

ARCTIC FOX OPTION AGREEMENT

THIS AGREEMENT (the “Agreement”) made as of October 20th 2020

BETWEEN:

PACIFIC RIDGE EXPLORATION LTD., a corporation incorporated under the laws of British Columbia and having its head office at Suite 1100, 1111 Melville Street, Vancouver, British Columbia, V6E 3V6 (Email: *****@pacificridgeexploration.com) (“**Pacific Ridge**”)

OF THE FIRST PART

AND:

ARCTIC FOX INTERACTIVE LTD., a corporation incorporated under the laws of British Columbia and having its head office at Suite 905, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3 (Email: @pacificparagon.com) (“**Arctic Fox**”)

OF THE SECOND PART

AND:

BRUCE BRIED AND PATRICIA BRIED of 6140 48A Avenue, Delta, British Columbia, V4K 1Y8 (Email: ****@gmail.com) (together, the “**Brieds**”)

OF THE THIRD PART

AND:

JOHN A. CHAPMAN of 43 – 1725 Southmere Cres., Surrey, B.C. V4A 7A7 (Email: j****@telus.net), **KGE MANAGEMENT LTD.** of 1740 Orchard Way, West Vancouver, B.C. V7V 4E8 (Email: g*****@gmail.com), **MICHAEL A. BLADY** of 335-1632 Dickson Ave. Kelowna BC V1Y 7T2 (Email: *****@gmail.com) and **CHRISTOPHER R. PAUL** of 335-1632 Dickson Ave. Kelowna BC V1Y 7T2 (Email: *****@gmail.com) (together, the “**Underlying Optionors**”)

OF THE FOURTH PART

WHEREAS:

- A. Pursuant to the letter agreement dated January 16, 2017, as amended December 6, 2019 and October 15, 2020, attached hereto as Exhibit “A” (the “**Bried Agreement**”), the Brieds, as optionee, hold an option (the “**Bried Option**”) from the Underlying Optionors to earn a 100% interest in the approximate 2,101 hectare Spius property including the six mineral claims listed in Schedule A to the Bried Agreement, plus a 3.0 kilometre area of influence measured from the outside perimeter of those mineral claims, but not including mineral claims already held by third parties (which is defined in the Bried Agreement and hereinafter as the “**Property**”), subject to the royalty interest (including Annual Advance Minimum Royalty (AAMR) payments) under the section titled NSR Royalty and Annual Advance Minimum Royalty Payments in the Bried Agreement (the “**Royalty Payments**”), and the bonus payment interests under the section titled Payments to Optionor – Bonus Payments in the Bried Agreement (the “**Bonus Payments**”), held by the Underlying Optionors under the Bried Agreement (collectively, the “**Royalty and Bonus Payments**”); and
- B. Pursuant to the letter agreement dated April 27, 2018, as amended December 10, 2019 and October 15, 2020, attached hereto as Exhibit “B” (the “**Pacific Ridge Agreement**”), Pacific Ridge holds an option (the “**Pacific Ridge Option**”) from the Brieds to acquire a 100% interest in the ‘Rights’ (as that term is defined in the Pacific Ridge Agreement) (the “**Pacific Ridge Rights**”), subject to the Royalty and Bonus Payments and subject to the ‘Royalty’ (as that term is defined in Section 9 of the Pacific Ridge Agreement) (the “**Brieds’ Royalty Interest**”) and to the bonus share issuances interests held by the Brieds under Section 5.3(c) of the Pacific Ridge Agreement (the “**Bonus Share Issuances**”); and
- C. Pacific Ridge wishes to grant to Arctic Fox, and Arctic Fox wishes to be granted, an option to acquire an interest in the Pacific Ridge Option and the Pacific Ridge Rights, subject to the Underlying Royalties and Bonuses (collectively, the “**PRE Rights**”), all on the terms and subject to the conditions of this Agreement.

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

SECTION 1. - INTERPRETATION

1.1 **Definitions.** In this Agreement, including the Recitals hereto, words starting with capital letters and not otherwise defined in this Agreement shall have the meanings ascribed to them in the Bried Agreement:

- (a) “**Commencement of Commercial Production**” means, and is deemed to have been achieved:
 - (i) if a concentrator is erected on the Property, when the concentrator processing Products, for other than testing purposes, has operated for a period of 90 consecutive production days at an average rate of not less than 60% of design capacity; or,
 - (ii) if a concentrator is not erected on the Property, when Products have been produced and shipped from the Property for a period of 90 consecutive production days at the rate of not less than 60% of the mining rate specified in a feasibility study recommending Commencement of Commercial Production;

- (b) **“Exchange”** means the TSX Venture Exchange or the Canadian Stock Exchange;
- (c) **“Expenditures”** means all direct costs and expenses actually incurred by Arctic Fox on or with respect to the Property, including monies expended in doing geophysical, geochemical and geological surveys, drilling, drifting and other surface and underground work, assaying and metallurgical testing and engineering; in preparing engineering or technical reports, in acquiring facilities for the Property and equipping the Property for Commencement of Commercial Production, including all taxes, management, legal and land fees associated with the management of the Property, in paying the fees, wages, salaries, travelling expenses, and fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property; in paying for the food, lodging and other reasonable needs of such persons; and including a reasonable allowance for Arctic Fox’s overhead costs, and all costs at prevailing charge out rates for any personnel of Arctic Fox who from time to time are engaged directly in work on the Property, such rates to be in accordance with industry standards;
- (d) **“Joint Venture”** has the meaning set out in Section 3.6 of this Agreement;
- (e) **“Joint Venture Agreement”** has the meaning set out in Section 3.6 of this Agreement;
- (f) **“Lien”** means any lien, security interest, mortgage, charge, encumbrance, or other claim of a third party, whether registered or unregistered, and whether arising by agreement, statute or otherwise;
- (g) **“Listing Date”** means the date on which the Shares are listed and posted for trading on the Exchange;
- (h) **“Net Smelter Returns”** means actual proceeds received from any mint, smelter, refinery or other purchaser from the sale of Products sold, after deducting from such proceeds the following charges levied by third parties to the extent that they are not deducted by a smelter, a refinery or other purchaser in computing payment:
 - (i) any smelting and refining charges, including penalties;
 - (ii) actual costs of transportation and handling of Products from the Property to such smelter, refinery or other purchaser; and
 - (iii) marketing, insurance and representation costs in respect of the Products and sales, use, ad valorem, value added, severance, export, import, excise, net proceeds or mine tax and any other tax on or measured by mineral production;
- (i) **“Production Notice”** means a notice in writing confirming that Commencement of Commercial Production has been achieved;
- (j) **“Products”** means all ores and minerals mined from the Property and all concentrates and other mineral products, metals (including bullion) or minerals that are derived therefrom;
- (k) **“Option”** means the option granted to Arctic Fox by Pacific Ridge in accordance with Section 3.1 of this Agreement;
- (l) **“Shares”** means the common shares without par value in the capital of Arctic Fox as constituted on the date of their issuance; and

- (m) “**Underlying Royalties and Bonuses**” means the Royalty and Bonus Payments, the Brieds’ Royalty Interest and the Bonus Share Issuances.

SECTION 2. - REPRESENTATIONS AND WARRANTIES

2.1 Pacific Ridge hereby represents and warrants to Arctic Fox that:

- (a) it is a corporation duly incorporated and organised and validly existing under the *Business Corporations Act* (British Columbia);
- (b) it is duly authorized to enter into this Agreement and nothing in this Agreement conflicts with or will result in the breach of or accelerate the performance required by any term in any deed, document or other agreement to which it is a party and by which it is currently bound;
- (c) the Property is properly and accurately described in Schedule A to the Bried Agreement;
- (d) to the best of its knowledge, (i) the claims comprising the Property were properly recorded and filed with appropriate governmental agencies; (ii) all assessment work required to hold the claims comprising the Property has been performed and all governmental fees have been paid and all filings required to maintain the claims comprising the Property in good standing have been properly and timely recorded or filed with appropriate governmental agencies; (iii) there are no conflicting mining claims; and (iv) it has not done anything that, or failed to do anything where such failure, might impair the Property or any part or parts of it, the PRE Rights or the Pacific Ridge Agreement and it and the Brieds are each in full compliance with all of the terms of the Pacific Ridge Agreement;
- (e) all of its activities on or in connection with the Property have been conducted in accordance with the laws of British Columbia including environmental laws and there has been no notice of breach or non-compliance, nor any allegation of breach or non-compliance, and there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste by it on, into, under or affecting the Property and no such contaminant, pollutant, dangerous or toxic substance, or hazardous waste is stored by it in any type of container on, in or under the Property, except as necessary to carry on exploration on the Property;
- (f) it is the owner of an undivided 100% interest in the PRE Rights, free and clear of all Liens and third party interests other than the Underlying Royalties and Bonuses, and, to the best of its knowledge, other than the Bried Agreement and the Pacific Ridge Agreement, there are no outstanding agreements or options, written, oral or otherwise, to acquire or purchase the PRE Rights or the Property or any part or parts thereof or any interest therein and, except for the Underlying Royalties and Bonuses, no person has any royalty or other interest whatsoever in the PRE Rights save as may be created pursuant to the terms of this Agreement, and it has declared to Arctic Fox any and all pertinent information it may have which may impugn its rights to the PRE Rights or to the Property; and
- (g) to the best of its knowledge, there are no pending or threatened actions, suits, claims or proceedings regarding the PRE Rights.

2.2 Arctic Fox hereby represents and warrants, as of the date hereof and as of the Listing Date, that:

- (a) it is a corporation duly incorporated and organised and validly existing and in good standing under the laws of the Province of British Columbia;
- (b) it has full corporate power, authority and capacity to enter into this Agreement, to carry on its business as presently conducted and proposed to be conducted and to carry out its obligations under this Agreement, and is qualified to carry on business in British Columbia;
- (c) it has been duly authorized to enter into, and to carry out its obligations under, this Agreement and no obligation of it in this Agreement conflicts with or will result in the breach of any term in:
 - (i) its constating documents; or
 - (ii) any other agreement to which it is currently a party;
- (d) its authorized capital consists solely of 100,000,000 common shares without par value, with each such common share carrying the right to one vote, of which 30,335,869 common shares are issued and outstanding as of the date hereof;
- (e) all Shares to be issued hereunder shall be duly and validly issued as fully paid and non-assessable common shares of Arctic Fox as constituted on the date of issue thereof and the certificates representing the Shares to be issued hereunder shall bear no legend or restrictions on transferability or re-sale that is or purports to be effective for more than four months and one day after the Listing Date;
- (f) it is, or will be prior to the first issuance of Shares pursuant to Section 3.2(b) hereof, a reporting issuer within the meaning of applicable securities laws in the Province of British Columbia, is not prohibited from trading in securities nor from relying on any of the prospectus exemptions set out in, and is not in default of any requirement under, applicable securities laws. No delisting, suspension of trading in or cease trading order with respect to any of its securities and no inquiry or investigation (formal or informal) of any applicable securities regulatory authority, is in effect or ongoing or, to its knowledge, expected to be implemented or undertaken. After listing on the Exchange and during the term of the Option, it shall use its commercially reasonable efforts to maintain its designation as a reporting issuer in a jurisdiction of Canada and the listing of the Shares on the Exchange or on another recognized stock exchange in Canada;
- (g) it is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and no proceedings are pending for and it is not aware of any basis for the institution of any proceedings leading to its dissolution or winding-up or the placing of it into bankruptcy or subject to any other laws governing the affairs of insolvent persons nor is there any basis therefor;
- (h) to the extent that they might prevent it from meeting its obligations under this Agreement, there are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting it, at law or in equity or before any governmental authority whatsoever nor are there, to its knowledge, any pending or threatened; and
- (i) neither it, nor to its knowledge, any of its directors, executives, representatives, agents or employees has, (i) used or is using any corporate funds for any illegal contributions, gifts, entertainment or other expenses relating to political activity that would be illegal, (ii) used or is using any corporate funds for any direct or indirect illegal payments to any foreign or

domestic governmental officials or employees, (iii) violated or is violating any provision of the *Corruption of Foreign Public Officials Act* (Canada) or any applicable law of similar effect, (iv) established or maintained, or is maintaining, any illegal fund of corporate monies or other properties, or (v) made any bribe, illegal rebate, illegal payoff, influence payment, kickback or other illegal payment of any nature.

2.3 Each of Pacific Ridge's representations and warranties set out above will be relied on by Arctic Fox, and each of Arctic Fox's representations and warranties set out above will be relied on by the other parties, in entering into this Agreement and shall survive the execution and delivery of this Agreement. Arctic Fox shall indemnify and hold harmless each of the other parties for any loss, cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the other parties at any time as a result of any misrepresentation or breach of warranty arising under this Agreement.

SECTION 3. - OPTION

3.1 Pacific Ridge hereby grants to Arctic Fox the sole and exclusive irrevocable right and option (the "**Option**") to acquire a 60% interest in the PRE Rights on the terms set out herein.

3.2 In order to exercise the Option, Arctic Fox must:

- (a) pay to the Brieds, as to 10%, and to the Underlying Optionors, as to 22.5% to each of the Underlying Optionors, an aggregate \$60,000 cash as follows:
 - (i) \$15,000 within five business days of the Listing Date;
 - (ii) an additional \$15,000 on or before December 31, 2021; and
 - (iii) an additional \$30,000 on or before December 31, 2022; and
- (b) issue and deliver to the Brieds, as to 50%, and to the Underlying Optionors, as to 12.5% to each of the Underlying Optionors, an aggregate 1,000,000 Shares as follows:
 - (i) 200,000 Shares within 10 days of the Listing Date;
 - (ii) an additional 200,000 Shares on or before December 31, 2021;
 - (iii) an additional 600,000 Shares on or before December 31, 2022; and
- (c) incur an aggregate \$550,000 in Expenditures as follows:
 - (i) \$150,000 in Expenditures on or before December 31, 2021; and
 - (ii) an additional \$400,000 in Expenditures on or before December 31, 2022.

Excess Expenditures from one year can be applied to the next year and, if there is a shortfall in Expenditures incurred in any one year, the Option and this Agreement can be maintained in good standing by Arctic Fox making a payment to Pacific Ridge, in cash, of an amount equal to the shortfall. All of the cash payments, Share issuances or Expenditures contemplated in this Agreement may be accelerated at Arctic Fox's option.

3.3 Each of the Brieds and the Underlying Optionors acknowledge and agree with Pacific Ridge and Arctic Fox that:

- (a) during the currency of this Agreement, the provisions of Sections 3.2(a) and (b) of this Agreement shall supersede the provisions of the section of the Bried Agreement titled Payments to Optionor – Cash Payments, and the provisions of Sections 3.2(a), (b) and 3.3 of the Pacific Ridge Agreement;
- (b) upon satisfaction of the provisions of Sections 3.2(a) and (c)(i) of this Agreement, the Brieds shall, and shall be deemed for all purposes to, have exercised the option under the Bried Agreement and to have acquired and beneficially own a 100% interest in the Property, free and clear of all Liens other than the Royalty and Bonus Payments; and
- (c) upon satisfaction of Sections 3.2(a) and (b), and upon Arctic Fox incurring an aggregate \$475,000 in Expenditures under Section 3.2(c), of this Agreement, Pacific Ridge shall, and shall be deemed for all purposes to, have exercised the option under the Pacific Ridge Agreement and to have acquired and beneficially own a 100% interest in the Pacific Ridge Rights, free and clear of all Liens other than the Underlying Royalties and Bonuses.

3.4 Arctic Fox will have the right to terminate this Agreement at any time up to the date of exercise of the Option by giving notice in writing of such termination to Pacific Ridge, and in the event of such termination, this Agreement will, except for the provisions of Sections 2.3, 5.2 and 6, be of no further force and effect save and except for any obligations of Arctic Fox incurred prior to the effective date of termination.

3.5 Forthwith upon satisfaction of the provisions of Section 3.2 of this Agreement on the terms set out herein, Arctic Fox shall, and shall be deemed for all purposes hereof to, have exercised the Option and to thereupon have acquired and beneficially own a 60% interest in the PRE Rights, free and clear of all Liens other than the Underlying Royalties and Bonuses.

3.6 Upon Arctic Fox exercising the Option by completing all of the requirements of Section 3.2 of this Agreement, Pacific Ridge and Arctic Fox shall immediately enter into a single purpose joint venture (the “**Joint Venture**”) for the purpose of proceeding with the continued exploration and, if warranted, development of the Property on a joint venture basis and Pacific Ridge and Arctic Fox shall, within 30 days of Arctic Fox exercising the Option, negotiate in good faith and execute an agreement (the “**Joint Venture Agreement**”) substantially on terms which are standard in the industry including, without limitation, those terms set forth in Section 3.11 of this Agreement, on the basis of the interest of Arctic Fox and Pacific Ridge in the Property and the Joint Venture being as follows:

Arctic Fox:	60%
Pacific Ridge:	40%

If Arctic Fox and Pacific Ridge have not executed a binding Joint Venture Agreement by the date that is 90 days after Arctic Fox has exercised the Option, either of them may, on written notice to the other, elect to refer negotiation of the Joint Venture Agreement to arbitration in accordance with Section 8 of this Agreement, and such election shall be binding on them.

3.7 The parties agree that a copy of this Agreement or a memorandum thereof may be filed and/or registered with the mining recorder in the jurisdiction in which the Property is located.

3.8 Subject to the terms of the Bried Agreement, until the Option is exercised or this Agreement is terminated, Arctic Fox shall have the right to abandon any one or more of the claims comprising the Property on six months prior written notice to Pacific Ridge.

3.9 Each of the Underlying Optionors and the Brieds acknowledges that the parties have entered into this Agreement conditional upon the issuance of any Shares being exempt from the prospectus requirements under the *Securities Act* (British Columbia), and any other applicable securities laws. Consequently, any issuance of Shares will be subject to statutory resale restrictions in Canada and may be subject to other restrictions on disposition in the jurisdiction of residence of the Brieds and the Underlying Optionors and each of the Brieds and each of the Underlying Optionors acknowledges that legends will be endorsed on the certificates representing the Shares substantially in the following form and with the information completed:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE].”

Each of the Brieds and each of the Underlying Optionors covenants and agrees with Arctic Fox to abide by all such resale restrictions.

3.10 This Agreement provides for an option only and, except as expressly provided in this Agreement to the contrary, the issuance of any Shares, the making of any payments or the incurring of any Expenditures by Arctic Fox under this Agreement will not obligate Arctic Fox to issue any further or other shares or make or incur any further or other payments or Expenditures.

3.11 The Joint Venture Agreement shall be on terms and conditions standard in the industry and will provide, *inter alia*, for Arctic Fox to be the operator, subject to the right of Pacific Ridge to become operator in the event Arctic Fox's interest in the Property or the Joint Venture is reduced to less than 51%, for establishment of a management committee, for pro-rata funding of the costs and expenses associated with the further exploration and development of the Property, and for the dilution of a Joint Venture party's joint venture interest upon failure of that Joint Venture party to pay its share of such costs and expenses and the conversion of a Joint Venture party's joint venture interest to a 2% Net Smelter Returns royalty interest in the Property in the event such Joint Venture party's joint venture interest is reduced to a 10% or less joint venture interest. The non-diluting Joint Venture party will have the option of purchasing one-half of the 2% Net Smelter Returns royalty for \$2 million at any time prior to 90 days following the non-diluting Joint Venture party's receipt of a Production Notice.

3.12 From and after the exercise of the Option and until the Joint Venture Agreement is executed, Arctic Fox shall , and after the Joint Venture Agreement is executed, the Joint Venture will:

- (a) make the Royalty Payments to the Underlying Optionors in accordance with the terms of the Bried Agreement;
- (b) make the Annual Advance Minimum Royalty (AAMR) payments to the Underlying Optionors in accordance with the terms of the Bried Agreement; and

- (c) subject to Section 9 of this Agreement, make the payments in respect of the Brieds' Royalty Interest in accordance with the terms of the Pacific Ridge Agreement.

SECTION 4. - COVENANTS OF PACIFIC RIDGE

4.1 During the currency of this Agreement, Pacific Ridge covenants and agrees that it shall:

- (a) make available to Arctic Fox and its representatives all available relevant technical data, geotechnical reports, maps, digital files and other data with respect to the Property in Pacific Ridge's possession or control, including soil samples, and all records and files relating to the Property and permit Arctic Fox and its representatives at their own expense to take abstracts therefrom and make copies thereof;
- (b) promptly provide Arctic Fox with any and all notices and correspondence received by Pacific Ridge from government agencies or the Brieds or the Underlying Optionors in respect of the Property;
- (c) cooperate with Arctic Fox in obtaining any surface and other rights on or related to the Property as Arctic Fox deems desirable; and
- (d) subject to the terms of the Bried Agreement and the Pacific Ridge Agreement, allow Arctic Fox, its employees, agents and independent contractors, the sole and exclusive right and option to:
 - (i) enter upon the Property;
 - (ii) have exclusive and quiet possession of the Property;
 - (iii) do such prospecting, exploration, development or other mining work on the Property and thereunder as Arctic Fox in its sole discretion may consider advisable;
 - (iv) bring and erect upon the Property such equipment and facilities as Arctic Fox may consider advisable; and
 - (v) remove from the Property and dispose of material for the purpose of testing.

4.2 Upon exercise of the Option, Pacific Ridge shall, subject to Sections 3.6 and 3.11 of this Agreement, assign to Arctic Fox, a 60% interest in the PRE Rights, and, upon execution of the Joint Venture Agreement by all Joint Venture parties, Pacific Ridge and Arctic Fox, respectively, shall execute and deliver any and all deeds, documents and assurances as may be necessary or desirable to transfer its respective undivided 40% or 60% right, title and interest in and to the PRE Rights and the Property to the Joint Venture.

SECTION 5. - COVENANTS OF ARCTIC FOX

5.1 During the currency of the Option, Arctic Fox shall:

- (a) keep the Property free and clear of all Liens arising from its operations hereunder (except liens for taxes not yet due, other inchoate liens or liens contested in good faith by Arctic Fox) and proceed with all diligence to contest or discharge any Lien that is filed;
- (b) pay or cause to be paid all workers and wage earners employed by it or its contractors on the Property, and pay for all materials, services and supplies purchased or delivered in connection with its activities on or with respect to the Property;
- (c) permit Pacific Ridge, or Pacific Ridge's representatives duly authorized by it in writing, at their own risk and expense, access to the Property at all reasonable times and to all records and reports, if any, prepared by Arctic Fox in connection with work done on or with respect to the Property;
- (d) conduct all work on or with respect to the Property in a careful and minerlike manner and in compliance with all applicable federal, provincial and local laws, rules, orders and regulations; and
- (e) subject to Sections 3.2 and 3.3 of this Agreement, abide by the terms and conditions of the Bried Agreement and the Pacific Ridge Agreement and, in so doing, shall, without limiting the generality of the foregoing:
 - (i) make any cash payments under Section 3.2(a) of this Agreement or Bonus Payments, as to 10%, to the Brieds, and, as to 22.5%, to each of the Underlying Optionors;
 - (ii) make any Royalty Payments, as to 25%, to each of the Underlying Optionors;
 - (iii) subject to Section 9 of this Agreement, make any payments in respect of the Brieds' Royalty Interest to the Brieds;
 - (iv) make any Share issuances, other than Bonus Share Issuances, as to 50%, to the Brieds and, as to 12.5%, to each of the Underlying Optionors; and
 - (v) make any Bonus Share Issuances to the Brieds.

5.2 In the event of termination of the Option for any reason other than through the exercise thereof, Arctic Fox will:

- (a) leave the Property:
 - (i) in good standing for the next ensuing twelve months and free and clear of all Liens arising from its operations hereunder;
 - (ii) in a safe and orderly condition; and
 - (iii) in a condition which is in compliance with all rules and orders of governmental authorities with respect to reclamation and rehabilitation of all disturbances resulting from Arctic Fox's use and occupancy of the Property;

- (b) deliver to Pacific Ridge, within 90 days of a written request therefor, a report on all work carried out by Arctic Fox on the Property (limited to factual matters only) together with copies of all sample location maps, drill hole assay logs, assay results and other technical data compiled by Arctic Fox or its representatives with respect to the Property; and
- (c) have the right (and, if requested by Pacific Ridge within 90 days of the effective date of termination, the obligation) to remove from the Property within one year of termination of the Option all facilities erected, installed or brought upon the Property by or at the instance of Arctic Fox, failing which, the facilities shall become the property of Pacific Ridge.

5.3 From and after the exercise of the Option, Arctic Fox shall:

- (a) make the Bonus Payments, as to 10%, to the Brieds, and, as to 22.5%, to each of the Underlying Optionors, and the Brieds hereby acknowledge and agree that the making of such Bonus Payments to the Brieds shall supersede the provisions of, and shall, and shall be deemed for all purposes to, be in complete satisfaction of the provisions of Section 5.3(a) of the Pacific Ridge Agreement relating to the making of Bonus payments, and each of the Underlying Optionors hereby acknowledges and agrees that the making of such Bonus Payments to the Underlying Optionors shall supersede the provisions of, and shall, and shall be deemed for all purposes to, be in complete satisfaction of the provisions relating to the Bonus Payments under the Bried Agreement; and
- (b) issue and deliver to the Brieds that number of up to an aggregate 500,000 Shares as have a maximum value of \$2 million, each time, and at the same time as, the additional \$100,000 bonus is due on completion of the initial positive Feasibility Study, or the \$200,000 bonus is due upon achievement of initial Commercial Production, in accordance with the terms of the Bried Agreement and the Brieds hereby acknowledge and agree that such issuance and delivery of Shares shall supersede the provisions of, and shall, and shall be deemed for all purposes to, be in complete satisfaction of the provisions of the Bonus Share Issuances under Section 5.3(c) of the Pacific Ridge Agreement. For greater clarity, there will be only one Bonus Share Issuance for a positive Feasibility Study and only one Bonus Share Issuance for achievement of Commercial Production.

SECTION 6. - CONFIDENTIALITY

6.1 All matters concerning the execution and contents of this Agreement, the PRE Rights and the Property shall be treated as and kept confidential by the parties and there shall be no public release of any information concerning this Agreement, the PRE Rights or the Property, except as required by applicable securities laws, the rules and policies of any stock exchange on which a party's shares are listed or other applicable laws or regulations, without the prior written consent of Pacific Ridge, if Arctic Fox is proposing to release the information, or Arctic Fox, if Pacific Ridge is proposing to release the information, such consent not to be unreasonably withheld, delayed or conditional. Notwithstanding the foregoing, the parties are entitled to disclose confidential information to prospective investors or lenders, who shall be required to keep all such confidential information confidential.

SECTION 7. – FORCE MAJEUR/TERMINATION

7.1 No party will be liable for its failure to perform any of its obligations, or meet any requirement, under this Agreement due to a cause beyond its reasonable control including any laws or changes in any

laws, action or inaction of civil or military authority, interference by First Nations or First Nations rights groups, environmentalists or other activists, terrorism, inability to obtain on a timely basis any licence, permit or other authorization that may be required, severe weather, storms, fire, explosion, flood, insurrection, riot, labour dispute, inability after commercially reasonable efforts to obtain workers, equipment or material, delay in transportation and acts of God, but not including lack of funds (an “**Intervening Event**”) and all time limits imposed by this Agreement will be extended by a period equivalent to the period of delay resulting from an Intervening Event.

7.2 Notwithstanding any other provisions to the contrary contained in this Agreement other than Sections 3.2 and 7.1, where, in the case of Section 3.2, any default in performing any requirement set forth therein shall result in an immediate termination of this Agreement and the Option, this Agreement and the Option shall terminate: (i) if the Listing Date is not on or before May 31, 2021, then on May 31, 2021; or (ii) if Arctic Fox should be in default in performing any requirement herein set forth and fails to take reasonable steps to cure such default within 30 days after the giving of a written notice of default by Pacific Ridge, then on the expiry of such 30-day period.

SECTION 8. - ARBITRATION

8.1 If any dispute, controversy or claim arises under or in connection with this Agreement and cannot be settled by negotiation, the dispute shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (British Columbia), subject to the following modifications or additions:

- (i) the arbitration shall be conducted by one arbitrator. Within seven (7) days of written notice to the other party or parties to the dispute of a dispute, the parties to the dispute shall attempt to agree upon the person who is to act as the arbitrator. If the parties to the dispute fail to agree on the arbitrator within this time period, such arbitrator shall be appointed by a Judge of the Supreme Court of British Columbia;
- (ii) the arbitrator shall have such technical and other qualifications as may be reasonably necessary to enable the arbitrator to properly adjudicate upon the dispute;
- (iii) the arbitrator shall have the power to obtain the assistance, advice or opinion of any expert as the arbitrator may think fit and shall have the discretion to act upon any assistance, advice or opinion so obtained;
- (iv) the arbitrator shall be instructed that time is of the essence in proceeding with his or her determination of the dispute;
- (v) unless otherwise decided by the arbitrator, each party to the dispute shall be responsible for any costs associated with its legal and other advisors. The costs associated with the arbitrator, including any expert retained by the arbitrator, and any facility in which the arbitration takes place, shall be shared equally by the parties to the dispute;
- (vi) the arbitration shall take place in Vancouver, British Columbia; and
- (vii) the arbitration decision shall be given in writing and shall be final and binding on the parties to the dispute, and shall deal with questions of the costs of the arbitration and all matters related thereto.

SECTION 9 - ROYALTY

9.1 Each of the Brieds, Arctic Fox and Pacific Ridge agree that, upon Commencement of Commercial Production, Arctic Fox and Pacific Ridge shall cause the Joint Venture (the “**Payor**”) to pay to the Brieds (together, the “**Payee**”) a Net Smelter Returns royalty (the “**Royalty**”), being equal to 1.0% of Net Smelter Returns; provided that, upon the Payor receiving a Production Notice, the Payor shall be entitled at any time thereafter and from time to time to purchase 1/2 of the Royalty (i.e., a Royalty equal to 0.5% of Net Smelter Returns) from the Payee for \$1,500,000.

9.2 Arctic Fox and Pacific Ridge shall cause instalments of the Royalty payable to be paid by the Payor to the Payee within 90 days after the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the Products.

9.3 Within 120 days after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production is achieved, Arctic Fox and Pacific Ridge shall cause the accounts of the Payor relating to operations on the Property and the statement of operations, which shall include the statement of calculation of the Royalty for the year last completed, shall be audited by the independent auditors of the Payor at its expense. The Payee shall have 60 days after receipt of such statements to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct and unimpeachable thereafter.

9.4 If such audited financial statements disclose any overpayment by the Payor of the Royalty during the fiscal year, the amount of the overpayment shall be deducted from future instalments of Royalty payable.

9.5 If such audited financial statements disclose any underpayment by the Payor of the Royalty during the year, the amount thereof shall be paid to the Payee forthwith after determination thereof.

9.6 Arctic Fox and Pacific Ridge shall cause the Payor to maintain for each mining operation on the Property, up-to-date and complete records relating to the production and sale of Products, including accounts, records, statements and returns relating to treatment and smelting arrangements of the Products. The Payee shall have the right to have such accounts audited by independent auditors at the Payee’s own expense once each fiscal year.

9.7 The Brieds hereby acknowledge and agree that the provisions of this Section 9 shall supersede the provisions of, and shall, and shall be deemed for all purposes to, be in complete satisfaction of Section 9 of the Pacific Ridge Agreement.

SECTION 10 - GENERAL

10.1 **Assignment.** Any assignment of this Agreement or any rights hereunder in the PRE Rights shall be effected by delivering notice to that effect to the other parties provided the assignee agrees in writing to be bound by the terms of this Agreement. Neither Arctic Fox nor Pacific Ridge shall be entitled to assign this Agreement or any rights hereunder in the PRE Rights without the prior written consent of the other parties, such consent not to be unreasonably withheld, delayed or conditional. For greater certainty, nothing herein shall prevent any party from entering into any corporate reorganization, merger, amalgamation, takeover bid, plan of arrangement, or any other such corporate transaction which has the effect of, directly or indirectly, selling, assigning, transferring, or otherwise disposing of all or a part of the rights under this Agreement to a purchaser.

10.2 **Binding.** This Agreement inures to the benefit of and binds the parties and their respective heirs, executors, administrators, successors and permitted assigns.

10.3 **Further Assurances.** Each party shall from time to time promptly execute and deliver all further documents and take all further action reasonably necessary or desirable to give effect to the terms and intent of this Agreement.

10.4 **Amendment.** No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by the parties.

10.5 **Notice.** Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be effectively given if delivered personally or by overnight courier or if sent by electronic transmission, addressed in the case of notice to Pacific Ridge, Arctic Fox, the Brieds or the Underlying Optionors, as the case may be, to the address therefor set out on the first page of this Agreement. Any notice or other communication so given is deemed conclusively to have been given and received on the day of delivery when so personally delivered, on the day following the sending thereof by overnight courier, and on the same date when sent by electronic transmission (unless the notice is sent after 4:00 p.m. (Vancouver time) or on a day which is not a business day, in which case the electronic transmission will be deemed to have been given and received on the next business day after transmission). Any party may change any particulars of its name, address, contact individual or email address for notice by notice to the other parties in the manner set out in this Section 10.5. No party shall prevent, hinder or delay or attempt to prevent, hinder or delay the service on that party of a notice or other communication relating to this Agreement.

10.6 **Counterparts.** This Agreement may be executed by facsimile and in any number of counterparts, each of which shall constitute one and the same agreement.

10.7 **Severability.** If any term of this Agreement is or becomes illegal, invalid or unenforceable, that term shall not affect the legality, validity or enforceability of the remaining terms of this Agreement.

10.8 **Recitals and Schedules.** The recitals hereto and the schedules or exhibits referenced herein and attached to this Agreement, are incorporated into and form part of this Agreement.

10.9 **Time.** Time is of the essence of this Agreement.

10.10 **Governing Law.** This Agreement shall be governed by and shall be construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia, without reference to any choice of law rules. Subject to Section 8 of this Agreement, each of the parties to this Agreement hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia.

10.11 **Waiver.** No waiver of any provision of this Agreement will be inferred from anything done or omitted to be done by a party except by an express waiver in writing. Any waiver by a party of a breach or obligation of this Agreement must be made by such party in writing and will extend only to the particular breach or obligation to which such waiver specifically relates and will not otherwise limit or affect the rights of the waiving party or constitute a general or continuing waiver of a future or further breach or performance of obligations.

10.12 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and, except for the Bried Agreement and the Pacific Ridge Agreement, supersedes all prior arrangements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or oral.

[Signature Page Follows]

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

PACIFIC RIDGE EXPLORATION LTD.

By: _____
Authorized Signatory

ARCTIC FOX INTERACTIVE LTD.

THE BRIEDS

BRUCE BRIED

PATRICIA BRIED

THE UNDERLYING OPTIONORS

John A. Chapman

Gerald G. Carlson, President

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

PACIFIC RIDGE EXPLORATION LTD.

By: _____
Authorized Signatory

ARCTIC FOX INTERACTIVE LTD.

By: _____
Authorized Signatory

THE BRIEDS

BRUCE BRIED

PATRICIA BRIED

THE UNDERLYING OPTIONORS

Gerald G. Carlson, President

Michael A. Blady

Christopher R. Paul

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

PACIFIC RIDGE EXPLORATION LTD.

By: _____
Authorized Signatory

ARCTIC FOX INTERACTIVE LTD.

By: _____
Authorized Signatory

THE BRIEDS

THE UNDERLYING OPTIONORS

John A. Chapman

Gerald G. Carlson, President

Michael A. Blady

Christopher R. Paul

□

Exhibit "A"
The Bried Agreement

John A. Chapman
43 – 1725 Southmere Cres.
Surrey, B.C. V4A 7A7

KGE Management Ltd.
1740 Orchard Way
West Vancouver, B.C. V7V 4E8

Michael A. Blady
911 Porter Street
Coquitlam, B.C. V3J 5B9

Christopher R. Paul
208 – 1280 W 16th Street
North Vancouver, B.C. V7P 1R6

January 16, 2017

Bruce and Patricia Bried
6140 48 A Avenue
Delta, B.C. V4K 1Y8

Dear Bruce and Patricia Bried:

Re: Letter Agreement (the “Agreement”) between John A. Chapman (“Chapman”), KGE Management Ltd. (“KGE”), Michael A. Blady and Christopher R. Paul, collectively, the “Optionor” and Bruce and Patricia Bried (“the Optionee”) for the Option to Purchase the Spius Mineral Property, Nicola and New Westminster Mining Divisions, British Columbia, Canada.

Further to our earlier conversations, this Agreement will describe the terms whereby Optionee will have the right to earn a 100% interest in the approximate 2,101 hectare Spius property including the six mineral claims listed in Schedule A ("List of Mineral Claims"), plus a 3.0 kilometre area of influence measured from the outside perimeter of these mineral claims, but not including mineral claims already held by third parties (the "Property").

Optionee will earn a 100% interest in the Property, subject to a 2.0% NSR Royalty and Feasibility Study and Commercial Production bonus payments, by completing \$400,000 in exploration, making cash payments of \$200,000 to Optionor on or before December 31, 2020 ("Exercise of Option"), as described in the following paragraphs.

Exploration Requirements:

Optionee will complete \$400,000 exploration on the property according to the following schedule:

<u>Exploration</u>	<u>Completed By</u>
\$20,000	December 31, 2017
\$50,000	December 31, 2018
\$100,000	December 31, 2019
<u>\$230,000</u>	December 31, 2020
\$400,000	Total

Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to Optionor.

Payments to Optionor:

Optionee will make \$200,000 in cash payments to Optionor according to the following schedule:

<u>Payment</u>	<u>Date</u>
\$10,000	on signing
\$10,000	December 31, 2017
\$20,000	December 31, 2018
\$50,000	December 31, 2019
<u>\$110,000</u>	December 31, 2020
\$200,000	Total

In addition, Optionor will receive an additional \$100,000 on completion of a positive Feasibility Study and an additional \$200,000 upon achievement of Commercial Production.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

NSR Royalty and Annual Advance Minimum Royalty Payments:

Optionor will retain a 2.0% NSR Royalty on the Property. Optionee will have the right to purchase one percentage point of this royalty for \$1.5 million any time prior to the commencement of Commercial Production. Beginning on 31 December 2021 and annually thereafter, Optionee will make an Annual Advance Minimum Royalty (AAMR) payment of \$20,000, increasing to \$50,000 on December 31, 2031 and thereafter. After December 31, 2024, the Feasibility Study, Commercial Production bonus payments and AAMR and NSR buyout payments will be adjusted annually according to the Canadian CPI with a base of December 31, 2016. Annual Advance Minimum Royalty payments are deductible from future NSR Royalty payments.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

Termination:

This Agreement will terminate if Optionee fails to make any payments, or to complete exploration by the date indicated as set out above provided that, upon written notice of any default, Optionee will have a 30 day period to correct such default.

Force Majeure:

The Optionee has the right to claim Force Majeure and the postponement of all payments, work and costs for such work, if the Optionee cannot get permits in place in a timely basis to do the planned exploration, development or production work.

General:

1. The exercise of the option can be accelerated by making all payments, including exploration, due to the Optionor. If the Optionee spends over a combined \$300,000 in payments and exploration costs, the Optionee will have a vested 10% interest in the Property. Otherwise there is no partial vesting in the Property.
2. Optionee agrees to keep the claim(s) comprising the Property ("Claims") in good standing, to apply all exploration work as assessment to the maximum allowable, with any excess credited to the Optionors' PAC account. Optionee agrees to notify Optionor at least six months in advance of its

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chanman

KGE Management Ltd.
Gerald G. Carlson, President

Christopher R. Paul

Agreed to this _____ day of _____, 2017.

Bruce and Patricia Bried
Optionee

Bruce Bried

Patricia Bried

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chapman

Gerald G. Carlson, President

Michael A. Blady

Christopher R. Paul

Agreed to this _____ day of _____, 2017.

Bruce and Patricia Bried
Optionee

Bruce Bried

Patricia Bried

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chapman

KGF Management Ltd.

ident

Michael A. Blady

Agreed to this 31 day of JANUARY, 2017.

Bruce and Patricia Bried

Bruce Bried

Spilus Property Agreement

Page 3

January 16, 2017

Schedule A – List of Mineral Claims

The following mineral claims are located in the Nicola and New Westminster Mining Districts, British Columbia, Canada.

Tenure Number	Type	Claim Name	Good Until	Area (ha)
1040680	Mineral	SPIUS15C	20200211	270.4675
1040681	Mineral	SPIUS15B	20200211	312.0228
1040682	Mineral	SPIUS15A	20200211	249.5759
1041084	Mineral	SPIUS15D	20200211	249.7077
1042505	Mineral	SPIUS16A	20200211	332.8044
1044594	Mineral	SPIUS16B	20200211	686.9101

Total Area: 2101.4884 ha

BRIED OPTION AGREEMENT - AMENDMENT

THIS AMENDMENT AGREEMENT (this “**Agreement**”) made as of the 6th day of December, 2019 BETWEEN:

John A. Chapman
43 – 1725 Southmere Cres.
Surrey, B.C. V4A 7A7

KGE Management Ltd.
1740 Orchard Way
West Vancouver, B.C. V7V 4E8

Michael A. Blady
911 Porter Street
Coquitlam, B.C. V3J 5B9

Christopher R. Paul
208 – 1280 W 16th Street
North Vancouver, B.C. V7P 1R6

(Collectively the “**Optionee**”)

Bruce and Patricia Bried
6140 48 A Avenue
Delta, B.C. V4K 1Y8

(Collectively the “**Optionor**”)

WHEREAS:

- A. The Optionor entered into a property option agreement dated January 16, 2017 (the “**Option Agreement**”), pursuant to which the Optionor has the option (the “**Option**”) to acquire up to a 100% right, title and interest in and to certain mineral claims situated in the Nicola and New Westminster Mining Divisions, which are generally known and described as the Spius Property (the “**Property**”);
- B. The Optionor wishes to amend the Option Agreement on the terms and conditions set out in this Agreement; and
- C. Notwithstanding the date of its execution and delivery, this Agreement shall be conclusively deemed to commence on, and be effective as of, the effective date of the Option Agreement and shall survive and remain in full force and effect for the duration of the Option.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for and in consideration of the promises, covenants and agreements hereinafter set forth and provided for, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

PART 1 - AMENDMENTS

Exploration Requirements: The section in the Option Agreement titled Exploration Requirements will be modified as follows:

Optionee will complete \$400,000 exploration on the property according to the following schedule:

<u>Exploration</u>	<u>Completed By</u>
\$20,000	December 31, 2017
\$50,000	December 31, 2018
\$100,000	December 31, 2019
<u>\$230,000</u>	December 31, 2021
\$400,000	Total

Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to Optionor.

Payments to Optionor: The section in the Option Agreement titled Payments to Optionor will be modified as follows:

Optionee will make \$200,000 in cash payments to Optionor according to the following schedule:

<u>Payment</u>	<u>Date</u>
\$10,000	on signing
\$10,000	December 31, 2017
\$20,000	December 31, 2018
\$50,000	December 31, 2020
<u>\$110,000</u>	December 31, 2021
\$200,000	Total

In addition, Optionor will receive an additional \$100,000 on completion of a positive Feasibility Study and an additional \$200,000 upon achievement of Commercial Production.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

In all other respects the Option Agreement remains in full force and effect as of the date hereof except as amended hereby.

NSR Royalty and Annual Advance Minimum Royalty Payments: The section in the Option Agreement titled NSR Royalty and Annual Advance Minimum Royalty Payments will be modified as follows:

Optionor will retain a 2.0% NSR Royalty on the Property. Optionee will have the right to purchase one percentage point of this royalty for \$1.5 million any time prior to the commencement of Commercial Production. Beginning on 31 December 2022 and annually thereafter, Optionee will make an Annual Advance Minimum Royalty (AAMR) payment of \$20,000, increasing to \$50,000 on December 31, 2032 and thereafter. After December 31, 2025, the Feasibility Study, Commercial Production bonus payments and AAMR and NSR buyout payments will be adjusted annually according to the Canadian CPI with a base of December 31, 2016. Annual Advance Minimum Royalty payments are deductible from future NSR Royalty payments.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

PART 2 - GENERAL PROVISIONS

- 2.1 This amendment agreement will enure to the benefit of and be binding on the parties and their respective successors and assigns.
- 2.2 This Agreement shall be construed and interpreted in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein. Each of the parties hereby irrevocably attorns to the exclusive jurisdiction of the Supreme Court of British Columbia, situate in Vancouver, British Columbia, with respect to any matters arising out of this Agreement.
- 2.3 Each party will execute and deliver such further agreements, documents and assurances and do such further acts and things as either party reasonably requests to evidence, carry out or to give full force and effect to the intent of this Agreement.
- 2.5 This Agreement and the Option Agreement as hereby modified comprise the entire agreement between the parties with respect to the subject matter hereof and there are no agreements, representations or warranties, express or implied, which are collateral hereto.
- 2.7 No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.
- 2.7 This Agreement may be executed in several parts in the same form and by facsimile or electronic transmission and such parts as so executed shall together constitute one original document, and such parts, if more than one, shall be read together and construed as if all the signing parties had executed one copy of this Agreement.

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

Optionee

KGE Management Ltd.
Gerald G. Carlson, President

Michael A. Blady

Christopher R. Paul

Optionor

Bruce Bried

BRUCE BRIED

Michael A. Blady

Optionor

Bruce Bried

Patricia Bried

Optionee

John A. Chapman



KGE Management Ltd.
Gerald G. Carlson, President



Michael A. Blady

Christopher R. Paul

Optionor



Bruce Bried



Patricia Bried

BRIED OPTION AGREEMENT - AMENDMENT

THIS AMENDMENT AGREEMENT (this “**Agreement**”) made as of the 15th day of October 2020
BETWEEN:

John A. Chapman
43 – 1725 Southmere Cres.
Surrey, B.C. V4A 7A7

KGE Management Ltd.
1740 Orchard Way
West Vancouver, B.C. V7V 4E8

Michael A. Blady
335-1632 Dickson Ave.
Kelowna BC V1Y 7T2

Christopher R. Paul
335-1632 Dickson Ave.
Kelowna BC V1Y 7T2

(Collectively the “**Optionor**”)

Bruce and Patricia Bried
6140 48 A Avenue
Delta, B.C. V4K 1Y8

(Collectively the “**Optionee**”)

WHEREAS:

- A. The Optionor and Optionee entered into a property option agreement dated January 16, 2017, and amended December 6, 2019 (the "**Option Agreement**"), pursuant to which the Optionee has the option (the "**Option**") to acquire up to a 100% right, title and interest in and to certain mineral claims situated in the Nicola and New Westminster Mining Divisions, which are generally known and described as the Spius Property (the “**Property**”);
- B. The Optionor and Optionee wish to amend the Option Agreement on the terms and conditions set out in this Agreement; and
- C. Notwithstanding the date of its execution and delivery, this Agreement shall be conclusively deemed to commence on, and be effective as of, the effective date of the Option Agreement and shall survive and remain in full force and effect for the duration of the Option.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for and in consideration of the promises, covenants and agreements hereinafter set forth and provided for, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

PART 1 - AMENDMENTS

- 1.1 The second paragraph on the first page of the Option Agreement is modified as follows:

The “comma (,)” after the word ‘exploration’ is deleted and replaced with the phrase “on or before December 31, 2021 and”, the figure “\$200,000” is deleted and replaced with the figure “\$100,000” and the date “December 31, 2020” is deleted and replaced with the date “December 31, 2022”.

- 1.2 The section in the Option Agreement titled Exploration Requirements is modified as follows:

Exploration Requirements:

Optionee will complete \$400,000 exploration on the property according to the following schedule:

<u>Exploration</u>	<u>Completed By</u>
\$20,000	December 31, 2017
\$50,000	December 31, 2018
\$100,000	December 31, 2019
<u>\$230,000</u>	December 31, 2021
\$400,000	Total

Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to Optionor.

- 1.3 The section in the Option Agreement titled Payments to Optionor is modified as follows:

Payments to Optionor:

Cash Payments:

Optionee will make \$100,000 in cash payments to Optionor according to the following schedule:

<u>Payment</u>	<u>Date</u>
\$10,000	on signing
\$10,000	December 31, 2017
\$20,000	December 31, 2018
\$15,000	May 31, 2021
\$15,000	December 31, 2021
<u>\$30,000</u>	December 31, 2022
\$100,000	Total

Bonus Payments:

In addition, Optionor will receive an additional \$100,000 on the first anniversary of the exercise of the Option, an additional \$100,000 upon the completion of a positive Feasibility Study and an additional \$200,000 upon achievement of Commercial Production.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

- 1.4 The section in the Option Agreement titled NSR Royalty and Annual Advance Minimum Royalty Payments is modified as follows:

NSR Royalty and Annual Advance Minimum Royalty Payments:

Optionor will retain a 2.0% NSR Royalty on the Property. Optionee will have the right to purchase one percentage point of this royalty for \$1.5 million any time prior to the commencement of Commercial Production. Beginning on 31 December 2023 and annually thereafter, Optionee will make an Annual Advance Minimum Royalty (AAMR) payment of \$20,000, increasing to \$50,000 on December 31, 2032 and thereafter. After December 31, 2025, the Feasibility Study, Commercial Production bonus payments and AAMR and NSR buyout payments will be adjusted annually according to the Canadian CPI with a base of December 31, 2016. Annual Advance Minimum Royalty payments are deductible from future NSR Royalty payments.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

In all other respects the Option Agreement remains in full force and effect as of the date hereof except as amended hereby.

PART 2 - GENERAL PROVISIONS

- 2.1 This Agreement will enure to the benefit of and be binding on the parties and their respective successors and assigns.
- 2.2 This Agreement shall be construed and interpreted in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein. Each of the parties hereby irrevocably attorns to the exclusive jurisdiction of the Supreme Court of British Columbia, situate in Vancouver, British Columbia, with respect to any matters arising out of this Agreement.
- 2.3 Each party will execute and deliver such further agreements, documents and assurances and do such further acts and things as either party reasonably requests to evidence, carry out or to give full force and effect to the intent of this Agreement.
- 2.4 This Agreement and the Option Agreement as hereby modified comprise the entire agreement between the parties with respect to the subject matter hereof and there are no agreements, representations or warranties, express or implied, which are collateral hereto.
- 2.5 No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.
- 2.6 This Agreement may be executed in several parts in the same form and by facsimile or electronic transmission and such parts as so executed shall together constitute one original document, and such parts, if more than one, shall be read together and construed as if all the signing parties had executed one copy of this Agreement.

The parties hereto intending to be legally bound have executed this Agreement as of the date and

year first written above.

Optionee

John A. Chapman

Michael A. Blady

Christopher R. Paul

Optionor

year first written above.

Optionee

John A. Chapman

Optionor

Bruce Bried

Patricia Bried

year first written above.

Michael A. Blady

Christopher R. Paul

Optionor

Bruce Bried

Patricia Bried

Exhibit "B"

The Pacific Ridge Agreement

BRIED OPTION AGREEMENT

THIS AGREEMENT (the “**Agreement**”) made as of April 27, 2018

BETWEEN:

BRUCE BRIED AND PATRICIA BRIED of 6140 48A Avenue, Delta, British Columbia, V4K 1Y8

(together, the “**Brieds**”)

OF THE FIRST PART

AND:

PACIFIC RIDGE EXPLORATION LTD., a corporation incorporated under the laws of British Columbia and having its head office at Suite 1100, 1111 Melville Street, Vancouver, British Columbia, V6E 3V6

(“**Pacific Ridge**”)

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the letter agreement dated January 16, 2017 attached hereto as Exhibit “I” (the “**Underlying Agreement**”), the Brieds, as optionee, hold an option (the “**Underlying Option**”) from John A. Chapman, KGE Management Ltd., Michael A. Blady and Christopher R. Paul (collectively, the “**Underlying Optionors**”) to earn a 100% interest in the approximate 2,101 hectare Spius property including the six mineral claims listed in Schedule A to the Underlying Agreement, plus a 3.0 kilometre area of influence measured from the outside perimeter of those mineral claims, but not including mineral claims already held by third parties (which is described in the Underlying Agreement and hereafter as the “**Property**”), subject to the royalty and bonus payment interests held by the Underlying Optionors under the Underlying Agreement (collectively, the “**Royalty and Bonus Payments**”); and
- B. The Brieds wish to grant Pacific Ridge an interest in the Underlying Option and all other rights held by the Brieds under the Underlying Agreement (such Underlying Option and all other rights collectively referred to in this Agreement as the “**Rights**”), all on the terms and subject to the conditions of this Agreement.

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

SECTION 1. - INTERPRETATION

1.1 **Definitions.** In this Agreement, including the Recitals hereto, words starting with capital letters and not otherwise defined in this Agreement shall have the meanings ascribed to them in the Underlying Agreement:

- (a) **“Commencement of Commercial Production”** means, and is deemed to have been achieved:
- (i) if a concentrator is erected on the Property, when the concentrator processing Products, for other than testing purposes, has operated for a period of 90 consecutive production days at an average rate of not less than 60% of design capacity; or,
 - (ii) if a concentrator is not erected on the Property, when Products have been produced and shipped from the Property for a period of 90 consecutive production days at the rate of not less than 60% of the mining rate specified in a feasibility study recommending Commencement of Commercial Production;
- (b) **“Exchange”** means the TSX Venture Exchange;
- (c) **“Expenditures”** means all direct costs and expenses actually incurred by Pacific Ridge on or with respect to the Property, including, without limitation, monies expended in doing geophysical, geochemical and geological surveys, drilling, drifting and other surface and underground work, assaying and metallurgical testing and engineering; in preparing engineering or technical reports, in acquiring facilities for the Property and equipping the Property for Commencement of Commercial Production, including, without limitation, all taxes, management, legal and land fees associated with the management of the Property, in paying the fees, wages, salaries, travelling expenses, and fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property; in paying for the food, lodging and other reasonable needs of such persons; and including a reasonable allowance for Pacific Ridge’s overhead costs, and all costs at prevailing charge out rates for any personnel of Pacific Ridge who from time to time are engaged directly in work on the Property, such rates to be in accordance with industry standards;
- (d) **“Lien”** means any lien, security interest, mortgage, charge, encumbrance, or other claim of a third party, whether registered or unregistered, and whether arising by agreement, statute or otherwise;
- (e) **“Net Smelter Returns”** means actual proceeds received by Pacific Ridge from any mint, smelter, refinery or other purchaser from the sale of Products sold, after deducting from such proceeds the following charges levied by third parties to the extent that they are not deducted by a smelter, a refinery or other purchaser in computing payment:
- (i) any smelting and refining charges, including penalties;
 - (ii) actual costs of transportation and handling of Products from the Property to such smelter, refinery or other purchaser; and
 - (iii) marketing, insurance and representation costs in respect of the Products and sales, use, ad valorem, value added, severance, export, import, excise, net proceeds or mine tax and any other tax on or measured by mineral production;
- (f) **“Production Notice”** means a notice in writing confirming that Commencement of Commercial Production has been achieved;

- (g) **“Products”** means all ores and minerals mined from the Property and all concentrates and other mineral products, metals (including bullion) or minerals that are derived therefrom;
- (h) **“Option”** means the option granted to Pacific Ridge by the Brieds in accordance with Section 3.1 of this Agreement;
- (i) **“Regulatory Approval”** means the written acceptance for filing of this Agreement by the Exchange on behalf of Pacific Ridge; and
- (j) **“Shares”** means the common shares without par value in the capital of Pacific Ridge as constituted on the date of this Agreement.

SECTION 2. - REPRESENTATIONS AND WARRANTIES

2.1 The Brieds hereby jointly and severally represent and warrant to Pacific Ridge that:

- (a) each of the Brieds is of the age of majority and is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada), and the Brieds have full power and capacity to enter into this Agreement and to carry out the Brieds’ obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement, and to grant the Option, and are qualified to carry on business in British Columbia and to acquire and dispose of interests in mining properties in British Columbia;
- (b) each of the Brieds is duly authorized to enter into this Agreement and nothing in this Agreement conflicts with or will result in the breach of or accelerate the performance required by any term in any deed, document or other agreement to which either of the Brieds is a party;
- (c) the Property is properly and accurately described in Schedule A to the Underlying Agreement;
- (d) (i) the claims comprising the Property were properly recorded and filed with appropriate governmental agencies; (ii) all assessment work required to hold the claims comprising the Property has been performed and all governmental fees have been paid and all filings required to maintain the claims comprising the Property in good standing have been properly and timely recorded or filed with appropriate governmental agencies; (iii) neither of the Brieds has any knowledge of conflicting mining claims; and (iv) neither of the Brieds has done anything that, or failed to do anything where such failure, might impair the Property or any part or parts of it, the Rights or the Underlying Agreement and the Brieds and the Underlying Optionors are each in full compliance with all of the terms of the Underlying Agreement;
- (e) all activities on or in connection with the Property have been conducted in accordance with the laws of British Columbia including environmental laws and there has been no notice of breach or non-compliance, or any allegation of breach or non-compliance, and there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste on, into, under or affecting the Property and no such contaminant, pollutant, dangerous or toxic substance, or hazardous waste is stored in any type of container on, in or under the Property, except as necessary to carry on exploration on the Property;

- (f) the Brieds are the legal and beneficial owners of an undivided 100% interest in the Rights, the Rights and the Property, other than the 2% NSR Royalty on the Property held by the Underlying Optionors, are free and clear of all Liens and third party interests and, other than the Underlying Agreement, there are no outstanding agreements or options, written, oral or otherwise, to acquire or purchase the Rights or the Property or any part or parts thereof or any interest therein and no person has any royalty or other interest whatsoever in the Rights save as may be created pursuant to the terms of this Agreement, and the Brieds have declared to Pacific Ridge any and all pertinent information the Brieds may have which may impugn the Brieds' rights to the Property; and
- (g) there are no pending or threatened actions, suits, claims or proceedings regarding the Rights.

2.2 Pacific Ridge hereby represents and warrants that:

- (a) it is a corporation duly incorporated and organised and validly existing under the *Business Corporations Act* (British Columbia);
- (b) it has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and is qualified to carry on business in British Columbia;
- (c) it has been duly authorized to enter into, and to carry out its obligations under, this Agreement and no obligation of it in this Agreement conflicts with or will result in the breach of any term in:
 - (i) its notice of articles or articles; or
 - (ii) any other agreement to which it is currently a party.

2.3 Each party's representations and warranties set out above will be relied on by the other party in entering into this Agreement and shall survive the execution and delivery of this Agreement. Each party shall (jointly and severally in the case of the Brieds) indemnify and hold harmless the other party for any loss, cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the other party at any time as a result of any misrepresentation or breach of warranty arising under this Agreement.

SECTION 3. - OPTION

3.1 The Brieds hereby jointly grant to Pacific Ridge the sole and exclusive irrevocable right and option (the "**Option**") to acquire a 100% interest in the Rights on the terms set out herein.

3.2 In order to exercise the Option, Pacific Ridge must:

- (a) pay to the Brieds an aggregate \$210,000 as follows:
 - (i) \$10,000 on execution of this Agreement;

- (ii) an additional \$40,000 on or before December 15, 2018, of which, subject to Section 7 and satisfaction of Section 3.2(c)(i) of this Agreement, \$20,000 is a firm commitment by Pacific Ridge;
 - (iii) an additional \$50,000 on or before December 15, 2019; and
 - (iv) an additional \$110,000 on or before December 15, 2020; and
- (b) issue and deliver to the Brieds an aggregate 1,000,000 Shares as follows:
- (i) 200,000 Shares within 10 days of the date of Regulatory Approval;
 - (ii) an additional 200,000 Shares on or before December 15, 2018;
 - (iii) an additional 300,000 Shares on or before December 15, 2019; and
 - (iv) an additional 300,000 Shares on or before December 15, 2020; and
- (c) incur \$800,000 in Expenditures as follows:
- (i) \$50,000 in Expenditures on or before December 15, 2018, which, subject to Section 7 of this Agreement, is a firm commitment by Pacific Ridge;
 - (ii) an additional \$250,000 in Expenditures on or before December 15, 2019; and
 - (iii) an additional \$500,000 in Expenditures on or before December 15, 2020.

3.3 Excess Expenditures from one year can be applied to the next year and, if there is a shortfall in Expenditures incurred in any one year, the Option and this Agreement can be maintained in good standing by Pacific Ridge making a payment to the Brieds, in cash, in an amount equal to the shortfall. All of the payments, share issuances or Expenditures contemplated in this Agreement may be accelerated at Pacific Ridge's option.

3.4 Pacific Ridge will have the right to terminate this Agreement at any time up to the date of exercise of the Option by giving notice in writing of such termination to the Brieds, and in the event of such termination, this Agreement will, except for the provisions of Sections 2.3, 3.2(a)(ii), 3.2(c)(i), 5.2 and 6, be of no further force and effect save and except for any obligations of Pacific Ridge incurred prior to the effective date of termination.

3.5 Forthwith upon satisfaction of the provisions of Section 3.2 of this Agreement on the terms set out herein, Pacific Ridge shall, and shall be deemed for all purposes hereof to, have exercised the Option and to thereupon have acquired and beneficially own a 100% interest in the Rights free and clear of all Liens other than the 2% NSR Royalty on the Property held by the Underlying Optioners.

3.6 The parties agree that a copy of this Agreement or a memorandum thereof may be filed and/or registered with the mining recorder in the jurisdiction in which the Property is located.

3.7 Subject to the terms of the Underlying Agreement, until the Option is exercised or this Agreement is terminated, Pacific Ridge shall have the right to abandon any one or more of the claims comprising the Property on six months prior written notice to the Brieds.

3.8 The Brieds acknowledge that the parties have entered into this Agreement conditional upon Regulatory Approval and the issuance of any Shares being exempt from the prospectus requirements under the *Securities Act* (British Columbia), and any other applicable securities laws. Consequently, any issuance of Shares will be subject to Exchange imposed and statutory resale restrictions in British Columbia and may be subject to other restrictions on disposition in the jurisdiction of residence of the Brieds and the Brieds acknowledge that legends will be endorsed on the certificates representing the Shares substantially in the following form and with the information completed:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE].”

“WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE DISTRIBUTION DATE].”

Each of the Brieds covenants and agrees with Pacific Ridge to abide by all such resale restrictions.

3.9 This Agreement provides for an option only and, except as expressly provided in this Agreement to the contrary, the issuance of any shares, the making of any payments or the incurring of any Expenditures by Pacific Ridge under this Agreement will not obligate Pacific Ridge to issue any further or other shares or make or incur any further or other payments or Expenditures.

SECTION 4. - COVENANTS OF THE BRIEDS

4.1 During the currency of this Agreement, the Brieds, jointly and severally, covenant and agree that the Brieds shall:

- (a) so long as Pacific Ridge satisfies the terms of Section 3.2 of this Agreement, make the cash payments to the Underlying Optionors in the amounts and at the times set forth under the heading ‘Payments to Optionor’ in the Underlying Agreement, shall claim completion of exploration in the amounts and by the times set forth under the heading ‘Exploration Requirements’ in the Underlying Agreement and shall not do any act or thing which would or might in any way adversely affect the rights of Pacific Ridge under this Agreement;
- (b) the Brieds shall make available to Pacific Ridge and its representatives all available relevant technical data, geotechnical reports, maps, digital files and other data with respect to the Property in the Brieds’ possession or control, including soil samples, and all records and files relating to the Property and permit Pacific Ridge and its representatives at their own expense to take abstracts therefrom and make copies thereof;
- (c) the Brieds shall promptly provide Pacific Ridge with any and all notices and correspondence received by either of the Brieds from government agencies or the Underlying Optionors in respect of the Property;

- (d) the Brieds shall cooperate fully with Pacific Ridge in obtaining any surface and other rights on or related to the Property as Pacific Ridge deems desirable;
- (e) the Brieds hereby grant to Pacific Ridge, its employees, agents and independent contractors, the sole and exclusive right and option to:
 - (i) enter upon the Property;
 - (ii) have exclusive and quiet possession of the Property;
 - (iii) do such prospecting, exploration, development or other mining work on the Property and thereunder as Pacific Ridge in its sole discretion may consider advisable;
 - (iv) bring and erect upon the Property such equipment and facilities as Pacific Ridge may consider advisable; and
 - (v) remove from the Property and dispose of material for the purpose of testing; and
- (f) the Brieds hereby jointly grant to Pacific Ridge and, upon exercise of the Option, shall assign absolutely to Pacific Ridge, a 100% interest in the Rights including, without limitation, the Brieds' right under the Underlying Agreement to purchase, for \$1.5 million, one percentage point of the 2.0% NSR Royalty on the Property held by the Underlying Optionors any time prior to the commencement of Commercial Production, and shall execute and deliver any and all deeds, documents and assurances as may be necessary or desirable to transfer to Optionee an undivided 100% right, title and interest in and to the Property.

SECTION 5. - COVENANTS OF PACIFIC RIDGE

5.1 During the currency of the Option, Pacific Ridge shall:

- (a) keep the Property free and clear of all Liens arising from its operations hereunder (except liens for taxes not yet due, other inchoate liens or liens contested in good faith by Pacific Ridge) and proceed with all diligence to contest or discharge any Lien that is filed;
- (b) pay or cause to be paid all workers and wage earners employed by it or its contractors on the Property, and pay for all materials, services and supplies purchased or delivered in connection with its activities on or with respect to the Property;
- (c) permit the Brieds, or the Brieds' representatives duly authorized by them in writing, at their own risk and expense, access to the Property at all reasonable times and to all records and reports, if any, prepared by Pacific Ridge in connection with work done on or with respect to the Property;
- (d) conduct all work on or with respect to the Property in a careful and minerlike manner and in compliance with all applicable federal, provincial and local laws, rules, orders and regulations; and

- (e) subject to Section 4.1(a) of this Agreement, abide by the terms and conditions of the Underlying Agreement.

5.2 In the event of termination of the Option for any reason other than through the exercise thereof, Pacific Ridge will:

- (a) leave the Property:
 - (i) in good standing for the next ensuing twelve months and free and clear of all Liens arising from its operations hereunder;
 - (ii) in a safe and orderly condition; and
 - (iii) in a condition which is in compliance with all rules and orders of governmental authorities with respect to reclamation and rehabilitation of all disturbances resulting from Pacific Ridge's use and occupancy of the Property;
- (b) deliver to the Brieds, within 90 days of a written request therefor, a report on all work carried out by Pacific Ridge on the Property (limited to factual matters only) together with copies of all sample location maps, drillhole assay logs, assay results and other technical data compiled by Pacific Ridge or its representatives with respect to the Property; and
- (c) have the right (and, if requested by the Brieds within 90 days of the effective date of termination, the obligation) to remove from the Property within one year of termination of this Agreement all facilities erected, installed or brought upon the Property by or at the instance of Optionee, failing which, the facilities shall become the property of the Brieds.

5.3 From and after the exercise of the Option, Pacific Ridge will:

- (a) make the Royalty and Bonus payments to the Underlying Optionors in accordance with the terms of the Underlying Agreement;
- (b) make the Annual Advance Minimum Royalty (AAMR) payments to the Underlying Optionors in accordance with the terms of the Underlying Agreement; and
- (c) issue and deliver to the Brieds that number of up to an aggregate 500,000 Shares as have a maximum value of \$2 million, each time, and at the same time as, the additional \$100,000 bonus is due on completion of a positive Feasibility Study, or the \$200,000 bonus is due upon achievement of Commercial Production, in accordance with the terms of the Underlying Agreement.

SECTION 6. - CONFIDENTIALITY

6.1 All matters concerning the execution and contents of this Agreement, the Rights and the Property shall be treated as and kept confidential by the parties and there shall be no public release of any information concerning this Agreement, the Rights or the Property, except as required by applicable securities laws, the rules and policies of any stock exchange on which a party's shares are listed or other applicable laws or regulations, without the prior written consent of the other party, such consent not to be unreasonably withheld, delayed or conditional. Notwithstanding the foregoing, the parties are entitled to disclose

confidential information to prospective investors or lenders, who shall be required to keep all such confidential information confidential.

SECTION 7. – FORCE MAJEUR/TERMINATION

7.1 No party will be liable for its failure to perform any of its obligations, or meet any requirement, under this Agreement due to a cause beyond its reasonable control including any laws or changes in any laws, action or inaction of civil or military authority, interference by First Nations or First Nations rights groups, environmentalists or other activists, terrorism, inability to obtain on a timely basis any licence, permit or other authorization that may be required, severe weather, storms, fire, explosion, flood, insurrection, riot, labour dispute, inability after commercially reasonable efforts to obtain workers, equipment or material, delay in transportation and acts of God, but not including lack of funds (an “**Intervening Event**”) and all time limits imposed by this Agreement will be extended by a period equivalent to the period of delay resulting from an Intervening Event.

7.2 Notwithstanding any other provisions to the contrary contained in this Agreement, this Agreement and the Option shall only terminate if Pacific Ridge should be in default in performing any requirement herein set forth and has failed to take reasonable steps to cure such default within 30 days after the giving of a written notice of default by the Brieds.

SECTION 8. - ARBITRATION

8.1 If any dispute, controversy or claim arises under or in connection with this Agreement and cannot be settled by negotiation, the dispute shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (British Columbia), subject to the following modifications or additions:

- (i) the arbitration shall be conducted by one arbitrator. Within seven (7) days of written notice to the other party of a dispute, the parties shall attempt to agree upon the person who is to act as the arbitrator. If the parties fail to agree on the arbitrator within this time period, such arbitrator shall be appointed by a Judge of the Supreme Court of British Columbia;
- (ii) the arbitrator shall have such technical and other qualifications as may be reasonably necessary to enable the arbitrator to properly adjudicate upon the dispute;
- (iii) the arbitrator shall have the power to obtain the assistance, advice or opinion of any expert as the arbitrator may think fit and shall have the discretion to act upon any assistance, advice or opinion so obtained;
- (iv) the arbitrator shall be instructed that time is of the essence in proceeding with his or her determination of the dispute;
- (v) unless otherwise decided by the arbitrator, each party shall be responsible for any costs associated with its legal and other advisors. The costs associated with the arbitrator, including any expert retained by the arbitrator, and any facility in which the arbitration takes place, shall be shared equally by the parties;
- (vi) the arbitration shall take place in Vancouver, British Columbia; and

- (vii) the arbitration decision shall be given in writing and shall be final and binding on the parties, and shall deal with questions of the costs of the arbitration and all matters related thereto.

SECTION 9 - ROYALTY

9.1 Upon Commencement of Commercial Production, Pacific Ridge (the “**Payor**”) shall pay to the Brieds (together, the “**Payee**”) a Net Smelter Returns royalty (the “**Royalty**”), being equal to 1.0% of Net Smelter Returns. Upon the Payor receiving a Production Notice, the Payor shall be entitled at any time thereafter and from time to time to purchase 1/2 of the Royalty (i.e., a Royalty equal to 0.5% of Net Smelter Returns) from the Payee for \$1,500,000.

9.2 Instalments of the Royalty payable shall be paid by the Payor to the Payee within 90 days after the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the Products.

9.3 Within 120 days after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production is achieved, the accounts of the Payor relating to operations on the Property and the statement of operations, which shall include the statement of calculation of the Royalty for the year last completed, shall be audited by the independent auditors of the Payor at its expense. The Payee shall have 60 days after receipt of such statements to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct and unimpeachable thereafter.

9.4 If such audited financial statements disclose any overpayment by the Payor of the Royalty during the fiscal year, the amount of the overpayment shall be deducted from future instalments of Royalty payable.

9.5 If such audited financial statements disclose any underpayment by the Payor of the Royalty during the year, the amount thereof shall be paid to the Payee forthwith after determination thereof.

9.6 The Payor agrees to maintain for each mining operation on the Property, up-to-date and complete records relating to the production and sale of Products, including accounts, records, statements and returns relating to treatment and smelting arrangements of the Products. The Payee shall have the right to have such accounts audited by independent auditors at the Payee’s own expense once each fiscal year.

SECTION 10 - GENERAL

10.1 **Assignment.** Any assignment of this Agreement or any rights hereunder in the Rights shall be effected by delivering notice to that effect to the other party provided the assignee agrees in writing to be bound by the terms of this Agreement. Neither party shall be entitled to assign this Agreement or any rights hereunder in the Rights without the prior written consent of the other party, such consent not to be unreasonably withheld, delayed or conditional. For greater certainty, nothing herein shall prevent any party from entering into any corporate reorganization, merger, amalgamation, takeover bid, plan of arrangement, or any other such corporate transaction which has the effect of, directly or indirectly, selling, assigning, transferring, or otherwise disposing of all or a part of the rights under this Agreement to a purchaser.

10.2 **Binding.** This Agreement inures to the benefit of and binds the parties and their respective heirs, executors, administrators, successors and permitted assigns.

10.4 **Amendment.** No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by both parties.

10.5 **Notice.** Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be effectively given if delivered personally or by overnight courier or if sent by electronic transmission, addressed in the case of notice to the Optionors or the Optionee, as the case may be, to the address therefor set out on the first page of this Agreement. Any notice or other communication so given is deemed conclusively to have been given and received on the day of delivery when so personally delivered, on the day following the sending thereof by overnight courier, and on the same date when sent by electronic transmission (unless the notice is sent after 4:00 p.m. (Vancouver time) or on a day which is not a business day, in which case the electronic transmission will be deemed to have been given and received on the next business day after transmission). Either party may change any particulars of its name, address, contact individual or email address for notice by notice to the other party in the manner set out in this Section 10.5. Neither party shall prevent, hinder or delay or attempt to prevent, hinder or delay the service on that party of a notice or other communication relating to this Agreement.

10.6 **Counterparts.** This Agreement may be executed by facsimile and in any number of counterparts, each of which shall constitute one and the same agreement.

10.7 **Severability.** If any term of this Agreement is or becomes illegal, invalid or unenforceable, that term shall not affect the legality, validity or enforceability of the remaining terms of this Agreement.

10.8 **Recitals and Schedules.** The recitals hereto and the schedules or exhibits referenced herein and attached to this Agreement, are incorporated into and form part of this Agreement.

10.9 **Time.** Time is of the essence of this Agreement.

10.10 **Governing Law.** This Agreement shall be governed by and shall be construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia.

10.11 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior arrangements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or oral.

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

EXHIBIT "I" – UNDERLYING AGREEMENT

John A. Chapman
43 – 1725 Southmere Cres.
Surrey, B.C. V4A 7A7

KGE Management Ltd.
1740 Orchard Way
West Vancouver, B.C. V7V 4E8

Michael A. Blady
911 Porter Street
Coquitlam, B.C. V3J 5B9

Christopher R. Paul
208 – 1280 W 16th Street
North Vancouver, B.C. V7P 1R6

January 16, 2017

Bruce and Patricia Bried
6140 48 A Avenue
Delta, B.C. V4K 1Y8

Dear Bruce and Patricia Bried:

Re: Letter Agreement (the “Agreement”) between John A. Chapman (“Chapman”), KGE Management Ltd. (“KGE”), Michael A. Blady and Christopher R. Paul, collectively, the “Optionor” and Bruce and Patricia Bried (“the Optionee”) for the Option to Purchase the Spius Mineral Property, Nicola and New Westminster Mining Divisions, British Columbia, Canada.

Further to our earlier conversations, this Agreement will describe the terms whereby Optionee will have the right to earn a 100% interest in the approximate 2,101 hectare Spius property including the six mineral claims listed in Schedule A ("List of Mineral Claims"), plus a 3.0 kilometre area of influence measured from the outside perimeter of these mineral claims, but not including mineral claims already held by third parties (the "Property").

Optionee will earn a 100% interest in the Property, subject to a 2.0% NSR Royalty and Feasibility Study and Commercial Production bonus payments, by completing \$400,000 in exploration, making cash payments of \$200,000 to Optionor on or before December 31, 2020 ("Exercise of Option"), as described in the following paragraphs.

Exploration Requirements:

Optionee will complete \$400,000 exploration on the property according to the following schedule:

<u>Exploration</u>	<u>Completed By</u>
\$20,000	December 31, 2017
\$50,000	December 31, 2018
\$100,000	December 31, 2019
<u>\$230,000</u>	December 31, 2020
\$400,000	Total

Excess expenditures from one year can be applied to the next. If there is a shortfall in exploration expenditures in any one year, the Agreement can be maintained in good standing by making a payment, in the equivalent cash, of the shortfall to Optionor.

Payments to Optionor:

Optionee will make \$200,000 in cash payments to Optionor according to the following schedule:

<u>Payment</u>	<u>Date</u>
\$10,000	on signing
\$10,000	December 31, 2017
\$20,000	December 31, 2018
\$50,000	December 31, 2019
<u>\$110,000</u>	December 31, 2020
\$200,000	Total

In addition, Optionor will receive an additional \$100,000 on completion of a positive Feasibility Study and an additional \$200,000 upon achievement of Commercial Production.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

NSR Royalty and Annual Advance Minimum Royalty Payments:

Optionor will retain a 2.0% NSR Royalty on the Property. Optionee will have the right to purchase one percentage point of this royalty for \$1.5 million any time prior to the commencement of Commercial Production. Beginning on 31 December 2021 and annually thereafter, Optionee will make an Annual Advance Minimum Royalty (AAMR) payment of \$20,000, increasing to \$50,000 on December 31, 2031 and thereafter. After December 31, 2024, the Feasibility Study, Commercial Production bonus payments and AAMR and NSR buyout payments will be adjusted annually according to the Canadian CPI with a base of December 31, 2016. Annual Advance Minimum Royalty payments are deductible from future NSR Royalty payments.

Payments will be made as to 25% to Chapman, 25% to KGE, 25% to Blady and 25% to Paul.

Termination:

This Agreement will terminate if Optionee fails to make any payments, or to complete exploration by the date indicated as set out above provided that, upon written notice of any default, Optionee will have a 30 day period to correct such default.

Force Majeure:

The Optionee has the right to claim Force Majeure and the postponement of all payments, work and costs for such work, if the Optionee cannot get permits in place in a timely basis to do the planned exploration, development or production work.

General:

1. The exercise of the option can be accelerated by making all payments, including exploration, due to the Optionor. If the Optionee spends over a combined \$300,000 in payments and exploration costs, the Optionee will have a vested 10% interest in the Property. Otherwise there is no partial vesting in the Property.
2. Optionee agrees to keep the claim(s) comprising the Property ("Claims") in good standing, to apply all exploration work as assessment to the maximum allowable, with any excess credited to the Optionors' PAC account. Optionee agrees to notify Optionor at least six months in advance of its

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chapman

KGE Management Ltd.
Gerald G. Carlson, President

Christopher R. Paul

Agreed to this _____ day of _____, 2017.

Bruce and Patricia Bried
Optionee

Bruce Bried

Patricia Bried

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chapman

Michael A. Blady

Christopher R. Paul

Agreed to this _____ day of _____, 2017.

Bruce and Patricia Bried
Optionee

Bruce Bried

Patricia Bried

intention to allow any of the Claims to lapse. Upon termination of this Agreement, Optionee is obligated to ensure that all Claims are in good standing for at least one year.

3. Optionee will work in a good miner-like manner at all times and will conform to all applicable Acts and Regulations and directives from regulatory authorities.
4. Optionee will provide copies of all exploration data collected on the Property and will provide an annual report at the end of each calendar year on the results of that year's activities. Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.
5. Neither the Optionor nor Optionee may transfer its interest in this Agreement without the written consent of the other party, such consent not to be unreasonably withheld, provided the transferee agrees to abide by all the terms and conditions of this Agreement.
6. Optionor represents and warrants that they are the beneficial owner of a 100% interest in and to the Property, free and clear of any and all encumbrances (save for purported First Nations' interests), liens or charges.
7. Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty and Annual Advance Minimum Royalty. The parties agree to file this Agreement at B.C. Mineral Titles as a Notification on the mineral claims making up the Property.
8. The Optionor, if required, will assist the Optionee with any issues relating to permit applications.
9. If necessary, the parties agree to negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner. The parties acknowledge that this Agreement shall be binding between the parties.
10. The signatories to this Agreement, as shown on the cover page, shall keep their contact information up to date at all times.

Sincerely,
Optionor

John A. Chapman

KGE Management Ltd.

Michael A. Blady

Agreed to this 31 day of JANUARY, 2017.

Bruce and Patricia Bried

Bruce Bried

Spius Property Agreement

Page 3

January 16, 2017

Schedule A – List of Mineral Claims

The following mineral claims are located in the Nicola and New Westminster Mining Districts, British Columbia, Canada.

<u>Tenure Number</u>	<u>Type</u>	<u>Claim Name</u>	<u>Good Until</u>	<u>Area (ha)</u>
1040680	Mineral	SPIUS15C	20200211	270.4675
1040681	Mineral	SPIUS15B	20200211	312.0228
1040682	Mineral	SPIUS15A	20200211	249.5759
1041084	Mineral	SPIUS15D	20200211	249.7077
1042505	Mineral	SPIUS16A	20200211	332.8044
1044594	Mineral	SPIUS16B	20200211	686.9101

Total Area: 2101.4884 ha

BRIED OPTION AGREEMENT - AMENDMENT

THIS AMENDMENT AGREEMENT (this "**Agreement**") made as of the 10th day of December 2019

BETWEEN:

BRUCE BRIED AND PATRICIA BRIED of 6140 48A Avenue, Delta, British Columbia, V4K 1Y8

(together, the "**Brieds**")

OF THE FIRST PART

AND:

PACIFIC RIDGE EXPLORATION LTD., a corporation incorporated under the laws of British Columbia and having its head office at Suite 1100, 1111 Melville Street, Vancouver, British Columbia, V6E 3V6

("**Pacific Ridge** ")

OF THE SECOND PART

WHEREAS:

- A. Pacific Ridge entered into a property option agreement dated April 27, 2018 (the "**Option Agreement**"), pursuant to which Pacific Ridge has the option (the "**Option**") to acquire up to a 100% right, title and interest in and to certain mineral claims situated in the Nicola and New Westminster Mining Divisions, British Columbia, which are generally known and described as the Spius Property" (the "**Property**");
- B. Pacific Ridge wishes to amend the Option Agreement on the terms and conditions set out in this Agreement; and
- C. Notwithstanding the date of its execution and delivery, this Agreement shall be conclusively deemed to commence on, and be effective as of, the effective date of the Option Agreement and shall survive and remain in full force and effect for the duration of the Option.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for and in consideration of the promises, covenants and agreements hereinafter set forth and provided for, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

PART 1
AMENDMENTS

1.1 Clause 3.2 of the Option Agreement will be modified as follows:

Section 3.2 (a)(iii) will be deleted in its entirety and replaced with the following:

(iii) an additional \$50,000 on or before December 15, 2020; and

Section 3.2(a)(iv) will be deleted in its entirety and replaced with the following:

(iv) an additional \$110,000 on or before December 15, 2021; and

Section 3.2(b)(iii) will be deleted in its entirety and replaced with the following:

(iii) an additional 300,000 Shares on or before December 15, 2020; and

Section 3.2(b)(iv) will be deleted in its entirety and replaced with the following:

(iv) an additional 300,000 Shares on or before December 15, 2021; and

Section 3.2(c)(iii) will be deleted in its entirety and replaced with the following:

(iii) an additional \$25,000 in Expenditures on or before December 15, 2020; and

New Section to be added:

3.2(c)(iv) an additional \$500,000 in Expenditures on or before December 15, 2021.

1.2 In all other respects the Option Agreement remains in full force and effect as of the date hereof except as amended hereby.

PART 2
GENERAL PROVISIONS

2.1 This amendment agreement will enure to the benefit of and be binding on the parties and their respective successors and assigns.

2.2 This Agreement shall be construed and interpreted in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein. Each of the parties hereby irrevocably attorns to the exclusive jurisdiction of the Supreme Court of British Columbia, situate in Vancouver, British Columbia, with respect to any matters arising out of this Agreement.

2.3 Each party will execute and deliver such further agreements, documents and assurances and do such further acts and things as either party reasonably requests to evidence, carry out or to give full force and effect to the intent of this Agreement.

2.5 This Agreement and the Option Agreement as hereby modified comprise the entire agreement between the parties with respect to the subject matter hereof and there are no agreements, representations or warranties, express or implied, which are collateral hereto.

- 2.7 No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.
- 2.7 This Agreement may be executed in several parts in the same form and by facsimile or electronic transmission and such parts as so executed shall together constitute one original document, and such parts, if more than one, shall be read together and construed as if all the signing parties had executed one copy of this Agreement.

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

BRIED OPTION AGREEMENT - SECOND AMENDMENT

THIS AMENDMENT AGREEMENT (this “**Agreement**”) made as of the 15th day of October 2020

BETWEEN:

BRUCE BRIED AND PATRICIA BRIED of 6140 48A Avenue, Delta, British Columbia, V4K 1Y8

(together, the “**Brieds**”)

OF THE FIRST PART

AND:

PACIFIC RIDGE EXPLORATION LTD., a corporation incorporated under the laws of British Columbia and having its head office at Suite 1100, 1111 Melville Street, Vancouver, British Columbia, V6E 3V6

(“**Pacific Ridge**”)

OF THE SECOND PART

WHEREAS:

- A. The Brieds and Pacific Ridge entered into a property option agreement dated April 27, 2018 and amended December 10, 2019 (the “**Option Agreement**”), pursuant to which Pacific Ridge has the option (the “**Option**”) to acquire up to a 100% right, title and interest in and to certain mineral claims situated in the Nicola and New Westminster Mining Divisions, British Columbia, which are generally known and described as the “Spius Property” (the “**Property**”);
- B. Pacific Ridge and the Brieds wish to amend the Option Agreement on the terms and conditions set out in this Agreement; and

Notwithstanding the date of its execution and delivery, this Agreement shall be conclusively deemed to commence on, and be effective as of, the effective date of the Option Agreement and shall survive and remain in full force and effect for the duration of the Option.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for and in consideration of the promises, covenants and agreements hereinafter set forth and provided for, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AMENDMENTS

1.1 Section 1.1 of the Option Agreement is modified as follows:

Section 1.1(j) is deleted in its entirety and replaced with the following:

(j) “**Shares**” means the common shares without par value in the capital of Pacific Ridge as constituted on the date of this Agreement, unless the circumstances described in the second paragraph of Section 3.3 of this Agreement apply, in which event “**Shares**” means the common shares without par value in the capital of the Sub-Optionee.

1.2 Section 3.2 of the Option Agreement is modified as follows:

(a) Section 3.2(a):

the figure “\$210,000” is deleted from Section 3.2(a) and replaced with the figure “\$110,000”;

Section 3.2(a)(iii) is deleted in its entirety and replaced with the following:

(iii) an additional \$15,000 on or before May 31, 2021; and

Section 3.2(a)(iv) is deleted in its entirety and replaced with the following:

(iv) an additional \$15,000 on or before December 31, 2021; and

new Section 3.2(a)(v) is added as follows:

(v) an additional \$30,000 on or before December 31, 2022; and

(b) Section 3.2(b):

the figure “1,000,000” is deleted from Section 3.2(b) and replaced with the figure “1,400,000”;

Section 3.2(b)(iii) is deleted in its entirety and replaced with the following:

(iii) an additional 200,000 Shares on or before May 31, 2021; and

Section 3.2(b)(iv) is deleted in its entirety and replaced with the following:

(iv) an additional 200,000 Shares on or before December 31, 2021; and

new Section 3.2(b)(v) is added as follows:

(v) an additional 600,000 Shares on or before December 31, 2022 ; and

(c) Section 3.2(c):

the figure “\$800,000” is deleted from Section 3.2(c) and replaced with the figure “\$825,000”;

Section 3.2(c)(iv) is deleted in its entirety and replaced with the following:

- (iv) an additional \$500,000 in Expenditures on or before December 31, 2022.
- 1.3 Section 3.3 of the Option Agreement is modified by deleting it in its entirety and replacing it with the following:
- 3.3 Excess Expenditures from one year can be applied to the next year and, if there is a shortfall in Expenditures incurred in any one year, the Option and this Agreement can be maintained in good standing by Pacific Ridge making a payment to the Brieds, in cash, in an amount equal to the shortfall. All of the payments, share issuances or Expenditures contemplated in this Agreement may be accelerated at Pacific Ridge's option.
- Should Pacific Ridge option all or a part of its interest in this Agreement (the “**Sub-Option**”), to a third party (the “**Sub-Optionee**”), as contemplated in Section 10.1 of this Agreement, all Share issuances and Expenditure requirements that come due while the Sub-Option is in good standing, will be the obligation of the Sub-Optionee and, as of and from the date of the Sub-Option, for so long as the Sub-Option is in good standing “Shares” shall mean common shares without par value in the capital of the Sub-Optionee. Should the Sub-Option be terminated for any reason, this Option will remain in good standing and any remaining Share issuances and Expenditure requirements provided for in Section 3.2 of this Agreement will be the responsibility of Pacific Ridge.
- 1.4 Section 4.1(f) of the Option Agreement is modified by deleting it in its entirety, renumbering it as Section 4.2 and replacing it with the following:
- 4.2 the Brieds hereby jointly grant to Pacific Ridge and, upon exercise of the Option, shall assign absolutely to Pacific Ridge, a 100% interest in the Rights including, for greater certainty but without limiting the generality of the foregoing: (a) the Brieds’ right to earn a 100% interest in the Property, as provided in the first paragraph of the Underlying Agreement; (b) the Brieds’ right to purchase, for \$1.5 million, one percentage point of the 2.0% NSR Royalty on the Property held by the Underlying Optionors any time prior to the commencement of Commercial Production, as provided in the section titled NSR Royalty and Annual Advance Minimum Royalty Payments of the Underlying Agreement; and (c) the Brieds’ right to have a 10% interest in the Property vest if the Brieds spend over a combined \$300,000 in payments and exploration costs, as provided in Section 1 of the section in the Underlying Agreement titled General; and the Brieds shall execute and deliver any and all deeds, documents and assurances as may be necessary or desirable to transfer to Pacific Ridge an undivided 100% right, title and interest in and to the Rights and the Property.
- 1.5 In all other respects the Option Agreement remains in full force and effect as of the date hereof except as amended hereby.

PART 2 GENERAL PROVISIONS

- 2.1 This amendment agreement will enure to the benefit of and be binding on the parties and their respective successors and assigns.

- 2.2 This Agreement shall be construed and interpreted in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein. Each of the parties hereby irrevocably attorns to the exclusive jurisdiction of the Supreme Court of British Columbia, situate in Vancouver, British Columbia, with respect to any matters arising out of this Agreement.
- 2.3 Each party will execute and deliver such further agreements, documents and assurances and do such further acts and things as either party reasonably requests to evidence, carry out or to give full force and effect to the intent of this Agreement.
- 2.4 This Agreement and the Option Agreement as hereby modified comprise the entire agreement between the parties with respect to the subject matter hereof and there are no agreements, representations or warranties, express or implied, which are collateral hereto.
- 2.5 No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.
- 2.6 This Agreement may be executed in several parts in the same form and by facsimile or electronic transmission and such parts as so executed shall together constitute one original document, and such parts, if more than one, shall be read together and construed as if all the signing parties had executed one copy of this Agreement.

The parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.