

## SHARE EXCHANGE AGREEMENT

**THIS SHARE EXCHANGE AGREEMENT** is made effective the 17th day of February, 2022.

### AMONG:

**IVOR EXPLORATION INC.,**

a corporation existing under the laws of British Columbia, having an office at #1080 – 789 West Pender Street, Vancouver, British Columbia, V6C 1H2

(hereinafter referred to as the “**Purchaser**”)

- and -

**1330038 B.C. LTD.,**

a corporation existing under the laws of the Province of British Columbia, having a registered office at 2500 – 700 West Georgia Street, Vancouver B.C. V7Y 1B3

(hereinafter referred to as “**BCCO**”)

-and-

The common shareholders of BCCO listed in the attached Schedule “A” (hereinafter collectively referred to as, the “**Shareholders**”, and individually as, a “**Shareholder**”)

### WHEREAS:

- A. The Shareholders are collectively the legal and beneficial owners of all of the issued and outstanding common shares (the “**BCCO Shares**”) in the capital of BCCO;
- B. The Purchaser has agreed to purchase the outstanding BCCO Shares in exchange for common shares of the Purchaser on the terms and conditions set forth in this Agreement (the “**Transaction**”); and
- C. The Shareholders who have executed this Agreement have agreed to the Transaction.

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

## ARTICLE I INTERPRETATION

### 1.01 Definitions

In this Agreement, unless otherwise defined, capitalized words and terms shall have the following meanings:

- (a) “**Agreement**” means this share exchange agreement as the same may be supplemented or amended from time to time;
- (b) “**Alternative Transaction**” means any of the following (and excludes the transactions contemplated by this Agreement): (a) any merger, amalgamation, arrangement, share exchange, take-over bid, tender offer, recapitalization, consolidation or other business combination directly or indirectly involving BCCO, or any analogous transaction; (b) any acquisition of all or substantially all of the assets of BCCO (or any lease, long-term supply agreement, exchange, mortgage, pledge or other arrangement having a similar economic effect); (c) any acquisition of beneficial ownership of 50% or more of BCCO’s common shares in a single transaction or a series of related transactions; (d) any acquisition by BCCO of any assets or capital stock of another person (other than acquisitions of capital stock or assets of any other person that are not, individually or in the aggregate, material to BCCO); or (e) any bona fide proposal to, or public announcement of an intention to, do any of the foregoing on or before the Termination Date;
- (c) “**Applicable Laws**” means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby;
- (d) “**BCCO Shares**” has the meaning set forth in the recitals of this Agreement;
- (e) “**Books and Records**” means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporation and its business;
- (f) “**Business Day**” means a day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia;
- (g) “**Closing**” means the completion of the Transaction in accordance with the terms and conditions of this Agreement;
- (h) “**Closing Date**” means the date of Closing, which shall be the fifth Business Day following the satisfaction or waiver of all conditions to the obligations of the parties to consummate the Transaction (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or earlier or later date as the Purchaser and BCCO may mutually determine;
- (i) “**Common Shares**” means common shares without par value in the capital of the Purchaser;

- (j) “**Contracts**” (individually, a “**Contract**”) means all written or oral outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a party is bound or under which a party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (k) “**Corporate Records**” means the corporate records of a corporation, including (i) its articles, notice of articles or other constating documents, any unanimous shareholders agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, directors and any committee thereof; (iii) the share certificate books, register of shareholders, register of transfers and registers of directors and officers; and (iv) all accounting records;
- (l) “**CSE**” means the Canadian Securities Exchange, operated by the CNSX Markets Inc.;
- (m) “**Disclosed**” means, in the case of the Shareholders and BCCO, fairly disclosed in writing to the Purchaser prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed), and, in the case of the Purchaser, fairly disclosed in writing to BCCO prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed);
- (n) “**GAAP**” means generally accepted accounting principles in Canada (and, if applicable, includes International Financial Reporting Standards);
- (o) “**Governmental Authority**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, or stock exchange, including the CSE;
- (p) “**IP**” means any and all intellectual property or proprietary rights arising at law or in equity, including, without limitation, (i) patents, all patent rights and all patent rights and all applications therefor and all reissues, re-examinations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and mask work registrations and applications therefor, author’s rights and works of authorship, (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary and manufacturing processes, technology, formulae, and algorithms, (vi) trade names, trade dress, trademarks, domain names, service marks, logos, business names, and registrations and applications therefor, (vii) industrial designs or design patents, whether or not patentable or registrable, patented or registered or the subject of applications for registration or patent or registration and all rights of priority, applications, continuations, continuations-in-part, divisions, re-examinations, reissues and other derivative applications and patents therefor, (viii) licenses, contacts and agreements otherwise relating to the IP, and (ix) the goodwill symbolized or represented by the foregoing;

- (q) “**laws**” means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and “**law**” means any one of them;
- (r) “**Lander Acquisition**” means the purchase of the Lander Claims by BCCO pursuant to the Lander Sale and Purchase Agreement;
- (s) “**Lander Claims**” has the meaning assigned thereto in the Lander Purchase and Sale Agreement;
- (t) “**Lander Sale and Purchase Agreement**” means the Sale and Purchase Agreement dated January 31, 2022, among BCCO, Donald James McDowell, William Matlack and Darren Castellano, a copy of which is attached as Schedule “C” hereto;
- (u) “**Lien**” means any mortgage, encumbrance, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition, which, in substance, secures payment, or performance of an obligation;
- (v) “**Material Adverse Effect**” means (i) any change, effect, fact, circumstance or event which, individually or when taken together with any other changes, effects, facts, circumstances or events, could reasonably be expected to be materially adverse to the assets, liabilities, condition (financial or otherwise), business, properties or results of operation of the Purchaser or BCCO, as applicable, or (ii) a material impairment of or delay in the ability of the parties (or any one of them) to perform their obligations hereunder or consummate the Transaction, but does not include any change or development resulting from any act of terrorism or any outbreak of hostilities or war or any natural disaster, disease, epidemic or pandemic (including for greater certainty the COVID-19 pandemic), except to the extent the impact, effect or consequences arising out of or attributable to such events disproportionately affects the BCCO Share or the operation, assets, liabilities, financial condition or results of operation of the parties (or any one of them);
- (w) “**Material Contract**” means any Contract to which a person is a party and which is material to such person, including any Contract: (i) the termination of which would have a Material Adverse Effect on such person; (ii) any contract which would result in payments to or from such person or its subsidiaries (if any) in excess of \$50,000, whether payable in one payment or in successive payments; (iii) any agreement or commitment relating to the borrowing of money or to capital expenditures; and (iv) any agreement or commitment not entered into in the ordinary course of business;
- (x) “**material fact**” shall have the meaning ascribed to it in the *Securities Act* (British Columbia);
- (y) “**Non-Resident Shareholders**” means those Shareholders identified in the attached Schedule “A” as being non-residents of Canada for the purposes of the Tax Act;

- (z) “**Payment Shares**” has the meaning set forth in Section 2.02;
- (aa) “**person**” includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (bb) “**Purchased Shares**” means all of the BCCO Shares purchased by the Purchaser pursuant to this Agreement;
- (cc) “**Purchaser Financial Statements**” has the meaning set forth in Section 5.01(l);
- (dd) “**Purchaser Material Contracts**” has the meaning set forth in Section 5.01(s);
- (ee) “**Regulation D**” means Regulation D under the U.S. Securities Act;
- (ff) “**Regulation S**” means Regulation S under the U.S. Securities Act;
- (gg) “**Securities Laws**” means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;
- (hh) “**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;
- (ii) “**Shareholders**” and “**Shareholder**” have the respective meanings set forth in the first page of this Agreement;
- (jj) “**Tax**” means any tax, impost, levy, withholding, duty, fee, premium, assessment and other charge of any kind, however denominated and any instalment or advance payment in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Authority, including for greater certainty any income, gain or profit tax (including federal, state, provincial and territorial income tax), payroll and employee withholding tax, employment or payroll tax, unemployment insurance, disability tax, social insurance tax, social security contribution, sales and use tax, consumption tax, customs tax, ad valorem tax, excise tax, goods and services tax, harmonized sales tax, franchise tax, gross receipts tax, capital tax, business license tax, alternative minimum tax, estimated tax, abandoned or unclaimed (escheat) tax, occupation tax, real and personal property tax, stamp tax, environmental tax, transfer tax, severance tax, workers’ compensation, Canada and other government pension plan premium or contribution and other governmental charge, and other obligations of the same or of a similar nature to any of the foregoing, together with any interest, penalties or other additions to tax that may become payable in respect of such tax, and any interest in respect of such interest, penalties and additions whether disputed or not, and “**Taxes**” has a corresponding meaning;
- (kk) “**Tax Act**” means the *Income Tax Act* (Canada);

- (ll) “**Tax Return**” means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Tax together with all amendments and supplements thereto;
- (mm) “**Termination Date**” means July 31, 2022 or such later date as may be agreed in writing between the Purchaser and BCCO;
- (nn) “**Time of Closing**” means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as the parties may mutually determine;
- (oo) “**Transaction**” has the meaning set forth in the recitals of this Agreement;
- (pp) “**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (qq) “**U.S. Person**” means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act;
- (rr) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended; and
- (ss) “**U.S. Shareholder**” means (i) a U.S. Person, (ii) any person who receives or received an offer of the Payment Shares while in the United States; (iii) any person acquiring the Payment Shares on behalf of, or for the account or benefit of any U.S. Person or any person in the United States, or (iv) any person who is or was in the United States at the time when such person executed or delivered this Agreement.

## 1.02 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

## 1.03 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section or a Schedule or Exhibit refers to the specified Article or Section of, or Schedule or Exhibit to this Agreement.

## 1.04 Number, etc.

Unless the subject matter or context requires the contrary, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders and words importing persons shall include natural persons, firms, trusts, partnerships and corporations.

### 1.05 Date for Any Action

In the event that any date on which any action is required or permitted to be taken hereunder by any person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

### 1.06 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute in force from time to time and any statute, regulation or rule that supplements or supersedes such statute, regulation or rule.

### 1.07 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be the International Financial Reporting Standards or the Canadian generally accepted accounting principles, as applicable, approved by the International Accounting Standards Board or the Canadian Institute of Chartered Accountants, as the case may be, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

### 1.08 Knowledge

- (a) Any reference herein to “the knowledge of the Purchaser” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Purchaser, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (b) Any reference herein to “the knowledge of BCCO” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of BCCO, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (c) Any reference herein to “the knowledge of the Shareholder” (or similar expressions) will be deemed to mean the actual knowledge of the applicable Shareholder.

### 1.09 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement, and must be completed and attached before the Closing Date for this Agreement to be fully-integrated and thereafter enforceable by or against either Party:

<u>Schedule</u>	<u>Description</u>
Schedule “A”	Shareholders of BCCO
Schedule “B”	Form of Voluntary Lock-Up Agreement
Schedule “C”	Lander Sale and Purchase Agreement

## ARTICLE II PURCHASE AND SALE OF PURCHASED SHARES

### 2.01 Purchase and Sale

Subject to the terms and conditions hereof, each of the Shareholders covenants and agrees, on its own behalf, to sell, assign and transfer to the Purchaser and the Purchaser covenants and agrees to purchase from the Shareholders, the number of Purchased Shares which are beneficially owned by such Shareholder at the Time of Closing. As of the date of this Agreement, the number of Purchased Shares which are beneficially owned by each Shareholder is the number set forth opposite the name of such Shareholder as set out in Schedule "A" attached hereto.

### 2.02 Purchase Price

In consideration for the acquisition of the BCCO Shares, the Purchaser shall issue from treasury to the Shareholders *pro rata* in proportion to their holdings of Purchased Shares at the Time of Closing, an aggregate of 5,000,000 Common Shares, free and clear of any encumbrances (the "**Payment Shares**") on the basis of one Payment Share issued in exchange for each BCCO Share. The Payment Shares are being issued at a deemed value per Payment Share equal to the closing price of the Common Shares on the CSE on the last trading day prior to the execution date of this Agreement.

In addition, the Purchaser acknowledges that pursuant to the Lander Sale and Purchase Agreement, BCCO has agreed to cause the Purchaser to issue to the Vendors (as defined in the Lander Sale and Purchase Agreement), in consideration for the acquisition of the Lander Claims by BCCO, such number of Common Shares that is equal to 29.7% of the issued and outstanding Common Shares upon completion of an equity financing of the Purchaser for minimum gross proceeds of \$2,000,000 (the "**Financing**"). The Purchaser agrees to, and does hereby, effective upon Closing, to assume the obligations to issue such Common Shares to the Vendors in connection with the closing of the Lander Acquisition.

### 2.03 Tax Election

The Purchaser agrees that, at the request and expense of any Shareholder who is resident in Canada for the purposes of the Tax Act, the Purchaser shall jointly elect with the Shareholder for the provisions of subsection 85(1) or (2) of the Tax Act and any equivalent provision under provincial legislation (each a "**Tax Election Provision**") to apply to the Purchased Shares acquired by the Purchaser from the Shareholder. In order to make any such election, the Shareholder shall prepare any prescribed election form (each a "**Tax Election Form**") and deliver any such Tax Election Form to the Purchaser within 90 days of the Closing Date. Upon receipt, the Purchaser shall sign the Tax Election Form and deliver a copy of the Tax Election Form to the Shareholder by mail using the address that the Shareholder provided to the Purchaser in the Tax Election Form within 30 days of receipt thereof. It shall be the sole responsibility of the Shareholder making the request to file the Tax Election Form with the Canada Revenue Agency or relevant provincial Governmental Authority. The Purchaser shall not be liable for any damages arising to a Shareholder for a late filing of a Tax Election Form or any errors or omissions on a Tax Election Form.

Notwithstanding anything contained in this Agreement, the Purchaser does not assume and shall not be liable for any taxes under the Tax Act or under provincial legislation or any other amount whatsoever which may be or become payable by Shareholders including, without limiting the generality of the foregoing, any Tax resulting from or arising as a consequence of the sale by Shareholders to the Purchaser of the Purchased Shares herein contemplated, or the availability (or lack thereof) of any Tax Election Provision, or the content or impact of any election made under any Tax Election Provision.



## 2.04 Restrictions on Resale

Each of the Shareholders acknowledges and agrees as follows:

- (a) the transfer of the Purchased Shares and the issuance of the Payment Shares, in exchange therefor, will be made pursuant to appropriate exemptions, including (but not limited to) the take-over bid prospectus exemption found in Section 2.16 of National Instrument 45-106 – *Prospectus Exemptions* (the “**Exemptions**”) from any applicable take-over bid and registration and prospectus (or equivalent) requirements of the Securities Laws;
- (b) as a consequence of acquiring the Payment Shares pursuant to the Exemptions:
  - (i) the Shareholder will be restricted from using certain of the civil remedies available under the Securities Laws;
  - (ii) the Shareholder may not receive information that might otherwise be required to be provided to the Shareholder, and the Purchaser is relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by the Purchaser;
  - (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Payment Shares;
  - (iv) there is no government or other insurance covering the Payment Shares; and
  - (v) an investment in the Payment Shares is speculative and of high risk;
- (c) although no statutory hold periods are currently expected to be applicable, the certificates representing the Payment Shares will bear such legends as required by Securities Laws and the policies of the CSE and it is the responsibility of the Shareholder to find out what those restrictions are and to comply with them before selling the Payment Shares;
- (d) the Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of that jurisdiction which apply to the sale of the Purchased Shares and the issuance of the Payment Shares and which may impose restrictions on the resale of such Payment Shares in that jurisdiction and it is the responsibility of the Shareholder to find out what those resale restrictions are, and to comply with them before selling the Payment Shares; and
- (e) each Shareholder will enter into a voluntary lock-up agreement in the form attached as Schedule “B” hereto (a “**Voluntary Lock-Up Agreement**”) on terms agreed with the Purchaser, pursuant to which all Payment Shares issued in exchange for the Purchased Shares held by the Shareholders will be subject to certain voluntary hold periods, and the certificates representing such Payments Shares will bear a legend (or legends) as set forth in the applicable Voluntary Lock-Up Agreement(s).

## **2.05 Restrictions on Resale BCCO Shares**

The Parties acknowledge that the BCCO Shares bear legends (the “**BCCO Legends**”) restricting resale. BCCO hereby waives such restrictions in connection with the sale and transfer of the BCCO Shares pursuant to this Agreement.

## **ARTICLE III CONDITIONS OF CLOSING**

### **3.01 Mutual Conditions of Closing**

The obligations to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) there shall be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to the Purchaser or BCCO or that could reasonably be expected to impose any condition or restriction upon the Purchaser or BCCO which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render inadvisable the consummation of the Transaction;
- (b) there shall be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of the Purchaser, acting reasonably, materially adversely affects or is reasonable likely to materially adversely affect the Transaction;
- (c) receipt of all required regulatory, corporate and third party approvals, including CSE approval, if applicable, and compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction;
- (d) neither party shall be subject to unresolved litigation or court proceedings;
- (e) there being no prohibition at law against the completion of the Transaction; and
- (f) the Closing Date shall be on or before the Termination Date.

The foregoing conditions precedent are for the benefit of all parties and may be waived by BCCO (on its own behalf and on behalf of the Shareholders) and the Purchaser, in whole or in part, without prejudice to any party’s right to rely on any other condition in favour of any party.

### **3.02 Conditions of Closing in Favour of the Purchaser**

The obligations of the Purchaser to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Shareholders and BCCO shall have tendered all closing deliveries set forth in Sections 4.03 and 4.04, respectively, including delivery of the Purchased Shares, duly endorsed in blank for transfer or accompanied by duly executed stock transfer

powers or other evidence of authorizing transfer of the Purchased Shares to the Purchaser acceptable to the Purchaser, acting reasonably;

- (b) the representations and warranties of BCCO set forth in this Agreement shall have been true and correct as of the date hereof and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of the sole director of BCCO to this effect shall have been delivered to the Purchaser;
- (c) all of the terms, covenants and conditions of this Agreement to be complied with or performed by BCCO at or before the Time of Closing will have been complied with or performed and a certificate of the sole director of BCCO to this effect shall have been delivered to the Purchaser;
- (d) the representations and warranties of the Shareholders set forth in this Agreement shall have been true and correct in all material respects as of the date hereof and shall be true and correct in all material respects as of the Time of Closing and delivery by each Shareholders of the documents described in Section 4.04 required to be delivered by such Shareholders shall constitute a reaffirmation and confirmation by such Shareholders of such representations and warranties;
- (e) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Shareholders at or before the Time of Closing will have been complied with or performed and delivery of the documents described in Section 4.04 shall constitute confirmation of such compliance and performance;
- (f) all consents, assignments, waivers, permits, orders and approvals of all Governmental Authorities (including the CSE) or other persons, including, if applicable, all those party to BCCO Material Contracts necessary to permit the completion of the Transaction shall have been obtained;
- (g) there being no inquiry or investigation (whether formal or informal) in relation to BCCO or its respective directors or officers commenced or threatened by any securities commission or official of the CSE or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a material adverse effect on, BCCO, its business, assets or financial condition; and
- (h) there shall not have been after the date of this Agreement any Material Adverse Effect with respect to BCCO.

The foregoing conditions precedent are for the benefit of the Purchaser and may be waived by the Purchaser, in whole or in part, without prejudice to the Purchaser's right to rely on any other condition in favour of the Purchaser.

### **3.03 Conditions of Closing in Favour of BCCO and the Shareholders**

The obligations of BCCO and the Shareholders to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Purchaser shall have tendered all closing deliveries set forth in Section 4.02 including delivery of the Payment Shares;
- (b) all consents, waivers, permits, orders and approvals of all Governmental Authorities (including the CSE) or other persons, including, if applicable, all those party to the Purchaser Material Contracts necessary to permit the completion of the Transaction shall have been obtained;
- (c) the representations and warranties of the Purchaser set forth in this Agreement shall have been true and correct as of the date hereof and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of a senior officer of the Purchaser to this effect shall have been delivered to BCCO and the Shareholders;
- (d) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Purchaser to this effect shall have been delivered to BCCO and the Shareholders;
- (e) there shall not have been after the date of this Agreement any Material Adverse Effect with respect to the Purchaser;
- (f) the Payment Shares will have been approved for issuance by the directors of the Purchaser; and
- (g) there being no inquiry or investigation (whether formal or informal) in relation to the Purchaser or its respective directors or officers commenced or threatened by any securities commission or official of the CSE or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a material adverse effect on, the Purchaser, its business, assets or financial condition.

The foregoing conditions precedent are for the benefit of BCCO and the Shareholders and may be waived by BCCO (on its own behalf and on behalf of the Shareholders) and the Shareholders, in whole or in part, without prejudice to BCCO's and the Shareholders' right to rely on any other condition in favour of BCCO and the Shareholders.

### **3.04 Notice and Cure Provisions**

Each party will give prompt notice to the other parties hereto of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would or would be likely to:

- (a) cause any of the representations or warranties of such party contained herein to be untrue or inaccurate on the date hereof or at the Closing Date; or
- (b) result in the failure by such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such party hereunder prior to the Closing Date.

Subject to Article VII, no party may elect not to complete the Transaction as contemplated herein as a result of the non-fulfillment of the conditions precedent contained in Sections 3.01, 3.02, or 3.03, as applicable, unless the party intending to rely thereon has delivered a written notice to the other parties hereto prior to the Time of Closing specifying, in reasonable detail, all breaches of representations and warranties or covenants or other matters which the party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent.

## **ARTICLE IV CLOSING AND POST CLOSING ARRANGEMENTS**

### **4.01 Time and Place of Closing**

Closing of the Transaction shall take place at the Time of Closing at the offices of McMillan LLP, Suite 1500, Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

### **4.02 Closing Deliveries of the Purchaser**

At the Time of Closing, the Purchaser will deliver or cause to be delivered:

- (a) share certificates or direct registration system (DRS) statements evidencing the Payment Shares registered to the Shareholders as set forth in Schedule "A";
- (b) a certificate of one of the Purchaser's senior officers, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the notice of articles and articles of the Purchaser (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of the Purchaser approving the entering into of this Agreement and all ancillary agreements contemplated herein and the completion of the Transaction, including the issuance of the Payment Shares;
- (c) the officer's certificates referred to in Sections 3.03(c) and 3.03(d); and
- (d) a certificate of good standing for the Purchaser.

### **4.03 Closing Deliveries of BCCO**

At the Time of Closing, BCCO will deliver or cause to be delivered:

- (a) a certificate of one of BCCO's senior officers, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the constating documents of BCCO (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of BCCO approving the entering into of this Agreement and the completion of the Transaction;
- (b) the officer's certificates referred to in Sections 3.02(b) and 3.02(c);
- (c) resignation of the directors of BCCO (including a statement certifying that said director does not have any claim in any respect against BCCO) and resolutions consented to in writing by the directors of BCCO (and if applicable, the shareholders of BCCO) appointing nominees of the Purchaser as directors of BCCO;

- (d) resignations of the officers of BCCO (including a statement certifying that said officers do not have any claim in any respect against BCCO) and resolutions consented to in writing by the directors of BCCO appointing nominees of the Purchaser as officers of BCCO; and
- (e) a certificate of good standing for BCCO.

#### **4.04 Closing Deliveries of the Shareholders**

At the Time of Closing, each of the Shareholders will cause to be delivered:

- (a) with respect to each Shareholder, share certificates evidencing the Purchased Shares owned by such Shareholder, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers; and
- (b) duly executed Voluntary Lock-Up Agreements.

### **ARTICLE V REPRESENTATIONS AND WARRANTIES**

#### **5.01 Representations and Warranties of the Purchaser**

The Purchaser represents and warrants to and in favour of each of the Shareholders and BCCO as follows, and acknowledges that such parties are relying upon such representations and warranties in connection with the transactions contemplated herein:

- (a) the Purchaser is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Purchaser is a “reporting issuer” in the provinces of British Columbia, Alberta and Ontario, and is not in material default of the Securities Laws;
- (c) the Purchaser has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (d) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Purchaser and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (e) the Common Shares are listed for trading on the CSE and the Purchaser is not in material default of any of the listing requirements of the CSE;
- (f) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or the articles of the Purchaser or of any resolutions of the directors or shareholders

of the Purchaser, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any Purchaser Material Contract), licence or permit to which the Purchaser is a party or by which the Purchaser is bound or to which any material assets or property of the Purchaser is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Purchaser;

- (g) the authorized capital of the Purchaser consists of an unlimited number of Common Shares, of which, as of the date hereof, 11,780,000 Common Shares are issued and outstanding as fully paid and non-assessable; as of the date hereof, 320,000 stock options are outstanding and nil common share purchase warrants are outstanding;
- (h) when issued in accordance with the terms hereof, the Payment Shares will be validly issued as fully paid and non-assessable Common Shares;
- (i) other than as set out in Section 5.01(g), there are no other Common Shares or securities convertible, exercisable or exchangeable into Common Shares or preferred shares issued or outstanding;
- (j) all disclosure documents of the Purchaser filed under the Securities Laws of the Province of British Columbia since the date of its incorporation, but not limited to, financial statements, prospectuses, offering memorandums, information circulars, news releases, material change reports and shareholder communications contain no untrue statement of a material fact as at the date thereof nor do they omit to state a material fact which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made;
- (k) except for the holders of the securities set out Section 5.01(g), and other than the Shareholders pursuant to this Agreement and Common Shares issuable to the Vendors under the Lander Acquisition, no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Purchaser;
- (l) the audited financial statements of the Purchaser for the year ended June 30, 2021, and the unaudited interim financial statements for the three-month period ended September 30, 2021 (collectively, the “**Purchaser Financial Statements**”), copies of which have been filed publicly with the British Columbia Securities Commission and are available on SEDAR, are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of the Purchaser for the periods then ended and the Purchaser Financial Statements have been prepared in accordance with GAAP applied on a consistent basis;
- (m) no information has come to the attention of the Purchaser since the last date of the most recently issued Purchaser Financial Statements that would or would

reasonably be expected to require any restatement or revisions of any such financial statements;

- (n) the Purchaser's auditors who audited the Purchaser Financial Statements (as applicable) are independent public accountants;
- (o) except as disclosed in the Purchaser Financial Statements, there are no related-party transactions or off-balance sheet structures or transactions with respect to the Purchaser;
- (p) except as disclosed in the Purchaser Financial Statements, the Purchaser is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (q) since June 30, 2021, there has been no material adverse change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of the Purchaser;
- (r) the Purchaser has conducted and is conducting its business in compliance in all material respects with all applicable laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (s) all of the Contracts of the Purchaser material to its business and operations (the "**Purchaser Material Contracts**"), together with this Agreement, and after the execution and delivery hereof, all ancillary agreements contemplated herein, constitute all the Material Contracts of the Purchaser. Each of the Purchaser Material Contracts is in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Purchased Shares hereunder and the other transactions contemplated hereunder, including, without limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. The Purchaser has not violated or breached, in any material respect, any of the terms or conditions of any Purchaser Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (t) there are no waivers, consents, notices or approvals required to be given or obtained by the Purchaser in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Purchaser is a party;
- (u) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Purchaser is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement or the consummation of the Transaction, including, without limitation, the issuance of the Payment Shares, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or



materially delay the consummation of the Transaction or otherwise prevent or materially delay the Purchaser from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Purchaser;

- (v) there is no suit, action or proceeding or, to the knowledge of the Purchaser, pending or threatened against the Purchaser that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Purchaser, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against the Purchaser causing, or which could reasonably be expected to cause, a Material Adverse Effect on the Purchaser;
- (w) no bankruptcy, insolvency or receivership proceedings have been instituted by the Purchaser or, to the knowledge of the Purchaser, are pending against the Purchaser;
- (x) the Purchaser has good and marketable title to its properties and assets (other than property or an asset as to which the Purchaser is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (y) no person has any written or oral agreement, option, understanding or commitment for the purchase from the Purchaser of any of its assets or property;
- (z) the Purchaser has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser, and all such all permits, licences, certificates of authority, orders and approvals are in good standing in all material respects;
- (aa) the Purchaser has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by the Purchaser in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to the Purchaser are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby. The Purchaser has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax;
- (bb) there are no audits, reassessments or other proceedings in progress or, to the knowledge of the Purchaser, threatened against the Purchaser, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and the Purchaser is not aware of any contingent liability of the Purchaser for Tax or any grounds that could prompt an assessment or reassessment

for any Tax, and the Purchaser has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;

- (cc) the Purchaser has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority each Tax or other amount required to be deducted, withheld or collected and remitted by the Purchaser;
- (dd) the Purchaser has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Purchaser of such Governmental Authority's intention to commence or to conduct any investigation, that could be reasonably likely to have a Material Adverse Effect on the Purchaser;
- (ee) no current or former employee, officer or director of the Purchaser is entitled to a severance, termination or other similar payment as a result of the Transaction;
- (ff) the Corporate Records of the Purchaser are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of the Purchaser, and without limiting the generality of the foregoing: (i) the minute books contain complete and accurate minutes of all meetings of the directors (and any committee thereof) and shareholders of the Purchaser; (ii) such minute books contain all written resolutions passed by the directors (and any committee thereof) and shareholders of the Purchaser; (iii) the share certificate books, if any, the central securities register and register of transfers, and branch registers, of the Purchaser are complete and accurate, and all transfers of shares of the Purchaser reflected therein have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of the Purchaser were duly elected or appointed as the case may be;
- (gg) all Books and Records of the Purchaser have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;
- (hh) the Purchaser has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement that in any manner may or will impose liability on the Purchaser, BCCO or the Shareholders; and
- (ii) to the knowledge of the Purchaser, no representation or warranty of the Purchaser contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

## **5.02 Representations and Warranties of the Shareholders**

Each of the Shareholders, on its own behalf and not on behalf of any other Shareholders, hereby severally (and, for greater certainty, not jointly with any other Shareholders) represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) this Agreement has been, and each additional agreement or instrument required to be delivered by the Shareholder pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Shareholder and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Shareholder, enforceable against the Shareholder in accordance with its terms;
- (b) if the Shareholder is not an individual, the Shareholder is validly existing under the laws of its jurisdiction of organization and has the corporate or other power to enter into this Agreement and any other agreement to which it is, or is to become, a party to pursuant to the terms hereof and to perform its obligations hereunder and thereunder;
- (c) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) if the Shareholder is not an individual, result in a breach or violation of the articles or by-laws of the Shareholder (or other constating documents of the Shareholder) or of any resolutions of the directors or shareholders of the Shareholders, or (ii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Shareholders;
- (d) the Shareholder is the registered and beneficial owner of that number of BCCO Shares set forth opposite the Shareholder's name in Schedule "A" (such common shares comprising part of the Purchased Shares), free and clear of all liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances of any nature whatsoever;
- (e) except for the Purchaser's rights hereunder, no person has any agreement or option or any right or privilege capable of becoming an agreement for the purchase of the Purchased Shares held or beneficially owned by the Shareholder and, other than the BCCO Legends, none of such common shares of BCCO are subject to any voting trust, shareholders agreement, voting agreement or other agreement with respect to the disposition or enjoyment of any rights of such common shares of BCCO;
- (f) except for the Non-Resident Shareholders, the Shareholder is not a "non-resident" of Canada within the meaning of the Tax Act;
- (g)
  - (i) the offer to purchase the Shareholder's Purchased Shares was not made to the Shareholder when either the Shareholder or any beneficial purchaser for whom it is acting, if applicable, was in the United States;
  - (ii) the Shareholder is not a U.S. Person, is not in the United States and is not acquiring the applicable Payment Shares on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States;
  - (iii) at the time this Agreement was executed and delivered by the Shareholder, the Shareholder was outside the United States;
  - (iv) if the Shareholder is a corporation or entity, (A) a majority of the Shareholder's voting equity is beneficially owned by persons resident outside the United States;

- and (B) the Shareholder's affairs are wholly controlled and directed from outside of the United States;
- (v) the Shareholder or any beneficial purchaser for whom it is acting, if applicable, has no intention to distribute either directly or indirectly any of the Payment Shares in the United States, except in compliance with the U.S. Securities Act; and
  - (vi) the current structure of this transaction and all transactions and activities contemplated in this Agreement is not a scheme by the Shareholder to avoid the registration requirements of the U.S. Securities Act and any applicable state securities laws;
  - (h) Non-Resident Shareholders represent, warrant and/or acknowledge, as applicable, that:
    - (i) the Payment Shares issuable hereunder have not been and will not be registered under the securities laws of any foreign jurisdiction and that the issuance of the Payment Shares pursuant to the terms of this Agreement is being made in reliance on applicable exemptions; and
    - (ii) the receipt of the Payment Shares by Non-Resident Shareholders does not contravene any of the applicable securities legislation in the jurisdiction in which it is resident and does not trigger: (i) any obligation to prepare and file a prospectus or similar document, or any other report with respect to such transfer; and (ii) any registration or other obligation on the part of Purchaser;
  - (i) the Shareholder has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement, that in any manner may or will impose liability on BCCO or the Purchaser; and
  - (j) to the knowledge of the Shareholder, no representation or warranty of the Shareholder contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

### **5.03 Representations and Warranties of BCCO**

BCCO represents and warrants to the Purchaser as follows, except as Disclosed, and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) BCCO is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) BCCO has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder to own and lease its property, and to carry on its businesses as now being conducted;

- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by BCCO and each is, or will be at the Time of Closing, a legal, valid and binding obligation of BCCO, enforceable against BCCO in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or articles of BCCO or of any resolutions of the directors or shareholders of BCCO, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any BCCO Material Contract), license or permit to which BCCO is a party or by which BCCO is bound or to which any material assets or property of BCCO is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to BCCO;
- (e) the authorized capital of BCCO consists of an unlimited number of common shares, of which, as of the date of this Agreement, 5,000,000 BCCO Shares are issued and outstanding as fully paid and non-assessable shares as set forth in Schedule "A"; as of the date hereof, nil common share purchase warrants of BCCO are outstanding and nil stock options are outstanding;
- (f) other than the obligation to cause the Purchaser to issue such number of Common Shares that is equal to 29.7% of the issued and outstanding Common Shares upon completion of the Financing pursuant to the Lander Sale and Purchase Agreement and as set out in Section 5.03(e), there are no other common shares of BCCO or securities convertible, exercisable or exchangeable into common shares or preferred shares issued or outstanding;
- (g) other than as described herein, BCCO does not own, and has not at any time owned, and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person, and BCCO does not have any agreements to acquire or lease any material assets or properties or any other business operations;
- (h) other than the obligation to cause the Purchaser to issue such number of Common Shares that is equal to 29.7% of the issued and outstanding Common Shares upon completion of the Financing pursuant to the Lander Sale and Purchase Agreement and as set out in Section 5.03(e), no person (other than the Purchaser pursuant to this Agreement) has any agreement, option, right or privilege (whether by law, preemptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of BCCO;
- (i) other than as disclosed in writing by BCCO to the Purchaser, BCCO has no material liabilities other than those incurred in the ordinary course of business;

- (j) BCCO is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (k) BCCO has conducted and is conducting its business in compliance in all material respects with all applicable laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (l) the Lander Sale and Purchase Agreement and this Agreement (together, the “**BCCO Material Contracts**”) and after the execution and delivery hereof, all ancillary agreements contemplated herein, constitute all the Material Contracts of BCCO. Each of the BCCO Material Contracts is in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Purchased Shares hereunder and the other transactions contemplated hereunder, including, without limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. BCCO has not violated or breached, in any material respect, any of the terms or conditions of any BCCO Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (m) there are no waivers, consents, notices or approvals required to be given or obtained by BCCO in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which BCCO is a party;
- (n) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over BCCO is required to be obtained by BCCO in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay BCCO from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on BCCO;
- (o) there is no suit, action or proceeding or, to the knowledge of BCCO, pending or threatened against BCCO that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on BCCO, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against BCCO causing, or which could reasonably be expected to cause, a Material Adverse Effect on BCCO;
- (p) no bankruptcy, insolvency or receivership proceedings have been instituted by BCCO or, to the knowledge of BCCO, are pending against BCCO;
- (q) BCCO has good and marketable title to its properties and assets (other than property or an asset as to which BCCO is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the

aggregate, could not reasonably be expected to have a Material Adverse Effect on BCCO;

- (r) no person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from BCCO of any of its assets or property;
- (s) BCCO has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities and other persons that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on BCCO, and all such permits, licenses, certificates of authority, orders and approvals are in good standing and fully complied with in all material respects;
- (t) BCCO has not, as of the date hereof, filed any Tax Returns in any jurisdiction as of the date hereof;
- (u) there are no audits, reassessments or other proceedings in progress or, to the knowledge of BCCO, threatened against BCCO, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and BCCO is not aware of any contingent liability of BCCO for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and BCCO has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;
- (v) BCCO has not, as of the date hereof, deducted, withheld or collected or remitted and Tax to any Governmental Authority;
- (w) BCCO has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified BCCO of such Governmental Authority's intention to commence or to conduct any investigation that could be reasonably likely to have a Material Adverse Effect on BCCO;
- (x) BCCO has no employees and BCCO is not a party to any employment, management or consulting agreement of any kind whatsoever;
- (y) no current or former employee, officer or director of BCCO is entitled to a severance, termination or other similar payment as a result of the Transaction;
- (z) the Corporate Records of BCCO are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of BCCO, and without limiting the generality of the foregoing: (i) the minute books of BCCO contain complete and accurate minutes of all meetings of the directors and shareholders of BCCO; (ii) such minute books contain all written resolutions passed by the directors and shareholders of BCCO; (iii) the securities register of BCCO are complete and accurate, and all transfers of shares of BCCO have been

duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of BCCO were duly elected or appointed as the case may be;

- (aa) all Books and Records of BCCO have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;
- (bb) BCCO has no material IP and there are no Contracts that are material to the business and operations of BCCO as presently conducted under which BCCO licenses any IP from a third party;
- (cc) BCCO is not a 'reporting issuer' or equivalent in any jurisdiction nor are any shares of BCCO listed or quoted on any stock exchange or electronic quotation system;
- (dd) BCCO has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement that in any manner may or will impose liability on the Purchaser, BCCO or the Shareholders; and
- (ee) to the knowledge of BCCO, no representation or warranty of BCCO contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

#### **5.04 Survival of Representations and Warranties**

The representations and warranties made by the parties and contained in this Agreement or any document or certificate given pursuant hereto shall survive the Closing of the Transaction until the date that is 12 months from the date of Closing. No claim for breach of any representation, warranty or covenant shall be valid unless that party against whom such claim is made has been given notice thereof before the expiry of such 12-month period.

### **ARTICLE VI COVENANTS**

#### **6.01 Mutual Covenants**

Each of the parties hereby covenants and agrees as follows:

- (a) to use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under applicable laws and regulations to complete the Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person, including without limitation, any securities regulatory authority, seeks to prevent, delay or hinder implementation of all or any portion of the Transaction or



seeks to invalidate all or any portion of this Agreement, the Purchaser and BCCO shall use commercially reasonable efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the parties to complete the Transaction;

- (b) to use commercially reasonable efforts to obtain, before the Time of Closing, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, Governmental Authorities, shareholders and third parties as are necessary for the consummation of the transactions contemplated herein;
- (c) to use commercially reasonable efforts to defend or cause to be defended any lawsuits or other legal proceedings brought against it challenging this Agreement or the completion of the Transaction; neither the Purchaser nor BCCO will settle or compromise any claim brought against them in connection with the transactions contemplated by this Agreement prior to the Closing Date without the prior written consent of each of the others, such consent not to be unreasonably withheld or delayed;
- (d) to promptly notify each of the other parties if any representation or warranty made by it in this Agreement ceases to be true and correct in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier) and of any failure to comply in any material respect with any of its obligations under this Agreement;
- (e) to co-operate with each of the other parties hereto in good faith in order to ensure the timely completion of the Transaction; and
- (f) to use commercially reasonable efforts to co-operate with each of the other parties hereto in connection with the performance by the other of its obligations under this Agreement.

## **6.02 Covenants of the Purchaser**

The Purchaser covenants and agrees with each of the Shareholders and BCCO that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner:
  - (i) file and/or deliver any document or documents as may be required in order for the Transaction as contemplated herein to be effective; and
  - (ii) file and/or deliver any document or documents required pursuant to applicable laws and/or the rules and policies of the CSE in connection with the Transaction as contemplated herein after the Closing;
- (b) not solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of

agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Transaction, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or “takeover bid,” exempt or otherwise, within the meaning of the *Securities Act* (British Columbia), for securities or assets of the Purchaser, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Transaction, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event the Purchaser, including any of its officers or directors, receives any form of offer or inquiry, the Purchaser shall forthwith (in any event within one business day following receipt) notify BCCO of such offer or inquiry and provide BCCO with such details as it may request;

- (c) to make available and afford BCCO and its authorized representatives and, if requested by BCCO, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to the Purchaser. The Purchaser will afford BCCO and its authorized representatives every reasonable opportunity to have free and unrestricted access to the Purchaser’s property, assets, undertaking, records and documents. At the request of BCCO, the Purchaser will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of the Purchaser’s business and any of its property or to enable BCCO or its authorized representatives to obtain full access to all files and records relating to any of the assets of the Purchaser maintained by governmental or other public authorities. The obligations in this Section 6.02(c) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained, provided that in such circumstance the Purchaser will be required to disclose that information has been withheld on this basis. The exercise of any rights of inspection by or on behalf of BCCO under this Section 6.02(c) will not mitigate or otherwise affect the representations and warranties of the Purchaser hereunder;
- (d) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance the Purchaser will be required to disclose that information has been withheld on this basis), furnish promptly to BCCO (on behalf of itself and the Shareholders) a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Purchaser in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (e) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the

same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction as contemplated herein, including using commercially reasonable efforts to:

- (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts, as applicable;
  - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Purchaser or BCCO before any Governmental Authority to the extent permitted by such authorities; and
  - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (f) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (g) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its notice of articles or articles as the same exist at the date of this Agreement;
- (h) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:
- (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;
  - (ii) increase or decrease its paid-up capital or purchase or redeem any shares; or
  - (iii) issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire, any such shares;
- (i) take all necessary corporate action and proceedings to approve and authorize the issuance of the Payment Shares to the Shareholders;
- (j) prepare and file with all applicable securities commissions such notifications and fees necessary to permit, or that are required in connection with, the issuance of the Payment Shares to the Shareholders, in each case, on a basis exempt from the prospectus requirements of the applicable Securities Laws of the provinces of Canada in which the Shareholders are resident; and

- (k) not to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of the Purchaser (including those that are convertible or exchangeable into securities of the Purchaser), other than as contemplated under this Agreement.

### **6.03 Covenants of BCCO**

BCCO covenants and agrees with the Purchaser that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) not to solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Transaction, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or “takeover bid,” exempt or otherwise, within the meaning of the *Securities Act* (British Columbia), for securities or assets of BCCO, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Transaction, including, without limitation, except for in connection with the Lander Acquisition, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event, BCCO, including any of its officers or directors, receives any form of offer or inquiry, BCCO shall forthwith (in any event within one business day following receipt) notify the Purchaser of such offer or inquiry and provide the Purchaser with such details as it may request;
- (b) to make available and afford the Purchaser and its authorized representatives and, if requested by the Purchaser, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to BCCO. BCCO will afford the Purchaser and its authorized representatives every reasonable opportunity to have free and unrestricted access to BCCO’s property, assets, undertaking, records and documents. At the request of the Purchaser, BCCO will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of BCCO’s business and any of its property or to enable the Purchaser or its authorized representatives to obtain full access to all files and records relating to any of the assets of BCCO maintained by governmental or other public authorities. The obligations in this Section 6.03(b) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained, provided that in such circumstance BCCO will be required to disclose that information has been withheld on this basis. The exercise of any rights of inspection by or on behalf of Purchaser under this Section 6.03(b) will not mitigate or otherwise affect the representations and warranties of BCCO hereunder;

- (c) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance BCCO will be required to disclose that information has been withheld on this basis), furnish promptly to the Purchaser a copy of each notice, report, schedule or other document or communication delivered, filed or received by BCCO in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (d) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:
  - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts;
  - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either BCCO or the Purchaser before any Governmental Authority to the extent permitted by such authorities; and
  - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (e) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (f) conduct and operate its business and affairs only in the ordinary course consistent with past practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons and, for greater certainty, other than the Lander Acquisition, it will not enter into any material transaction out of the ordinary course of business consistent with past practice without the prior consent of the Purchaser, and BCCO will keep the Purchaser fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained;
- (g) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its articles or notice of articles as the same exist at the date of this Agreement;
- (h) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets

as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:

- (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;
  - (ii) increase or decrease its paid-up capital or purchase or redeem any shares;
  - (iii) other than in connection with the Lander Acquisition, issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire any such shares;
  - (iv) not to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of BCCO (including those that are convertible or exchangeable into securities of BCCO), other than as contemplated under this Agreement; and
- (i) take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Purchased Shares to the Purchaser.

#### **6.04 Covenants of the Shareholders**

Each of the Shareholders, on its own behalf, covenants and agrees with the other parties hereto that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:
  - (i) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction; and
  - (ii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (b) subject to Applicable Laws or as otherwise authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (c) if the Shareholder is a corporation or entity, take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Purchased Shares to the Purchaser; and

- (d) not encumber in any manner the Purchased Shares and ensure that at the Time of Closing the Purchased Shares are free and clear of all Liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances whatsoever.

## **ARTICLE VII TERMINATION**

### **7.01 Termination**

This Agreement may be terminated in writing at any time prior to the Closing:

- (a) by mutual written consent of the Purchaser and BCCO;
- (b) by either BCCO or the Purchaser if the Closing shall not have been consummated on or prior to the Termination Date, without liability to the terminating party on account of such termination; provided that the right to terminate this Agreement pursuant to this Section 7.01(b) shall not be available to a party whose breach or violation of any representation, warranty, covenant, obligation or agreement under this Agreement has been the cause of or has resulted in the failure of the Closing to occur on or before such date;
- (c) by the Purchaser, if there has been a material breach by BCCO or the Shareholders of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.01 which BCCO or the Shareholders, as applicable, fails to cure within ten (10) Business Days after written notice thereof is given by the Purchaser;
- (d) by BCCO if there has been a material breach by the Purchaser of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.03 which the Purchaser fails to cure within ten (10) Business Days after written notice thereof is given by BCCO; and
- (e) by any party, if any permanent injunction or other order of a court or other competent authority preventing the Closing shall have become final and non-appealable; provided, however, that no party shall be entitled to terminate this Agreement if such party's material breach of this Agreement or any of the documents contemplated hereby has resulted in such permanent injunction or order.

### **7.02 Effect of Termination**

Upon termination of this Agreement in accordance with the terms hereof, the parties hereto shall have no further obligations under this Agreement, other than the obligations contained in Sections 9.03 and 9.08.

## **ARTICLE VIII INDEMNIFICATION**

### **8.01 Indemnification by the Purchaser**

Subject to Section 5.04, the Purchaser shall indemnify and save the Shareholders and BCCO harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Shareholders or BCCO as a result of any breach of representation, warranty or covenant on the part of the Purchaser contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

### **8.02 Indemnification by BCCO**

Subject to Section 5.04, BCCO shall indemnify and save the Purchaser harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Purchaser as a result of any breach of representation, warranty or covenant on the part of BCCO contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

### **8.03 Indemnification by Shareholders**

Subject to Section 5.04, each of the Shareholders, on its own behalf, and not on behalf of any other Shareholder, severally (and for greater certainty, not jointly with any other Shareholder) shall indemnify and save the Purchaser harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Purchaser as a result of any breach by such Shareholder of any representation, warranty or covenant on the part of such Shareholder contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

### **8.04 Notice of Claim**

A party entitled to and seeking indemnification pursuant to the terms of this Agreement (the “**Indemnified Party**”) shall promptly give written notice to the party or parties, as applicable, responsible for indemnifying the Indemnified Party (the “**Indemnifying Party**”) of any claim for indemnification pursuant to Sections 8.01, 8.02 and 8.03 (a “**Claim**”, which term shall include more than one Claim). Such notice shall specify whether the Claim arises as a result of a claim by a person against the Indemnified Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and shall also specify with reasonable particularity (to the extent that the information is available):



- (a) the factual basis for the Claim; and
- (b) the amount of the Claim, or, if any amount is not then determinable, an approximate and reasonable estimate of the likely amount of the Claim.

#### **8.05 Procedure for Indemnification**

- (a) Direct Claims. With respect to Direct Claims, following receipt of notice from the Indemnifying Party of a Claim, the Indemnifying Party shall have 30 days to make such investigation of the Claim as the Indemnifying Party considers necessary or desirable, acting reasonably. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim. If the Indemnified Party and the Indemnifying Party agree at or prior to the expiration of such 30 day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed upon amount of the Claim.
- (b) Third Party Claims. With respect to any Third Party Claim, the Indemnifying Party shall have the right, at its own expense, to participate in or assume control of the negotiation, settlement or defence of such Third Party Claim and, in such event, the Indemnifying Party shall reimburse the Indemnified Party for all the Indemnified Party's commercially reasonable out-of-pocket expenses incurred as a result of such participation or assumption. If the Indemnifying Party elects to assume such control, the Indemnified Party shall cooperate with the Indemnifying Party, shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and shall have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Party and the Indemnified Party shall be retained by the Indemnifying Party. If the Indemnifying Party, having elected to assume such control, thereafter fails to defend any such Third Party Claim within a reasonable time, the Indemnified Party shall be entitled to assume such control and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

#### **8.06 General Indemnification Rules**

The obligations of the Indemnifying Party to indemnify the Indemnified Party in respect of Claims shall also be subject to the following:

- (a) without limiting the generality of Sections 8.01, 8.02 and 8.03, any Claim for breach of any representation, warranty or covenant shall be subject to Section 5.04;
- (b) the Indemnifying Party's obligation to indemnify the Indemnified Party shall only apply to the extent that the Claims in respect of which the Indemnifying Party has given an indemnity, in the aggregate, exceed \$5,000;
- (c) notwithstanding anything to the contrary in this Agreement, the aggregate liability of an Indemnifying Party which is a Shareholder to any and all Indemnified Parties under this Article VIII shall be limited to the amount paid to such Indemnifying Party in respect of its Purchased Shares pursuant to Section 2.01; for greater certainty, no Shareholder shall be liable, in the aggregate, to any and all

Indemnified Parties for any amount in excess of the value of its *pro rata* share of the Payment Shares;

- (d) notwithstanding anything to the contrary in this Agreement, the aggregate liability of BCCO or the Purchaser to any and all Indemnified Parties under this Article VIII shall be limited to the value of the Payment Shares issuable under this Agreement;
- (e) if any Third Party Claim is of a nature such that the Indemnified Party is required by applicable law to make a payment to any person (a “**Third Party**”) with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and thereafter seek reimbursement from the Indemnifying Party for any such payment. If any Indemnifying Party pays, or reimburses an Indemnified Party in respect of any Third Party Claim before completion of settlement negotiations or related legal proceedings, and the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party, the Indemnified Party shall, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party;
- (f) except in the circumstance contemplated by Section 8.05, and whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnified Party shall not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld);
- (g) the Indemnified Party shall not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Party notice and an opportunity to contest such Third Party Claim;
- (h) the Indemnified Party and the Indemnifying Party shall cooperate fully with each other with respect to Third Party Claims and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available); and
- (i) the provisions of this Article VIII shall constitute the sole remedy available to a party against another party with respect to any and all breaches of any agreement, covenant, representation or warranty made by such other party in this Agreement.

## ARTICLE IX EXCLUSIVITY AND ACCESS

### 9.01 Power of Attorney

Each of the Shareholders hereby severally and irrevocably appoints BCCO as its agent and attorney to take any action that is required under the Agreement or to execute and deliver any documents on their behalf, including without limitation, for the purposes of all Closing matters (including without limitation, the receipt of certificates representing the Payment Shares) and deliveries of documents and do and cause to be done all such acts and things as may be necessary or desirable in connection with the

closing matters for the Transaction. Without limiting the generality of the foregoing, BCCO may, on its own behalf and on behalf of the Shareholders, extend the Time of Closing, modify or waive any conditions as are contemplated herein, negotiate, settle and deliver the final forms of any documents that are necessary or desirable to give effect to the Transaction, extend such time periods as may be contemplated herein or terminate this Agreement, in its absolute discretion, as it deems appropriate. Each of the Shareholders hereby acknowledges and agrees that any decision or exercise of discretion made by BCCO under this Agreement, shall be final and binding upon the Shareholders so long as such decision or exercise was made in good faith. The Purchaser shall have no duty to enquire into the validity of any document executed or other action taken by BCCO on behalf of the Shareholders pursuant to this Section 9.01.

## 9.02 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement (each, a “**notice**”) shall be in writing shall be in writing addressed as follows:

- (a) if to the Purchaser:

Ivor Exploration Inc.  
 #1080 – 789 West Pender Street  
 Vancouver, British Columbia, V6C 1H2  
 Attention: David Forest, Chief Executive Officer  
 E-mail: [REDACTED]

with a courtesy copy (which copy shall not constitute notice to the Purchaser) to:

McMillan LLP  
 1500 Royal Centre  
 1055 West Georgia Street  
 Vancouver, British Columbia, V6E 4N7  
 Attention: Mark Neighbor  
 E-mail: mark.neighbor@mcmillan.ca

- (b) if to BCCO or the Shareholders:

133038 B.C. Ltd.  
 #602 – 2788 Prince Edward Street  
 Vancouver, British Columbia, V5T 0C8  
 Attention: David Forest, Director  
 E-mail: [REDACTED]

with a courtesy copy (which copy shall not constitute notice to the Shareholders) to:

Farris LLP  
 2500 - &00 West Georgia Street  
 Vancouver, British Columbia, V4L 2K8  
 Attention: Lyndsay Schooley  
 E-mail: lschoolet@farris.com

or such other address as may be designated by notice given by either BCCO or the Purchaser to the other in accordance with this Section 9.02. Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee and a notice which is personally delivered or sent by email shall, if delivered or

sent prior to 4:00 p.m. (local time of the recipient) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the next Business Day. Any notice delivered to BCCO in accordance with this Section 9.02 prior to the Time of Closing shall be deemed to have been delivered to each of the Shareholders. The previous sentence of this Section 9.02 shall not apply to a notice given as contemplated in Section 3.04 of the occurrence, or failure to occur, of any event or state of facts which would or would likely to cause any of the representations or warranties of any Shareholder to be untrue or inaccurate or result in the failure by any Shareholder to comply with or satisfy any covenant, condition or agreement, which notice shall not be deemed to have been received by such Shareholder unless delivered to the address of such Shareholder as reflected in the books of BCCO (or after the Time of Closing, the books of the Purchaser). Any Shareholder may, from time to time, by notice given in accordance with this Section 9.02, designate or provide an address of such Shareholder for notices to be given after the Time of Closing.

### **9.03 Confidentiality**

Prior to Closing and, if the Transaction is not completed, at all times thereafter, each of the parties hereto will keep confidential and refrain from using all information obtained by it in connection with the transactions contemplated by this Agreement relating to any other party hereto, provided however that such obligation shall not apply to any information which was in the public domain at the time of its disclosure to a party or which subsequently comes into the public domain other than as a result of a breach of such party's obligations under this Section 9.03. For greater certainty, nothing contained herein shall prevent any disclosure of information which may be required pursuant to applicable laws or pursuant to an order in judicial or administrative proceedings or any other order made by any Governmental Authority.

### **9.04 Assignment**

Other than as provided herein, no party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto, such consent not to be unreasonably withheld or delayed.

### **9.05 Binding Effect**

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

### **9.06 Waiver**

No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

### **9.07 Governing Law**

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and is to be treated in all respects as a British Columbia contract.

### **9.08 Expenses**

Each Party shall be responsible for its costs and expenses incurred with respect to the transactions contemplated herein, which are comprised of its legal fees and disbursements relating to preparing this Agreement and related documents specifically relating to the transactions contemplated herein, it being

acknowledged, that documentation in respect of the Transaction shall, to as great an extent as reasonably possible, be prepared by the Purchaser's counsel with the assistance of BCCO as needed.

**9.09 No Personal Liability**

- (a) No director, officer, employee or agent of the Purchaser shall have any personal liability whatsoever to BCCO or the Shareholders under this Agreement or any other document delivered in connection with the Transaction on behalf of the Purchaser.
- (b) No director, officer, employee or agent of BCCO (in such capacity) shall have any personal liability whatsoever to the Purchaser under this Agreement or any other document delivered in connection with the Transaction on behalf of BCCO.

**9.10 Time of Essence**

Time is of the essence of this Agreement and of each of its provisions.

**9.11 Public Announcements**

BCCO and the Purchaser shall co-operate with the other in releasing information concerning this Agreement and the transactions contemplated herein, and shall furnish to and discuss with the other drafts of all press and other releases prior to publication. No press release or other public announcement concerning the proposed transactions contemplated by this Agreement will be made by any party hereto without the prior consent of the other parties, such consent not to be unreasonably withheld or delayed; provided that nothing contained herein shall prevent any party hereto at any time from furnishing any information to any Governmental Authority or to the public if so required by applicable law.

**9.12 Further Assurances**

Each party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated herein.

**9.13 Entire Agreement**

This Agreement, together with the documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

**9.14 Amendments**

No amendment of any provision of this Agreement will be binding on any party unless consented to in writing by such party.

**9.15 Severability**

In the event that any provision or part of this Agreement is determined by any court or other judicial or administrative body to be illegal, null, void, invalid or unenforceable, that provision shall be

severed to the extent that it is so declared and the other provisions of this Agreement shall continue in full force and effect.

**9.16 Remedies Cumulative**

The rights and remedies of the parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such party may be lawfully entitled for the same default or breach.

**9.17 Counterparts**

This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method, each of which when executed and delivered shall be deemed an original and all of which counterparts together shall be deemed to constitute one and the same instrument.

**9.18 Independent Legal Advice**

EACH SHAREHOLDER ACKNOWLEDGES, CONFIRMS AND AGREES THAT HE, SHE OR IT HAS HAD THE OPPORTUNITY TO SEEK AND WAS NOT PREVENTED OR DISCOURAGED BY ANY PARTY HERETO FROM SEEKING INDEPENDENT LEGAL ADVICE PRIOR TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THAT, IN THE EVENT THAT ANY SHAREHOLDER DID NOT AVAIL HIMSELF/HERSELF/ITSELF WITH THAT OPPORTUNITY PRIOR TO SIGNING THIS AGREEMENT, SUCH SHAREHOLDER DID SO VOLUNTARILY WITHOUT ANY UNDUE PRESSURE AND AGREES THAT SUCH SHAREHOLDER'S FAILURE TO OBTAIN INDEPENDENT LEGAL ADVICE SHALL NOT BE USED BY HIM/HER/IT AS A DEFENCE TO THE ENFORCEMENT OF HIS/HER/ITS OBLIGATIONS UNDER THIS AGREEMENT. EACH SHAREHOLDER ACKNOWLEDGES AND AGREES THAT MCMILLAN LLP NEITHER REPRESENTS NOR ACTS FOR THE SHAREHOLDERS IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

**IN WITNESS WHEREOF** this Agreement has been executed by the parties hereto on the date first above written.

**IVOR EXPLORATION INC.**

By: "David Forest"  
Authorized Signatory

**1330038 B.C. LTD.**

By: "David Forest"  
Authorized Signatory

*[Signature pages of the Shareholders follows.]*

**BCCO Shareholders:**

████████████████████

"Redacted"

\_\_\_\_\_  
Name of Authorized Signatory [Please Print]

"Redacted"

\_\_\_\_\_  
Signature of Authorized Signatory

████████████████████

"Redacted"

\_\_\_\_\_  
Name of Authorized Signatory [Please Print]

"Redacted"

\_\_\_\_\_  
Signature of Authorized Signatory

████████████████████

"Redacted"

\_\_\_\_\_  
Name of Authorized Signatory [Please Print]

"Redacted"

\_\_\_\_\_  
Signature of Authorized Signatory

████████████████████

"Redacted"

\_\_\_\_\_  
Signature of Shareholder





"Redacted"

---

Name of Authorized Signatory [Please Print]

"Redacted"

---

Signature of Authorized Signatory

**SCHEDULE A**

**Shareholders of BCCO**

<b>Name and Address of Shareholder</b>	<b>Total Number of Shares</b>
	1,500,000
	1,000,000
████████████████████ ████████████████████ ██████████ ████████████████████	1,000,000
██████████████ ██████████████ ██████████████████ ██████████	500,000
████████████████████ ██████████████████ ██████████████████	1,000,000
<b>TOTAL</b>	<b>5,000,000</b>

\* Non-Resident Shareholder

B - 1

**SCHEDULE B**

**Form of Voluntary Lock-Up Agreement**

**[See attached]**

**IVOR EXPLORATION INC.**  
#1080 - 789 West Pender Street  
Vancouver, British Columbia, V6C 1H2

**LOCK-UP LETTER AGREEMENT**

February [●], 2022

[●]

Attention: [●]

**Re: Lock-Up Letter Agreement with Ivor Exploration Inc. (the “Corporation”)**

---

Reference is made to the share exchange agreement (the “**Share Exchange Agreement**”) to be entered into between the Corporation, 1330038 B.C. Ltd. (“**BCCO**”) and the shareholders of BCCO relating to the acquisition by the Corporation of all the outstanding common shares of BCCO on and subject to the terms and conditions of the Share Exchange Agreement (the “**Transaction**”). Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to such terms in the Share Exchange Agreement.

Pursuant to the terms of the Share Exchange Agreement, the Corporation is expected to issue to the undersigned [●] common shares in the capital of the Corporation (the “**Subject Securities**”) as consideration for the acquisition of the [●] BCCO common shares held by the undersigned.

The undersigned acknowledges and agrees that the Transaction, if completed and of which there is no guarantee, will be of benefit to the undersigned and the Corporation, and that the Corporation is relying on the representations, warranties, covenants and agreements of the undersigned contained herein in carrying out and completing the Transaction and in entering into other related agreements. The execution of this Agreement by the undersigned is expected to be an integral condition for the benefit of the Corporation in respect of the completion of the Transaction.

**1. Lock-Up of Subject Securities.** The undersigned hereby authorizes, acknowledges and agrees and irrevocably directs that the Subject Securities shall be locked up for [●] months following the closing date of the Transaction (the “**Closing Date**”) and released as follows: [●]% will be released on the Closing Date, [●]% will be released on the date that is [●] months from the Closing Date and [●]% will be released every [●] months thereafter until all such Subject Securities have been released. During the period the Subject Securities are locked up under this Agreement, the undersigned undertakes and agrees to not, whether for their own account or for the account of another, directly or indirectly:

- (a) sell, offer, contract or grant any option or right to sell (including without limitation any short sale), pledge, hypothecate, transfer, or otherwise dispose of any of the Subject Securities, whether currently owned or hereafter acquired, either of record or beneficially by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition;
- (b) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Subject Securities, whether any such swap or transaction is to be settled by delivery of Subject Securities or other securities, in cash or otherwise; or
- (c) publicly announce an intention to do any of the foregoing.

**2. Legend on Share Certificates.** The undersigned acknowledges that the certificates (or any replacement certificates), representing the Subject Securities will bear a legend (or legends), substantially as follows:

“THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE THE DATE THAT IS [●/●/●/●/● MONTHS AFTER THE CLOSING DATE].”

**3. Exceptions to Lock-Up.**

- (a) Notwithstanding the foregoing, the Subject Securities shall be released from lock-up if, following the Closing Date, either (a) the Corporation receives a *bonafide* offer, which has not been withdrawn, to enter into a transaction (or series of related transactions) or arrangement, or proposed transaction (or series of related transactions) or arrangement, pursuant to which, if entered into or completed substantially in accordance with its terms, a party could, directly or indirectly, acquire an interest (including an economic interest) in, or become the holder of, 100% of the issued and outstanding shares, including pursuant to a bona fide take-over bid, plan of arrangement, shareholder-approved acquisition or other similar business combination or other transaction; or (b) a transfer is made pursuant to a *bonafide* take-over bid or similar transaction involving a change of control of the Corporation made to, or involving all holders of, the Subject Securities (each, a “**Release Event**”). If a Release Event occurs, the Subject Securities will be released from lock-up at such time and on such terms as is reasonably determined by the Corporation for the sole purpose of facilitating the tendering of the Subject Securities by the Corporation provided if for any reason a Release Event is not completed, the Subject Securities shall be returned to lock-up on the original terms of this Agreement. The undersigned agrees that other than for the sole purpose of tendering its Subject Securities on a Release Event it will not otherwise deal with such Subject Securities in any other manner without the written consent of the Corporation. The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Agreement and that, upon request, the undersigned will execute any additional documents determined by the Corporation or the Corporation, as the case may be, to be necessary or desirable in connection with the enforcement hereof.
- (b) In addition, the undersigned may transfer the Subject Securities without the prior written consent of the Corporation:
- i. as a *bona fide* gift or gifts; or
  - ii. as a donation to a registered charitable institution in Canada;

provided that the Corporation receives a signed lock-up agreement for the balance of the lock-up period from each donee or transferee referred to above, as the case may be.

- 4. Voting Rights and Dividends.** While any Subject Securities are lock-up pursuant to this Agreement,
- (a) the voting rights attached to the Subject Securities shall be exercisable by the registered owner of such Subject Securities; and
  - (b) the registered holder shall be entitled to any dividends in respect of the Subject Securities;
- 5. Binding Agreement.** This Agreement is irrevocable and will be binding on the undersigned and the respective successors, heirs, personal representatives, and assigns of the undersigned. This Agreement shall automatically become null and void at the earliest of (i) the date on which the Corporation confirms by written notice to the undersigned that it has determined not to proceed with the Transaction; or (ii) July 31, 2022 if the Closing Date does not occur by such date.
- 6. Governing Law.** This Agreement is governed by the laws in force in the Province of British Columbia and the laws of Canada applicable therein.

*[Signature page follows]*

If the terms of this Agreement are acceptable, please communicate your acceptance by executing in the appropriate space below and returning an executed copy to us.

Yours very truly,

**IVOR EXPLORATION INC.**

Per: \_\_\_\_\_  
Authorized Signatory

**THE TERMS OF THIS AGREEMENT** are hereby accepted and effective as of the date first above written.

[●]

Per: \_\_\_\_\_  
Authorized Signatory

C - 1

**SCHEDULE C**

**Lander Sale and Purchase Agreement**

**[See attached]**

## SALE AND PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 31 day of January, 2022

AMONG:

**1330038 B.C. LTD.**, a company formed under the laws of the Province of British Columbia

(hereinafter called “**133**”)

AND:

**DONALD JAMES MCDOWELL**, an individual residing in Nevada, USA

(hereinafter called “**Donald**”)

AND:

**WILLIAM MATLACK**, an individual residing in Washington, USA

(hereinafter called “**William**”)

AND:

**DARREN CASTELLANO**, an individual residing in Nevada, USA

(hereinafter called “**Darren**”, and together with the Donald and William, the “**Vendors**”)

**WHEREAS** the Vendors are the legal, beneficial and recorded owner of 100% of the 71 claims registered with the Bureau of Land Management identified as DD#102-DD#107; DD#200-DD#205; DD#502-DD#507; AST1-AST53 located in Lander County, in the State of Nevada, as illustrated in Schedule “A” hereto plus any additional claims staked in the Area of Interest (as defined herein) and registered in the names of the Vendors (hereinafter referred to collectively as the “**Lander Claims**”);

**AND WHEREAS** the Vendors wish to sell to 133, or a wholly-owned Nevada subsidiary of 133 to be formed (hereinafter called “**NevadaCo**”, and together with 133, the “**Purchasers**”), and 133 wishes to purchase from the Vendors all of the Vendors’ right, title and interest in the Lander Claims;

**NOW THEREFORE**, for and in consideration of the premises and the covenants and agreements herein contained, the parties hereby agree as follows:

### ARTICLE 1- INTERPRETATION

**1.1 Definitions.** In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) “**Agreement**” means this Sale and Purchase Agreement, and all schedules hereto, as well as amendments made by written agreement between the Vendors and 133;
- (b) “**Applicable Law**” means any foreign or domestic federal, state, provincial or municipal statute, law, ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law



(zoning or otherwise) or order that applies to the parties or to the Lander Claims and includes the applicable by-laws or rules of any stock exchange or securities commission having jurisdiction;

- (c) **“Business Day”** means any day other than a Saturday, Sunday or a day on which banks in the Province of British Columbia are authorized or required by Applicable Laws to be closed;
- (d) **“Closing Date”** means the date of Closing, which shall be three (3) Business Days following the satisfaction or waiver of all conditions to the obligations of the parties of Closing (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or such other date as the parties may mutually agree, which in any event will not be later than **April 30, 2022**;
- (e) **“Closing”** means the closing of the purchase and sale of the Lander Claims contemplated by this Agreement;
- (f) **“Consideration Shares”** means common shares in the capital of 133 (or Pubco, if applicable);
- (g) **“Encumbrances”** has the meaning set forth in Section 3.1(a) below;
- (h) **“Exercise Notice”** has the meaning set forth in Section 4.4 below;
- (i) **“Financing”** has the meaning set forth in Section 5.2(a) below;
- (j) **“Investment Agreement”** means the investment agreement to be completed by each of the Vendors prior to Closing, in the form attached hereto as Schedule “E”;
- (k) **“Lander Claims”** has the meaning as set out in the recitals hereto;
- (l) **“Net Smelter Return Royalty”** has the meaning set forth in Section 2.5 below;
- (m) **“Notice”** has the meaning set forth in Section 10.6 below;
- (n) **“NSR Buyout Option”** has the meaning set forth in Section 4.1 below;
- (o) **“NSR Buyout Purchase Price”** has the meaning set forth in Section 4.2 below;
- (p) **“NSR Buyout Shares”** has the meaning set forth in Section 4.2 below;
- (q) **“Pubco”** has the meaning set forth in Section 2.3 below;
- (r) **“Purchase Price”** has the meaning set forth in Section 2.2 below;
- (s) **“Regulation S”** means Regulation S promulgated under the U.S. Securities Act;
- (t) **“RoyaltyCo”** has the meaning set forth in Section 4.1 below;
- (u) **“Time of Closing”** means 10:00 a.m. (Vancouver Time) on the Closing Date;
- (v) **“U.S. Person”** means a "U.S. person" as that term is defined in Rule 902(o) of Regulation S. "U.S. person" includes but is not limited to (i) any natural person resident

in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any partnership or corporation organized outside the United States by a U.S. person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts; or (iv) any estate or trust of which any executor or administrator or trustee is a U.S. person;

- (w) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended; and
- (x) “**Zone of Exclusion**” has the meaning set forth in Section 9.1 below.

**1.2 Headings.** The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

**1.3 Currency.** All references to currency herein are to lawful money of Canada.

## **ARTICLE 2 - PURCHASE AND SALE**

### **2.1 Purchase and Sale**

- (1) Subject to the terms and conditions hereof, the Vendors covenant and agree to sell, transfer and assign the Lander Claims to 133, and 133, through NevadaCo, covenants and agrees to purchase the Lander Claims from the Vendors for the Purchase Price.
- (2) The Vendors will receive the Purchase Price in return for delivering to the Purchasers all of the following:
  - (a) a fully signed copy of this Agreement;
  - (b) evidence, satisfactory to the Purchasers, that the Vendors have completed the transfer of title of the Lander Claims to NevadaCo pursuant to Applicable Law; and
  - (c) such other documents and instruments as the Purchasers may reasonably request.

The Vendors acknowledge and agree that the Purchasers have no obligations to complete the purchase of the Lander Claims unless and until the Vendors have delivered all of the items required by this Section 2.1(2) and all conditions set forth in Section 5.1 have been satisfied or waived by the Purchasers, in accordance with the timing set forth under Section 2.3.

**2.2 Purchase Price and Payment.** The total purchase price (the “**Purchase Price**”) for the Lander Claims shall be an aggregate of:

- (1) USD\$50,000 payable in cash on the Closing Date, by way of certified cheque, wire transfer, money order or other immediately available funds paid to the Vendors as allocated among the Vendors as set forth in Schedule “B”; and
- (2) such number of Consideration Shares that is equal to 29.7% of the issued and outstanding shares of the Purchaser (or Pubco, if applicable) upon completion of the Financing,

registered in the name of the Vendors as allocated among the Vendors as set forth in Schedule "B".

Any fees related to the transfer of the Lander Claims from the Vendors to NevadaCo shall be paid by the Purchasers.

**2.3 Pubco Acquisition.** The parties acknowledge that prior to the Closing Date it is intended that 133 may be acquired by a listed company that is a reporting issuer in Canada ("**Pubco**"). In such case, the Consideration Shares will consist of listed shares of Pubco and the number of Consideration Shares to be issued pursuant to Section 2.2(2) will be calculated as 29.7% of the issued and outstanding shares of Pubco.

**2.4 Closing.** The sale and purchase of the Lander Claims shall be completed as at the Time of Closing at the offices of Farris LLP located at 2500 - 700 West Georgia Street, Vancouver, British Columbia, or such other place and times as mutually agreed upon by 133 and the Vendors.

**2.5 Net Smelter Return Royalty.** Upon Closing, and subject to the Purchasers' NSR Buyout Option, the Vendors shall be entitled to receive an aggregate 3% of the Net Smelter Return (the "**Net Smelter Return Royalty**") on the Lander Claims, payable in accordance with the terms set forth in Schedule "C" hereto.

### ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

**3.1 Vendors' Representations and Warranties.** The Vendors jointly and severally represent and warrant to the Purchasers that:

- (a) the Vendors are the sole legal, beneficial and recorded owner of a 100% undivided right, title and interest in and to the Lander Claims, free and clear of any claims, demands, mortgages, liens, security interests, charges, encumbrances or other claims whatsoever ("**Encumbrances**");
- (b) the Vendors have good and marketable title to the Lander Claims, which have been properly registered in accordance with Applicable Law and all applicable laws and regulations of the State of Nevada, and such Lander Claims are in good standing and shall continue to be in good standing until at least the Closing Date;
- (c) all prior work commitments or payments in lieu thereof required under Applicable Law in connection with the Lander Claims have been satisfied by the Vendors up to the date of this Agreement;
- (d) the Vendors jointly and severally have the exclusive right to enter into this Agreement and all necessary authority to assign to NevadaCo a 100% legal, beneficial and recorded right, title and interest in and to the Lander Claims in accordance with the terms and conditions of this Agreement;
- (e) the Vendors have the exclusive right to receive 100% of the proceeds from the sale of minerals, metals, ores or concentrates removed from the Lander Claims and no person, firm or corporation is entitled to any royalty or other payment in the nature of rent or royalty on such materials removed from the Lander Claims or is entitled to take such materials in kind;
- (f) there are no actions, suits or proceedings, pending or threatened which may affect the Lander Claims or the concessions and exploration licenses, if applicable, at law or in

equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign; and the Vendors are not aware of any ground upon which any such action, suit or proceeding might be commenced;

- (g) the Vendors hold all licenses issued by any government or governmental authority which are necessary in connection with the ownership of the Lander Claims;
- (h) there is no adverse claim or challenge against or to the Vendors' ownership of the Lander Claims nor, to the knowledge of the Vendors, is there any basis therefore;
- (i) no person, firm or corporation has, or will have, any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option for the acquisition of the Lander Claims, other than as set forth herein;
- (j) there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or expenditures with respect to the Lander Claims and the conduct of operations related thereto, and the Vendors have not received any notice of the same, and the Vendors are not aware of any basis on which any such orders or directions could be made;
- (k) the Vendors' ownership of the Lander Claims is in compliance with, and is not in default or violation in any material respect under, and the Vendors have not been charged with or received any notice at any time of any material violation of any statute, law, ordinance, regulation, rule decree or other applicable regulation in connection with the Vendors' ownership of the Lander Claims;
- (l) the Vendors acknowledge that all material knowledge and information in its possession concerning the Lander Claims has been made available to 133;
- (m) there are no consents, approvals or conditions precedent to the Vendors' performance under this Agreement which have not been obtained;
- (n) each of the Vendors is an "accredited investor" as such term is defined in Rule 501(a) of Regulation D under the U.S. Securities Act and prior to the Closing Date will execute and deliver the Investment Agreement in the form attached hereto as Schedule "E"; and
- (o) the Vendors have no information or knowledge of any facts pertaining to the Lander Claims that, if known to the Purchasers, might reasonably be expected to deter the Purchasers from completing the transactions contemplated hereby.

**3.2 Purchasers' Representations and Warranties.** 133 represents and warrants to the Vendors that:

- (a) 133 is a company duly existing under the laws of the Province of British Columbia;
- (b) NevadaCo will be a company duly existing under the laws of the State of Nevada;
- (c) 133 has the corporate power and authority to enter into this Agreement;
- (d) NevadaCo will be eligible to acquire and hold mineral claims in the jurisdiction in which the Lander Claims are situated; and

- (e) the Consideration Shares to be issued to the Vendors as part of the Purchase Price will be fully paid and non-assessable shares in the capital of 133 (or Pubco, if applicable).

**3.3 Survival of Representations, Warranties and Covenants.** The representations, warranties and covenants of the Vendors and 133 respectively set forth in this Agreement shall survive the completion of the sale and purchase of the Lander Claims herein provided for and, notwithstanding such completion, shall continue in full force and effect for the benefit of the Purchasers or the Vendors, respectively, in accordance with the terms thereof.

#### ARTICLE 4– NSR BUYOUT OPTION

**4.1 NSR Buyout Option.** The Purchasers shall have the option (the “**NSR Buyout Option**”) to purchase the Net Smelter Return Royalty within a newly created royalty company (“**RoyaltyCo**”), which option shall be exercisable at any time after the date of this Agreement, and may be exercised for a period of 18 months following the date of this Agreement.

**4.2 Purchase Price.** The purchase price for the NSR Buyout Option shall be the number of common shares in RoyaltyCo that is equal to 50% of the outstanding common shares of RoyaltyCo (the “**NSR Buyout Shares**”) at the time of closing the acquisition of the NSR Buyout Option (the “**NSR Buyout Purchase Price**”), payable to the Vendors at Closing as follows:

- (1) 1/3 of the NSR Buyout Purchase Price shall be payable to Donald or as Donald may direct in writing to RoyaltyCo;
- (2) 1/3 of the NSR Buyout Purchase Price shall be payable to William or as William may direct in writing to RoyaltyCo; and
- (3) 1/3 of the NSR Buyout Purchase Price shall be payable to Darren or as Darren may direct in writing to RoyaltyCo.

**4.3 Condition to the NSR Buyout Option.** The sale by the Vendors and the purchase by the Purchasers of the Net Smelter Return Royalty is subject to the following conditions which are for the exclusive benefit of the Vendors to be performed or complied with at or prior to the time of closing the purchase of the Net Smelter Return Royalty:

- (1) RoyaltyCo has raised a minimum of \$1,000,000 in equity financing; and
- (b) the NSR Buyout Shares to be issued to the Vendors as part of the NSR Buyout Purchase Price will be fully paid and non-assessable shares in the capital of RoyaltyCo.

**4.4 Exercise of Option.** The Purchasers may exercise the NSR Buyout Option by providing the Vendors with written notice of its intention to exercise the NSR Buyout Option (the “**Exercise Notice**”). The Exercise Notice shall indicate the Purchasers’ intention to exercise the NSR Buyout Option, and indicate a date within 10 days of the date of the Exercise Notice upon which the closing of the NSR Buyout Option will be held.

**4.5 Closing.** The closing of the NSR Buyout Option shall be completed at the offices of Farris LLP located at 2500-700 West Georgia Street, Vancouver, British Columbia, or such other place and times as mutually agreed upon by the Purchasers and the Vendors.

**4.6 Closing Deliveries.** At closing the NSR Buyout Option, the Purchasers shall deliver the NSR Buyout Purchase Price to the Vendors, and the Vendors shall deliver any document reasonably requested

by the Purchasers to effect the transfer of the Net Smelter Return Royalty to RoyaltyCo as contemplated in Section 4.1 above, including an amendment to this Agreement.

## ARTICLE 5 - CONDITIONS

### 5.1 Conditions for the Benefit of 133.

(1) The sale by the Vendors and the purchase by the Purchasers of the Lander Claims is subject to the following conditions which are for the exclusive benefit of 133 to be performed or complied with at or prior to the Time of Closing:

- (a) satisfactory completion of a site visit and applicable due diligence by representatives of the Purchasers;
- (b) the representations and warranties of the Vendors set forth in Section 3.1 shall be true and correct at the Time of Closing with the same force and effect as if made at and as of such time;
- (c) the Vendors shall have performed or complied with all of the terms, covenants and conditions of this Agreement to be performed or complied with by the Vendors at or prior to the Time of Closing;
- (d) each of the Vendors shall have executed and delivered to the Purchasers (or Pubco, if applicable), the Investment Agreement;
- (e) the Vendors have maintained the Lander Claims in good standing; and
- (f) all necessary steps and proceedings shall have been taken to permit the Lander Claims to be duly and regularly transferred to NevadaCo.

(2) In case any term or covenant of the Vendors or condition to be performed or complied with for the benefit of 133 under this Agreement shall not have been performed or complied with at or prior to the Closing Date, 133 may, without limiting any other right that 133 may have, at their sole option, either:

- (a) rescind this Agreement by notice to the Vendors, and in such event 133 and the Vendors shall be released from all obligations hereunder; or
- (b) waive compliance with any such term, covenant or condition in whole or in part on such terms as may be agreed upon without prejudice to any of its rights of rescission in the event of non-performance of any other term, covenant or condition in whole or in part.

### 5.2 Conditions for the Benefit of the Vendors.

(1) The sale by the Vendors and the purchase by the Purchasers of the Lander Claims is subject to the following conditions which are for the exclusive benefit of the Vendors to be performed or complied with at or prior to the Time of Closing:

- (a) 133 (or Pubco, if applicable) has raised a minimum of \$2,000,000 in equity financing (the “**Financing**”);

- (b) the representations and warranties of 133 set forth in Section 3.2 shall be true and correct at the Time of Closing with the same force and effect as if made at and as of such time; and
- (c) the Purchasers shall have performed or complied with all of the terms, covenants and conditions of this Agreement to be performed or complied with by the Purchasers at or prior to the Time of Closing.

(2) In case any term or covenant of the Purchasers or condition to be performed or complied with for the benefit of the Vendors under this Agreement shall not have been performed or complied with at or prior to the Closing Date, the Vendors may, without limiting any other right that the Vendors may have, at their sole option, either:

- (a) rescind this Agreement by notice to 133, and in such event the Vendors and 133 shall be released from all obligations hereunder; or
- (b) waive compliance with any such term, covenant or condition in whole or in part on such terms as may be agreed upon without prejudice to any of its rights of rescission in the event of non-performance of any other term, covenant or condition in whole or in part.

#### ARTICLE 6 – COVENANTS

**6.1** Each of the parties agrees that it will use its commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to the obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under applicable and regulations to complete the purchase and sale of the Lander Claims in accordance with the terms of this Agreement.

**6.2** The Vendors hereby covenant with the Purchasers that up to and including the Closing Date:

(1) The Vendors will provide the Purchasers with all of the technical data in the Vendors' possession or over which the Vendors have control relating to the Lander Claims; and

(2) The Vendors will not deal, or attempt to deal with their right, title, interest in and to the Lander Claims in any way that would or might affect the right of NevadaCo to become vested in a 100% interest in and to the Lander Claims, free and clear of any Encumbrances.

#### ARTICLE 7- ACKNOWLEDGEMENTS

**7.1** The Vendors agree that, in addition to restrictions on resale under applicable Canadian and United States securities laws, there will be voluntary restrictions on the Vendors' ability to resell the Consideration Shares to be issued to the Vendors as part of the Purchase Price. All certificates representing the Consideration Shares to be issued to the Vendors will bear legends restricting trading in such Consideration Shares, with 10% of such Consideration Shares being tradable on the distribution date and a further 22.5% of such Consideration Shares becoming tradable on each of the days that are 6 months, 12 months, 18 months and 24 months thereafter, in substantially the following form:

***“The securities represented hereby shall not be offered, sold, transferred, pledged, hypothecated or otherwise traded before [insert applicable date].”***

**7.2** The Vendors hereby acknowledge and agree that the Consideration Shares are being issued pursuant to exemptions from prospectus and registration requirements under applicable securities

laws and, as a result, the Consideration Shares will be subject to a number of statutory restrictions on resale and trading under applicable Canadian and United States securities laws. Until these restrictions expire, the Vendors will not be able to sell or trade the Consideration Shares unless the Vendors comply with an exemption from the prospectus and registration requirements under applicable securities laws (an “**Exemption**”). In general, unless permitted under applicable Canadian securities laws, the Vendors cannot trade the securities in Canada before the date that is four months and a day after the later of the day 133 becomes a reporting issuer in a jurisdiction of Canada and the date of distribution of the Consideration Shares.

**7.3** The Vendors acknowledge and agree that:

(1) the Consideration Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered and sold, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. Person without registration under the U.S. Securities Act and any applicable state securities laws, unless an Exemption from registration is available;

(2) 133 has no present intention and is not obligated under any circumstances to register the Consideration Shares, or to take any other actions to facilitate or permit any proposed resale or transfer thereof in the United States or otherwise to, or for the account or benefit of, a U.S. Person, and in particular, the Vendors and 133 further acknowledge and agree that 133 is hereby required to refuse to register any transfer of the Consideration Shares not made in accordance with the provisions of Regulation S, or pursuant to an available Exemption from registration and in accordance with all applicable state securities laws.

**7.4** In the event that any of the Consideration Shares are subject to a hold period or any other restrictions on resale and transferability, 133 will place a legend on the certificates representing the Consideration Shares as are required under applicable securities laws or as it may otherwise deem necessary or advisable.

## **ARTICLE 8 – AREA OF INTEREST**

**8.1** The area of interest shall be deemed to comprise that area which is illustrated in Schedule “D” to this Agreement (the “**Area of Interest**”) and covers:

- (a) Sections 25, 26, 35 and 36 in Township 19N Range 43E (Mount Diablo Meridian);
- (b) Sections 1, 2 and 12 in Township 18N Range 43E (Mount Diablo Meridian);
- (c) Sections 5, 6 and 7 in Township 18N Range 44E (Mount Diablo Meridian); and
- (d) Sections 14, 15, 16, 21, 22, 23, 26, 27, 28, 31 and 32 in Township 19N Range 44E (Mount Diablo Meridian).

**8.2** If the Vendors stake or otherwise acquire additional mineral rights within the Area of Interest on or before October 27, 2022, the Purchasers will have the exclusive option for 60 days to purchase such mineral rights from the Vendors by reimbursing the Vendors of the staking or acquisitions costs plus 15%. Any additional mineral claims acquired by the Purchasers in accordance with this Section 8.2 shall, for the purposes of this Agreement, be considered part of the Lander Claims.



## ARTICLE 9- ZONE OF EXCLUSION

**9.1** The Purchasers will not stake or otherwise acquire claims within a zone of exclusion covering sections 4, 5, 6, 7, 8, 9, 17, 18, 19, 20, 29 and 30 in Township 19N Range 44E (Mount Diablo Meridian) as well as sections 31, 32 and 33 in Township 20N Range 44E (Mount Diablo Meridian), as shown in Appendix B (the “**Zone of Exclusion**”) on or before October 27, 2022. Should the Purchasers stake or acquire claims within the Zone of Exclusion on or before October 27, 2022, it will immediately surrender such claims to the Vendors, at no additional cost to the Vendors.

## ARTICLE 10 - GENERAL

**10.1 Further Assurances.** The Vendors and 133 shall from time to time execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

**10.2 Time of the Essence.** Time shall be of the essence of this Agreement.

**10.3 Benefit of the Agreement.** This Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the parties hereto, as the case may be.

**10.4 Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto.

**10.5 Amendments and Waiver.** No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by the parties hereto and no waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived.

**10.6 Notices.** Each party shall deliver all notices, requests, consents, claims, demands, waivers and other communications under this Agreement (each, a “**Notice**”) in writing and addressed to the other party at its address set out below (or to any other address that the receiving party may designate from time to time in accordance with this Section). Each party shall deliver all Notices by personal delivery, nationally recognized overnight courier (with all fees prepaid), email of a PDF document (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is conclusively deemed effective only (a) if sent by personal delivery or by courier (all fees prepaid) on the date of actual receipt by the receiving party; if sent by email of a PDF document on the date of transmission if a Business Day or if not a Business Day or after 5:00 p.m. on the date of transmission, on the next following Business Day; or if sent by certified or registered mail (postage prepaid) on the five days after the mailing thereof; and (b) if the party giving the Notice has complied with the requirements of this Section.

To 133 at:

1330038 BC. Ltd.

Attention: David Forest

Email: [REDACTED]

To the Vendors at:

Attention: William Matlack

Email: [REDACTED]

with a copy (which shall not constitute notice)  
to:

Farris LLP  
25<sup>th</sup> Floor, 700 West Georgia Street  
Vancouver, British Columbia V7Y 1B3

Attention: Lyndsay Schooley  
Email: [lschooley@farris.com](mailto:lschooley@farris.com)

**10.7 Expenses.** Except as may otherwise be provided for in this Agreement, each of the parties acknowledges and agrees that all expenses incurred by a party relating to the purchase and sale of the Lander Claims will be borne by the party incurring such expense.


**10.8 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada and the federal laws applicable therein. For the purpose of all legal proceedings this Agreement shall be deemed to have been performed in the State of Nevada and the courts of the State of Nevada shall have jurisdiction to entertain any action arising under this Agreement.

**10.9 Independent Legal Advice.** Each of the parties acknowledge and declare that in executing this Agreement, they are relying wholly upon their own judgment, belief and knowledge of the nature, extent and duration of all such matters, causes or things contained herein as well as liability questions involved, having had adequate opportunity to seek and obtain such independent legal advice with respect thereto as they require and that the other party hereto is relying on this acknowledgement and declaration in entering into this Agreement.

*[remainder of this page left intentionally blank]*

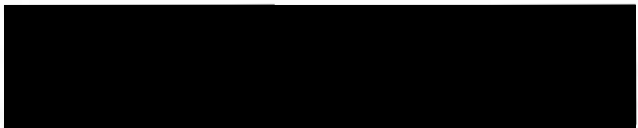
**10.10 Counterparts/Electronic Transmission.** This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts will constitute one and the same agreement. This Agreement may be executed and transmitted electronically and if so executed and transmitted this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

Executed as of the date first set out above.

**1330038 BC. LTD.** 

By: \_\_\_\_\_

Name: David Forest  
Title: Director

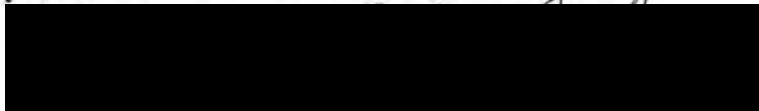


\_\_\_\_\_  
**DONALD JAMES MCDOWELL**

\_\_\_\_\_  
**WILLIAM MATLACK**

\_\_\_\_\_  
**DARREN CASTELLANO**

PARTIES AGREE THAT TERMS OF THE  
3% NSR ROYALTY, AS SET FORTH IN  
SECTION 2.5 AND SCHEDULE "C" OF  
THE AGREEMENT, SHALL BE AMENDED  
BY MUTUAL AGREEMENT OF THE  
PARTIES.



**10.10 Counterparts/Electronic Transmission.** This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts will constitute one and the same agreement. This Agreement may be executed and transmitted electronically and if so executed and transmitted this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

Executed as of the date first set out above.

1330038 BC. LTD. 

By: \_\_\_\_\_

Name: David Forest

Title: Director

  
DONALD JAMES MCDOWELL

WILLIAM MATLACK

\_\_\_\_\_  
DARREN CASTELLANO

PARTIES AGREE THAT TERMS OF THE  
3% NSR ROYALTY, AS SET FORTH IN  
SECTION 2.5 AND SCHEDULE "C" OF  
THE AGREEMENT, SHALL BE AMENDED  
BY MUTUAL AGREEMENT OF THE  
PARTIES.

**10.10 Counterparts/Electronic Transmission.** This Agreement may be executed in any number of counterparts with the same effect as if all parties had signed the same document. All counterparts will constitute one and the same agreement. This Agreement may be executed and transmitted electronically and if so executed and transmitted this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

Executed as of the date first set out above

1330038 BC, LTD. [REDACTED]

By: \_\_\_\_\_

Name: David Forest  
Title: Director

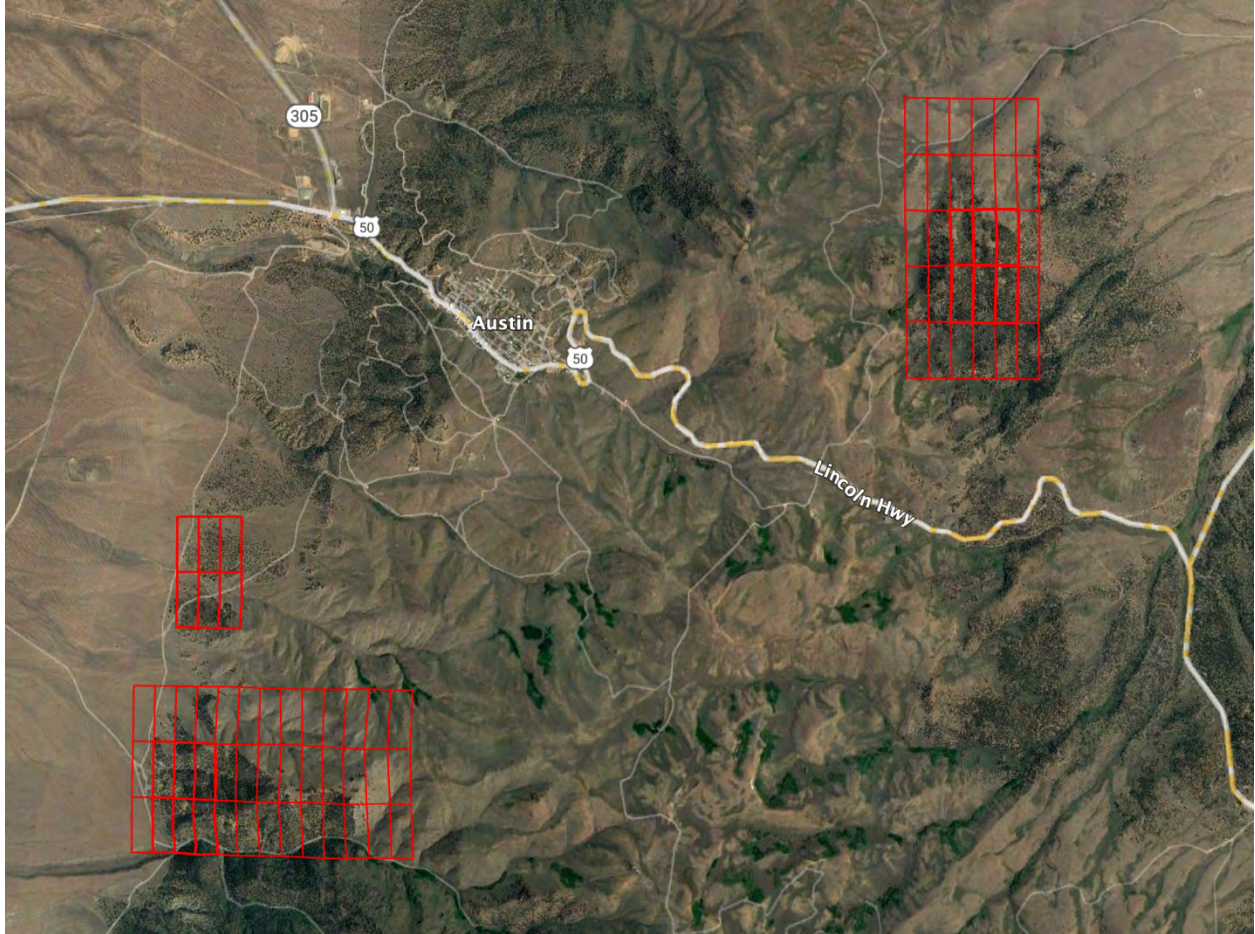
[REDACTED]  
DONALD JAMES McDOWELL

WILLIAM MATLACK

[REDACTED]  
DARREN CASTELLANO

PARTIES AGREE THAT TERMS OF THE  
3% NSR ROYALTY, AS SET FORTH IN  
SECTION 2.5 AND SCHEDULE "C" OF  
THE AGREEMENT, SHALL BE AMENDED  
BY MUTUAL AGREEMENT OF THE  
PARTIES.

**Schedule "A"**  
**Lander Claims**



**Schedule "B"**

**Purchase Price**

<b>Vendor</b>	<b>Cash portion of the Purchase Price</b>	<b>Proportion of Consideration Shares issued to the Vendor</b>
Donald James McDowell	USD\$16,666.67	1/3 of the Consideration Shares
William Matlack	USD\$16,666.66	1/3 of the Consideration Shares
Darren Castellano	USD\$16,666.66	1/3 of the Consideration Shares

## Schedule “C”

### Net Smelter Return Royalty

This is Schedule “B” to the Sale and Purchase Agreement (the “**Agreement**”) dated as of [●], 2021 among 1330038 BC. Ltd. (“**133**,” together with its wholly-owned subsidiary to be formed in the State of Nevada for the purpose of completing the acquisition of the Lander Claims (“**NevadaCo**”) referred to herein as the “**Purchasers**”), Donald James Mcdowell (“**Donald**”) William Matlack (“**William**”) and Darren Castellano (“**Darren**”, and together with the Donald and William, the “**Vendors**”)

Unless otherwise defined, all capitalized terms used in this Schedule “B” shall have the meaning ascribed thereto under the Agreement.

#### 1. Definition

- (1) “**Net Smelter Return**” for purposes of the Agreement is defined as follows:
  - (a) where all or a portion of the ores or concentrates derived from the Lander Claims are sold as ores or concentrates, the Net Smelter Return shall be the gross amount actually received from the purchaser following sale thereof after deduction, if applicable under the sale contract, of all smelter charges, penalties and other deductions, and after deducting all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the ores or concentrates from the mine to the smelter or other place of final delivery, including any place or places of storage and sale to the place where sold and after deducting all sales, use, gross receipts, severance, ad valorem, value added tax, export and other taxes, custom duties, and other governmental charges, if any, payable by the Purchasers with respect to the existence, severance, production, removal, sale, import, export, transportation, or disposition of all or a portion of the ores or concentrates derived from the Lander Claims but excluding taxes based on net or gross income and like taxes, the value of the Lander Claims or the privilege of doing business and any value added or other taxes that are recoverable by the Purchasers and any and all insurance proceeds; or
  - (b) where all or a portion of the said ores or concentrates derived from the Lander Claims are treated in a smelter and a portion of the metals recovered therefrom are delivered to, and sold by the Purchasers, the Net Smelter Return shall be the gross amount actually received from the purchaser following sale of the metals so delivered, after deduction of all smelter charges, penalties and other deductions, and after deducting all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the ores or concentrates from the mine to the smelter, and, if applicable under the smelter contract, all costs of transporting (including shipping, freight, handling, port, demurrage, delay and forwarding expenses and transaction taxes) and insuring the metals from the smelter to the place of final delivery, including any place or places of storage and sale to the place where sold and after deducting all sales, use, gross receipts, severance, ad valorem, value added tax, export and other taxes, custom duties, and other governmental charges, if any, payable by the Purchasers with respect to the existence, severance, production, removal, sale, import, export, transportation, or disposition of all or a portion of the ores or concentrates derived from the Lander



Claims but excluding taxes based on net or gross income and like taxes, the value of the Lander Claims or the privilege of doing business and any value added or other taxes that are recoverable by the Purchasers and any and all insurance proceeds.

Where any ores or concentrates are sold to, or treated in, a smelter owned or controlled by the Purchasers, the pricing for that sale or treatment will be established by the Purchasers on an arms-length basis so as to be fairly competitive with pricing, net of transportation, insurance, treatment charges and other related costs, then available on world markets for product of like quantity and quality.

## **2. Payment of Net Smelter Returns Royalty**

- (2) The Purchasers shall calculate the Net Smelter Return Royalty and the sums to be disbursed to the Vendors as at the end of each calendar quarter.
- (3) The Purchasers shall, within 60 days of the end of each calendar quarter, as and when any Net Smelter Return Royalty are available for distribution:
  - (a) pay or cause to be paid in United States dollars by cheque or money order made payable to the Vendors that percentage of the Net Smelter Return Royalty to which the Vendors are entitled under the Agreement;
  - (b) deliver to the Vendors a statement indicating:
    - (i) the gross amounts received from the purchaser contemplated in subsection 1(1) of this Schedule B;
    - (ii) the deductions therefrom in accordance with subsection 1(1) of this Schedule B;
    - (iii) the amount of Net Smelter Returns remaining; and
    - (iv) the amount of those Net Smelter Returns to which the Vendors are entitled;

supported by such reasonable information as to the tonnage and grade of ores or concentrates shipped as will enable the Vendors to verify the gross amount payable by the smelter or other purchaser.

- (4) All Net Smelter Return Royalty payable to the Vendors shall be paid on the basis of 33 1/3% to Donald, 33 1/3% to William and 33 1/3% to Darren.

## **3. Adjustments and Verification**

- (5) Payment of any Net Smelter Return Royalty by the Purchasers shall not prejudice the right of the Vendors to adjust any statement supporting the payment; provided, however, that all statements presented to the Vendors by the Purchasers for any quarter shall conclusively be presumed to be true and correct upon the expiration of 12 months following the end of the quarter to which the statement relates, unless within that 12-month period the Purchasers give notice to the Vendors claiming an adjustment to the statement which will be reflected in subsequent payment of Net Smelter Return Royalty.

- (6) The Purchasers shall not adjust any statement in favour of itself after the expiration of 12 months following the end of the quarter to which the statement relates.
- (7) The Vendors shall, upon 30 days' notice in advance to the Purchasers, have the right to request that the Purchasers have its independent external auditors provide their audit certificate for the statement or adjusted statement, as it may relate to the Agreement and the calculation of Net Smelter Return or Net Smelter Return Royalty.
- (8) The cost of the audit certificate shall be solely for the Vendors' account unless the audit certificate discloses material error in the calculation of Net Smelter Return or Net Smelter Return Royalty, in which case the Purchasers shall reimburse the Vendors the cost of the audit certificate. Without limiting the generality of the foregoing, a discrepancy of one percent or more in the calculation of Net Smelter Return or Net Smelter Return Royalty shall be deemed to be material.

#### **4. Hedging**

In the event that the Purchasers elect to engage in hedging or price protection activities, including, but not limited to, forward selling, metal loans, stockpiling, future trading or commodity options trading, and any other price hedging, price protection, and speculative arrangement on or off commodity exchanges that may involve any minerals concentrates or metals produced from the Lander Claims or any similar such actions (“**Hedging Activities**”), such Hedging Activities and the profits and losses generated from the Hedging Activities, shall not be included in the term “Net Smelter Returns”. All Hedging Activities by the Purchasers and all profits or losses associated therewith, if any, shall be solely for the Purchasers' account.

#### **5. Non-Arms Length Sales**

If any portion of the minerals, metals or concentrates extracted and derived from the ore mined and removed from the Lander Claims are sold to a purchaser owned or controlled by the Purchasers or treated by a smelter owned or controlled by the Purchasers, the actual proceeds received shall be deemed to be an amount equal to what could be obtained from a purchaser or a smelter not so owned or controlled in respect of minerals, metals or concentrates, as applicable, of like grade, quality and quantity.

#### **6. Confidentiality**

The Vendors shall not, without the prior written consent of the Purchasers, which shall not be unreasonably delayed or withheld, knowingly disclose to any third party data or information obtained pursuant to this Agreement which is not generally available to the public; provided, however, the Vendors may disclose data or information so obtained without consent of the Purchasers: (a) if required for compliance with laws, rules, regulations or orders of a governmental agency or stock exchange; or (b) to any third party to whom the Vendor, in good faith, anticipates selling or assigning their interest in the Lander Claims, provided however, that any such third party to whom disclosure is made has a legitimate business need to know the disclosed information, and shall first agree in writing to protect the confidential nature of such information to the same extent the Vendor is obligated under this section.

#### **7. Records**

The Purchasers shall use commercially reasonable efforts to keep or cause to be kept proper books of account, records and supporting materials covering all matters relevant to the mining and extraction and removal of minerals, metals and concentrates from the Lander Claims substantiated by engineering data compiled in accordance with generally accepted mining and mine management practices.

## **8. Interest in Land**

The obligation of the Purchasers to pay the Net Smelter Return Royalty as provided in this Agreement is an obligation which the parties intend, to the extent allowed by law, to create a vested interest in the Lander Claims, or any successor title, and an interest in the minerals, metals and concentrates extracted and removed from the Lander Claims and such royalty is intended to run with and form part of the Lander Claims.

## **9. Commingling**

Minerals, metals and concentrates extracted and removed from the Lander Claims may be integrated with and operated as a single operation with other mining properties owned by third parties or in which the Purchasers has an interest, in which event, the parties agree that (notwithstanding separate ownership thereof) all materials mined, extracted and removed from such other mining properties owned by third parties and subsequently milled, treated or otherwise beneficiated for the purpose of removing its mineral content (the “**Third Party Ore**”) may be blended and commingled at the time of mining or at anytime thereafter with the minerals, metals or concentrates from the Lander Claims, provided however, that such commingling is accomplished only after the quantity, character and mineral content of any minerals have been determined or ascertained by sound assaying or engineering principles consistently applied and provided further that each respective mining property shall bear and have allocated to them the proportionate share of charges and costs described in Section 1 above as well as the proportionate share of costs and charges affected by the tonnages and respective characteristics of Third Party Ore and other materials mined and beneficiated and the characteristics of such material including the metal content of such minerals, metals or concentrates removed from, and to any special charges relating particularly to Third Party Ores, concentrates or other products or the treatment thereof derived from any such mining properties.

## **10. Weighing Sampling Assaying**

The Purchasers shall ensure that reasonable customary and usual practices and procedures are adopted and employed for weighing, determining moisture content, sampling and assaying and determining recovery factors for the mineral, metals and concentrates extracted, derived and removed from the Lander Claims and Third Party Ores and shall record such data in order to determine the amount of economically recoverable materials extracted or derived from such minerals, metals and concentrates and Third Party Ores. The Purchasers shall maintain accurate records of the results of such sampling, weighing and analysis and the Vendors shall be permitted the right to examine, at all reasonable times and at its own cost, such records relating to any blending and commingling of minerals, metals and concentrates and Third Party Ores.

## **11. Mining Methods**

The Purchasers shall have the sole and exclusive right to determine the timing, nature, manner and extent of any production from the Lander Claims and all related exploration, development, operational and mining activities and may suspend operations and production on the Lander Claims at any time it considers prudent or appropriate to do so. Nothing in this Agreement shall require the Purchasers to explore, develop or mine or continue operations on the Lander Claims or to process ores from the Lander Claims. The Purchasers shall not be responsible for nor be obliged to make any Net Smelter Return Royalty payments for values lost in any mining or processing of the materials conducted pursuant to customary mining practices. The Purchasers shall not be required to mine or to preserve or protect the materials which under customary mining practices cannot be mined or shipped at a reasonable profit at the time mined.

## **12. Transfers**

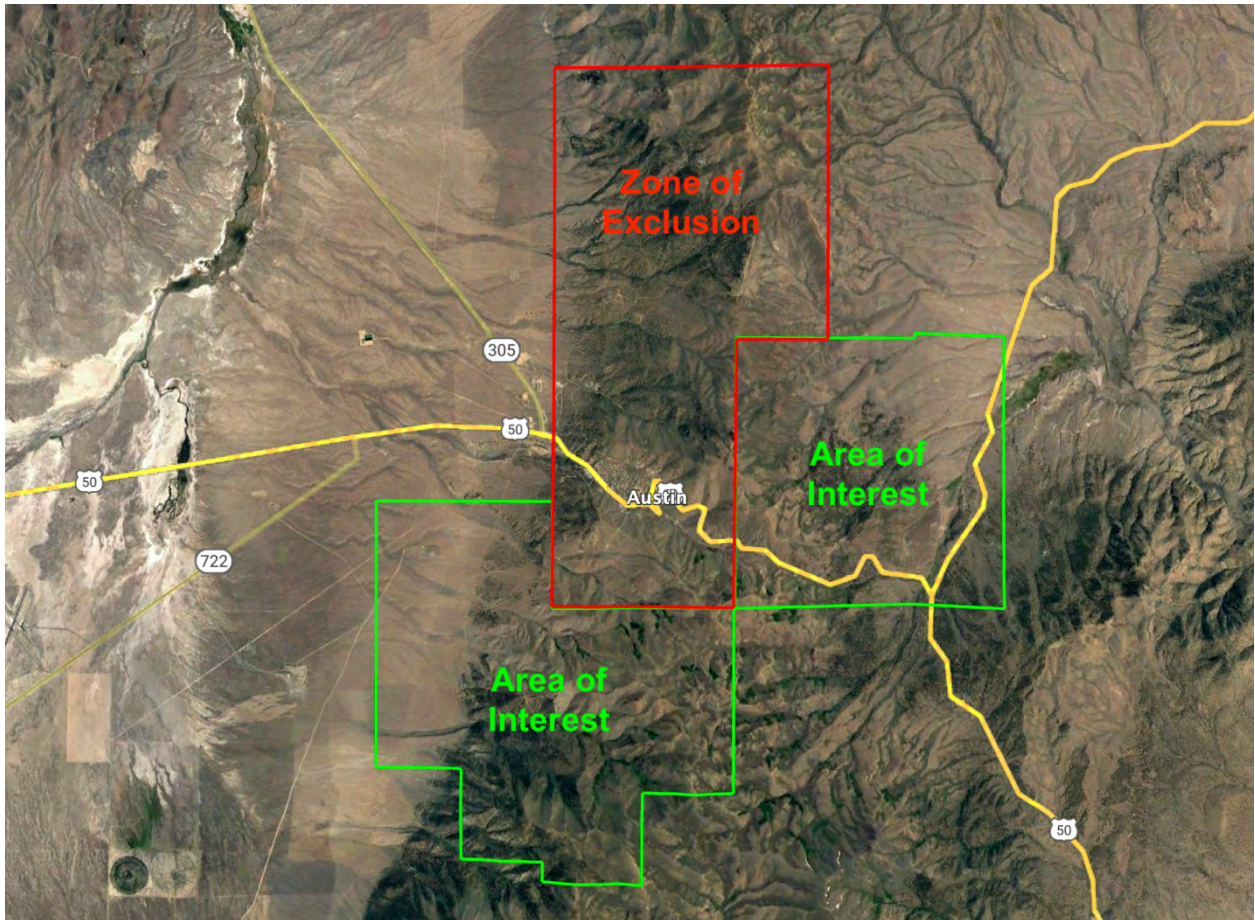
The Purchasers shall be entitled to transfer the Lander Claims or the minerals in situ or the proceeds thereof, or its rights and obligations under this Agreement to any Person (a "Transferee") by any means whatsoever (including by way of joint venture or grant of an option of an interest in and to the Lander Claims), provided that any Transferee shall have first entered into an agreement with the Vendors in form and substance satisfactory to the Vendors, acting reasonably, under which the Transferee assumes the obligations of the Purchasers under this Agreement. From and after the execution of such agreement, the Purchasers will be released from any obligations and liabilities under this Agreement (to the extent of the interest so Transferred) other than obligations and liabilities existing or accrued as at the time of Transfer.

### **13. Surrender and Abandonment**

The Purchasers shall be free to surrender, abandon, relinquish or allow to lapse or expire such portions of the Lander Claims as it may deem advisable from time to time, provided the Purchasers provide at least 30 days written notice to the Vendors of its intention to do so and shall, if requested by the Vendors by written notice to Purchasers within that period of time, transfer (and, if applicable, deliver duly executed transfers) to the Vendors all or any portions of the Lander Claims so intended to be dealt with, in consideration for the payment of \$1.00, with each tenure so transferred to be in good standing for at least one year from the date of the original notice from the Purchasers, in which case any portion of the Lander Claims so transferred shall cease to be included in the Lander Claims and shall cease to be subject to this Agreement (and in respect of the foregoing, the Parties shall promptly execute an agreement to amend Appendix "A" to remove such portion of the Lander Claims so transferred from the list of Lander Claims), provided that any such transfer of tenure shall be completed without warranty from the Purchasers on an "as is where is" basis.

**Schedule "D"**

**Area of Interest**



**Schedule "E"**

**Form of Investment Agreement**

See attached.