquisition, the total cost thereof and all details in the possession of that Party with respect to the details of the acquisition, the nature of the property and the known mineralization.
- 10.3 The other Party may, within thirty (30) days of receipt of the Acquiring Party’s notice, elect, by notice to the Acquiring Party, to require that the mineral properties and the right or interest acquired be included in and thereafter form part of the Property for all purposes of this Agreement.
- 10.4 If the election aforesaid is made, the Optionee will pay, or as applicable reimburse the Acquiring Party (if the Acquiring Party is the Optionor) for the cost of acquisition. If the Acquiring Party is the Optionee, it will not be entitled to reimbursement of its costs of acquisition, and such acquisition costs will not qualify as a Qualifying Expenditure.
- 10.5 If the other Party does not make the election aforesaid within that period of thirty (30) days, the right or interest acquired will not form part of the Property and the Acquiring Party will be solely entitled thereto.

## 11. Assignment

- 11.1 Subject to Section 11.2 and 11.3, neither Party may sell, transfer, assign or otherwise dispose of its interest in and to this Agreement without the prior written consent of the other Party, such consent to be given in such Party’s sole and absolute discretion.
- 11.2 Upon the Optionee earning no less than a fifty percent (50%) interest in and to the Property pursuant to Section 3.2 and provided that the JV Company Constituent Documents have been duly entered into, either Party (a “**Selling Party**”) will have the right to sell, transfer, assign or otherwise dispose of its interest in and to the Property without the prior written consent of the other Party (the “**Other Party**”), provided that the Selling Party provides the Other Party the right to acquire such Property in accordance with a right of first refusal (a “**ROFR**”) to be set forth in the JV Company Constituent Documents.
- 11.3 Notwithstanding the foregoing, a Party will not require any consent from the other Party and will not be required to provide a ROFR described in Section 11.2 to assign its entire right, title and interest in and to this Agreement or in and to the Property to any Affiliate of such Party.

## **12. Notices**

- 12.1 Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party will be in writing and will be delivered by hand, courier or registered mail, or sent by email, to the Party to which the notice is to be given at the following address:

To the Optionor:

Rush Rare Metals Corp.  
#600-1090 West Georgia Street  
Vancouver, British Columbia, Canada  
V6E 3V7  
Email: [ifgsmith@yahoo.ca](mailto:ifgsmith@yahoo.ca)

To the Optionee:

Myriad Uranium Corp.  
#600-1090 West Georgia Street  
Vancouver, British Columbia, Canada  
V6E 3V7  
Email: [tdlamb@gmail.com](mailto:tdlamb@gmail.com)

- 12.2 Any notice, consent, waiver, direction or other communication aforesaid will, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day), and, if sent by email, be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding Business Day), unless actually received after 4:00 p.m. (local time) at the point of delivery in which case it will be deemed to have been given and received on the next Business Day. Any Party may at any time and from time to time notify the other Party in writing of a change of address and the new address to which notice will be given to it thereafter until further change.

## **13. General**

- 13.1 This Agreement will supersede and replace any other agreement or arrangement, whether oral or written, heretofore existing between the Parties in respect of the subject matter of this Agreement.
- 13.2 No consent or waiver expressed or implied by either Party in respect of any breach or default by the other in the performance of such other of its obligations hereunder will be deemed or construed to be a consent to or a waiver of any other breach or default.
- 13.3 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 or to record wherever appropriate the respective interests from time to time of the Parties in the Property.
- 13.4 This Agreement and any other writing delivered pursuant hereto may be executed in any number of counterparts with the same effect as if all Parties to this Agreement or such other writing had signed

the same document and all counterparts will be construed together and will constitute one and the same instrument.

- 13.5 This Agreement will be governed and construed according to the laws of the Province of British Columbia and the laws of Canada applicable therein, and the Parties hereby attorn to the jurisdiction of the Courts of British Columbia in respect of all matters arising hereunder.
- 13.6 This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
- 13.7 This is an option only and except as specifically provided otherwise, nothing herein contained will be construed as creating a partnership arrangement between the Parties herein or be construed as obligating the Optionee to do any acts or make any payments hereunder except as otherwise set forth, and any act or acts or payment or payments as may be made hereunder will not be construed as obligating the Optionee to do any further act or make any further payment or payments.

**[The rest of this page is left intentionally blank.]**

**[Execution page follows.]**



**IN WITNESS WHEREOF** the Optionor and the Optionee have caused this Agreement to be executed by their duly authorized officers.

**RUSH RARE METALS CORP.**

Per: "Peter Smith"  
Authorized Signatory

**MYRIAD URANIUM CORP.**

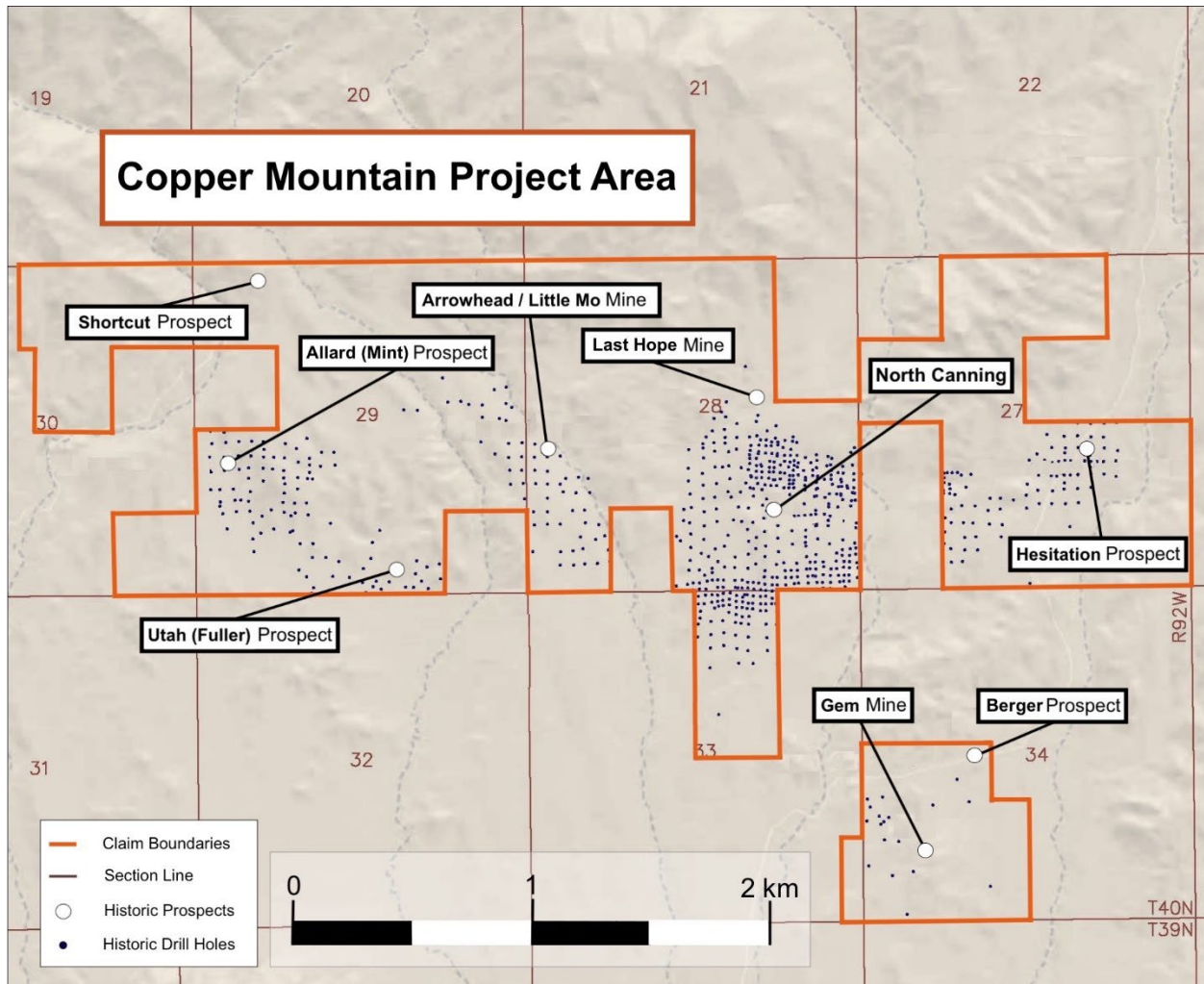
Per: "Thomas Lamb"  
Authorized Signatory

**Schedule "A"**  
**to**  
**Property Option Agreement dated as of October 18, 2023**  
**between Rush Rare Metals Corp. and Myriad Uranium Corp.**

**PROPERTY**

The Property is comprised of 110 mineral claims in the State of Wyoming covering approximately 1,911 acres, as follows:

*[Redacted: list of 110 mineral claims]*



**Schedule “B”**  
**to**  
**Property Option Agreement dated as of October 18, 2023**  
**between Rush Rare Metals Corp. and Myriad Uranium Corp.**

**GUIDING PRINCIPLES FOR THE JV COMPANY**

1.0 Purposes of JV Company: The purpose of the JV Company shall be the exploration, development and mining of any one or more commercially exploitable ore bodies on the Property, as determined appropriate by the Operator. The following terms and provisions shall serve as guiding principles for the operation of the JV Company along with additional terms and provisions to be negotiated once the Optionee has earned its initial undivided fifty percent (50%) interest in the Property by satisfying all conditions. Unless otherwise defined in this Schedule “B”, terms used herein with initial capitals shall have the meanings ascribed thereto in the Option Agreement to which this Schedule “B” is appended.

2.0 Interests in JV Company: The percentage interest in the JV Company shall be as follows, such that each Party shall be deemed to have contributed the following amounts to the JV Company:

- (i) the Optionee shall be deemed to have contributed an amount equal to its actual Qualifying Expenditures in accordance with Article 3 of the Option Agreement (the “**Actual Expenditures**”) on or prior to the date of the formation of the JV Company which will represent an undivided fifty percent (50%) interest or seventy-five percent (75%) interest, as the case may be, in the JV Company as of the formation date of the JV Company; and
- (ii) the Optionor shall be deemed to have contributed an amount which is the same proportion of the total amounts deemed to be contributed pursuant to this paragraph 2.0 as the Optionor’s interest in the Property on the date of the formation of the JV Company which will represent an initial undivided fifty percent (50%) interest or twenty-five percent (25%) interest, as the case may be, in the JV Company as of the formation date of the JV Company.

3.0 Not a Partnership: The association of the Parties in the JV Company shall not be, and shall not be construed to be, a mining partnership, a commercial partnership or any other partnership relationship.

4.0 Operator: The Optionee shall be the initial operator of the JV Company (the “**Operator**”) and shall continue to be the Operator during the Second Option Period.

If the Second Option Period expires without the Optionee successfully exercising the Second Option, so that the interests of the Parties in the JV Company are fifty per cent (50%) per Party, then the Parties shall commence a “shotgun” procedure under which the successful Party will acquire an additional one per cent (1%) interest in the JV Company (for an aggregate interest of fifty-one percent (51%) for such Party), and such Party shall be the Operator of the JV Company following completion of such “shotgun” procedure.

If at any time the interest of the Party acting as Operator falls below fifty per cent (50%) pursuant to the terms of the JV Company Constituent Documents, the Party with the greatest interest shall become the Operator.

The Operator shall have all rights, duties and obligations which are usually and customarily given to or necessary or requisite for the operator of a mining joint venture, so as to be able to carry on its role as the

operator of the JV Company, including the exploration and development of the Property, bringing a mine into commercial production and operating the same. The Operator shall be entitled to charge to the joint account of the JV Company the following:

- (i) as a direct charge, all the proper costs and expenditures relating to the operations thereof, including, without limiting the generality of the foregoing, salaries, wages and employee benefits, customary allowances and reasonable living expenses paid to employees directly engaged in the conduct of such operations;
- (ii) as an indirect charge, in compensation for the *pro rata* portion of the Operator's home office overhead and general and administrative expenses attributable, but not directly chargeable, to the conduct of such operations, the following amounts:
  - A. ten percent (10%) of the direct charges referred to in subparagraph (i) above, plus
  - B. ten percent (10%) of the cost of all outside services, including without limiting the generality of the foregoing, surveying, drilling, earth moving, contract mining and feasibility studies, up to the first \$50,000 on a single contract and five percent (5%) for the balance of each such contract; provided that there shall be no duplication of charges under subparagraphs A and B and provided further that costs incurred because of damages or losses and costs for the services of outside legal counsel shall not be included as indirect charges.

The Parties agree that: (a) the indirect charges in A and B above are intended to compensate the Operator for its home office overhead and general and administrative expenses incurred in managing the operations and are not intended to result in net profit to the Operator; and (b) agree to amend the foregoing rates from time to time if they are found to be insufficient or excessive, determined by the mutual agreement of the Parties, acting reasonably.

Should a mine be brought into commercial production and operation, the Operator shall be entitled to a management fee, which shall be a reasonable fee commensurate with accepted customary or usual practice in the industry for an operation of that kind and shall be subject to change from time to time depending on how onerous the duties and obligations of the operator are. In the event that the Parties are unable to agree on the amount and structure of such management fee, the determination of same shall be referred to arbitration in accordance with the Option Agreement or the formal agreement evidencing the JV Company if a formal agreement is executed and delivered.

5.0 Indemnification of Operator: The Operator shall not be liable to the Parties or to the JV Company for any loss or damage not attributable to its gross negligence or wilful misconduct. The Parties to the JV Company shall, in proportion to their respective participating interests in the JV Company, determined as of the time of such indemnification, indemnify and hold harmless the Operator against any liability to third parties resulting from any act or omission of the Operator or its agents, servants or employees.

6.0 Programs and Budgets: The Operator shall have the right to propose programs for exploration and, if a mine is being developed and operated, for the carrying out of all phases of such development and operations, including the construction of plant and facilities. All programs shall contain a reasonably itemized budget of the projected expenditures under such programs, including, without limiting the generality of the foregoing, exploration expenditures, development and capital costs and operating expenditures in relation to the Property. The Optionor and the Optionee shall contribute their proportionate share of each expenditure (based on their respective participating interests at the time of any particular expenditure) at such times as requisitioned by the Operator. Such requisitions shall be made on the basis

of invoices in respect of such expenditures, provided that in the case of known expenditure requirements such requisitions may be made reasonably in advance of requirements.

7.0 Dilution of Interest: Payment of each requisitioned amount pursuant to Paragraph 6.0 shall be made within 30 days after receipt of a written notice from the Operator requesting such payment (each a “**Requisition Request**”). Either Party may decline to pay its proportionate share of the expenditures requisitioned by the Operator pursuant to any particular Requisition Request. If a Party (the “**Defaulting Party**”) fails to pay its share of a requisitioned amount within such 30-day period, it may not pay such share thereafter (without the other Party’s prior consent) and it shall not have the right to contribute its proportionate share of the expenditures during the balance of the particular program in which such failure occurred. The other Party (the “**Continuing Party**”) shall contribute the Defaulting Party’s share during the balance of the program in question. In each case, immediately after each such contribution is made, the Parties’ respective participating interests in the JV Company shall be calculated using the following formula:

$$\text{Participating interest of a Party} = \frac{A \times 100}{B}$$

Where:

A = total of all requisitioned amounts paid by such Party plus a deemed initial contribution of \$1,500,000 or \$5,500,000, as the case may be, in the case of the Optionee, and \$1,500,000 or \$1,833,333, as the case may be, in the case of the Optionor

B = total of all requisitioned amounts paid by the Parties plus \$3,000,000 or \$7,333,333, as the case may be

The reduction in the Defaulting Party’s participating interest shall continue from time to time until it is equal to ten percent (10%). Thereupon the joint venture formed under the JV Company Constituent Documents shall terminate and all of the participating interest of the Defaulting Party shall vest in the Continuing Party. From and after the date on which the Defaulting Party’s participating interest has terminated, the Defaulting Party shall be entitled to receive a one percent (1%) Net Smelter Royalty payment. Notwithstanding the termination of the joint venture, the Defaulting Party shall not be relieved from its proportionate share (determined on the basis of its participating interest from time to time) of all obligations and liabilities of the JV Company due or accruing due prior to the date of termination, including without limitation, in respect of unfunded decommissioning and shut down costs and expenses, all required investigation, clean-up, reclamation, restoration, and rehabilitation and monitoring costs and other corrective or mitigating measures pursuant to Applicable Laws.

8.0 Right to Maintain Interest: If, after the completion of a program during which a Defaulting Party failed to pay its proportionate share of any expenditures, subsequent programs are proposed and carried out, the Defaulting Party shall have the right to maintain its reduced participating interest (if more than ten per cent (10%)) by paying its proportionate share of the subsequent programs based on such reduced interest, in accordance with the provisions of paragraph 6.0 of this Schedule “B”.

9.0 Government Assistance Excluded: If funds provided by any government grants or assistance programs are used to pay expenditures of the JV Company, such funds shall not be taken into account as part of the expenditures to which the Parties must contribute their proportionate share under the provisions of paragraph 6.0 of this Schedule “B”.

10.0 Mortgage of Property: The Parties, each acting reasonably, shall have the right to make any decision with respect to mortgaging, pledging, charging or hypothecating all or any part of the Property to secure any loan or loans obtained for the purpose of financing the JV Company and to negotiate a loan or loans on such terms and with such lenders as the Parties mutually determine appropriate. The Parties shall mortgage, pledge, charge or hypothecate their respective interests in the Property in order to facilitate such financing. Other than as aforesaid, none of the Parties shall have the right to mortgage pledge, charge or hypothecate its interest in the Property.

11.0 Technical Committee: A Technical Committee shall be established for the purpose of formulating policy guidelines, communicating and exchanging ideas and information. The Technical Committee shall have regular meetings at regular intervals as agreed by the Parties. In addition, either Party may at any time call a special meeting to discuss any item considered to be sufficiently important. Each Party may designate two representatives to be members of the Technical Committee, with alternates. The Operator shall put before the Technical Committee all budgets and exploration and development programs it proposes to implement and the Technical Committee shall consider the same; provided, however, that the powers of the Technical Committee shall be those of persuasion only and it cannot override, supersede or alter the decisions of the Operator with respect to the operation of the JV Company.

12.0 Second Option: If the JV Company is formed and the JV Company Constituent Documents are executed and delivered during the Second Option Period, the JV Company Constituent Documents shall include the terms and conditions in this Agreement respecting the Second Option.

13.0 Prefeasibility Study or Preliminary Economic Assessment: If the JV Company is formed and the JV Company Constituent Documents are executed and delivered prior to the completion of a Prefeasibility Study or Preliminary Economic Assessment respecting the Property, the JV Company Constituent Documents shall include the terms and conditions in this Agreement respecting the Optionee's obligation to issue an additional \$2,500,000 worth of Shares to Optionor or its nominee(s) upon such completion.

14.0 Additional Fair Market Value Option: The JV Company Constituent Documents shall include terms and conditions providing the Optionee with the additional option, following the successful exercise of the Second Option, to earn an additional twenty-five percent (25%) interest (for a total interest of one hundred percent (100%)) in and to the Property at fair market value at the time of exercise of such option, such fair market value to be determined (a) by agreement in writing by the Parties, each Party acting reasonably, of such fair market value; or (b) if the Parties cannot agree in writing to such fair market value, by an independent valuator, such valuator mutually selected by the Parties, each acting reasonably.

15.0 Net Profit Interest: The JV Company Constituent Documents shall include terms and conditions providing the Optionor with a net profit interest of fifty percent (50%) of the initial \$50,000,000 in "Net Profits" from the Property (the "NPI"), with "**Net Profits**" being the gross cash income from the Property less all *bona fide* expenses incurred to produce such income, as further specified in the JV Company Constituent Documents. The NPI will be assignable with written notice by the Optionor to the Optionee. Any sale, transfer, assignment or other disposition in whole or in part by the Optionee of its interest in the Property to any person (a "**Transferee**") shall be subject to the Transferee entering into a written assignment and assumption agreement with the Optionor, or any other applicable holder of the NPI at such time (in either case, the "**NPI Holder**"), whereby the Transferee agrees to assume and undertake the obligations of the NPI as set out herein. The NPI Holder will have inspection rights to inspect all accounting records used to calculate the NPI and will have audit rights whereby, at any time, it may insist that the Optionee or Transferee, as applicable (the "**NPI Payor**"), audit the accounts used to calculate the NPI for any period. The NPI Payor agrees to create a royalty account comprised of, among other things, pre-production expenditures, operating losses, capital expenditures and interest charges.

The JV Company Constituent Documents shall include terms and conditions providing the Optionee with the option to repurchase the NPI at fair market value at the time of exercise of such option, such fair market value to be determined (a) by agreement in writing by the Parties, each Party acting reasonably, of such fair market value; or (b) if the Parties cannot agree in writing to such fair market value, by an independent valuator, such valuator mutually selected by the Parties, each acting reasonably.

16.0 JV Company Constituent Documents: The Parties shall negotiate in good faith and use commercially reasonable efforts to execute and deliver the JV Company Constituent Documents governing and containing more detailed provisions on the operation of the JV Company, but preserving the principles herein contained, provided that until such agreement is executed and delivered, or if no such agreement is executed and delivered, the provisions herein contained shall be enforceable against the Parties and shall govern the operations of the JV Company.