

Gold Lion Resources Inc.
1090 West Georgia St., Suite 600
Vancouver, BC V6E 3V7

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

1132902 BC Ltd.
609 – 1887 Crowe St.
Vancouver, BC V5Y 0B4

Oliver Friesen
14520 Mann Park Crescent
White Rock, BC V4B 3A8

December 10, 2018

Attn: Houman Ershadi

Re: Letter Agreement between Christopher R. Paul (“Paul”), 1132902 BC Ltd. (“1132902”), and Oliver Friesen (“Friesen”) collectively (the “Optionor”) and Gold Lion Resources Inc. (“Gold Lion”) (the “Optionee”) for the Option to Purchase the Fairview Mineral Property, Kamloops Mining Division, British Columbia, Canada

When countersigned by each of the parties, the following will constitute a binding agreement (the “**Agreement**”) between Optionor and Optionee, setting out the terms of an exclusive option pursuant to which the Optionee may acquire a 100% interest in the Property (as defined in Schedule A).

1. Option

Optionor hereby grants to Optionee the sole and exclusive option (the “**Option**”) to acquire a 100% interest in the Property, subject to a 2% NSR Royalty, by completing the Option Exercise Requirements in accordance with the terms and conditions set out in this Agreement.

2. Option Exercise Requirements

In order to exercise the Option, Optionee will complete the requirements set out in this Section 2 (collectively, the “**Option Exercise Requirements**”).

(a) Exploration Expenditures. Optionee will spend a total of C\$950,000 on exploration of the Property as follows:

- (i) Minimum of C\$75,000 by December 31, 2019;
- (ii) Minimum of C\$125,000 between January 1, 2020 and December 31, 2020;
- (iii) C\$250,000 between January 1, 2021 and December 31, 2021; and
- (iv) C\$500,000 between January 1, 2022 and December 31, 2022.

(collectively, the “**Exploration Expenditures**” and each, an “**Exploration Expenditure**”).

If Optionor spends more in any year than the Exploration Expenditure for that year, Optionor may apply the excess to the Exploration Expenditure for the next year(s). If Optionor spends less in any year than the Exploration Expenditure for that year, Optionor may correct the default in accordance with Section 7 and maintain the Agreement in good standing by making cash payment to Optionor in an amount equal to the shortfall.

(b) Cash Payments. Optionee will make cash payments of \$32,000 according to the following schedule:

(i) C\$32,000 upon sixty (60) days of signing

(collectively, the “**Cash Payments**” and each, a “**Cash Payment**”).

Each Cash Payment will be made to Paul, 1132902 and Friesen according to the following schedule:

Optionor	Cash Payment
Paul	C\$10,000
1132902	C\$7,000
Friesen	C\$15,000

3. Vesting

Upon the date Optionee exercises the Option by completing all the Option Exercise Requirements (the “**Vesting Date**”):

- (a) Optionee will be vested with 100% undivided legal and beneficial interest in the Property; and
- (b) Optionor will take such steps as necessary, in a timely manner, to effect transfer from Optionor to Optionee of 100% undivided legal and beneficial interest in the Property free and clear of all liens and encumbrances (other than the Optionor’s rights under this Agreement, including the NSR Royalty).

Optionee may accelerate the exercise of the Option by completing all the Option Exercise Requirements on an accelerated timeline. There is no partial vesting in the Property.

4. NSR Royalty and Advance Minimum Royalty Payments

- (a) Optionee hereby grants, sells, transfers, assigns and conveys to Optionor, to be effective as of the Vesting Date, a production royalty equal to 2% of the Net Smelter Return (as defined in Schedule B) on the Property (the “**NSR Royalty**”), provided that Optionee may purchase 1/3 of the NSR Royalty for total consideration of \$1,000,000 at any time prior to such time when:
 - (i) the concentrator processing ores, for other than testing purposes, has operated for a period of 45 consecutive days at an average rate of not less than 70% of design capacity; or
 - (ii) if a concentrator is not erected on the Property, when ores have been produced for a period of 45 consecutive production days at a rate of not less than 70% of the mining rate specified in a study and mine plan recommending placing the Property in production.

- (b) The obligations of Optionee under 4(a) shall terminate on the date that all of the mineral claims that comprise the Property have either been transferred back to Optionor or abandoned or surrendered or allowed to lapse or expire by Optionee acting in good faith.
- (c) Optionor will retain a first charge on the Property or any lease thereon with regard to its NSR Royalty.
- (d) Optionor will, from time to time, take all necessary actions, including execution of appropriate agreements, to pledge and subordinate the NSR Royalty to any bona fide secured borrowings from an arm's length third party lender for construction and operation of a mine on the Property.

5. Representations, Warranties and Covenants

- (a) Optionee represents, warrants and covenants to and with Optionor that:
 - (i) during the term of this Agreement and for a period of one year following the termination of this Agreement in accordance with Section 7, Optionee will keep the Mineral Claims in good standing;
 - (ii) Optionee will apply all exploration work as assessment to the maximum allowable, with any excess credited to the Optionor's PAC account;
 - (iii) Optionee will work in a good miner-like manner at all times and will comply with all applicable laws, regulations and directives from regulatory authorities with respect to its activities on the Property; and
 - (iv) 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.
- (b) Optionor represents, warrants and covenants to and with Optionee that:
 - (i) the Property is properly and accurately described in Schedule A;
 - (ii) Optionor is the legal and 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;
 - (iii) to the best of Optionor's knowledge and belief, there are no adverse claims, challenges, suits, actions, prosecutions, investigations or proceedings of any kind filed or pending or threatened against the Property or Optionor's ownership of or rights or title to the Property or any portion thereof;
 - (iv) promptly following the Effective Date, Optionor will cause Optionee to be authorized as its agent in respect of the mineral claims that comprise the Property so as to permit Optionee to apply exploration work as assessment on the Property; and
 - (v) promptly following the Effective Date, Optionor will provide Optionee with full and complete access to Optionor's books and records regarding the Property.

6. Area of Interest

- (a) If at any time during the term of this Agreement, Optionor or an affiliate of Optionor (the “**Acquiring Party**”) acquires, directly or indirectly, any interest in any property which is all or partly within three kilometres of the outermost boundary of the Property (the “**AOI Property**”), then the Acquiring Party must disclose the acquisition (including all costs and information it has relating to the AOI Property) promptly to Optionee, and Optionee may, by notice to the Acquiring Party within 30 days of receipt of notice of the acquisition, elect to include the AOI Property within the Property.
- (b) If Optionee elects to include the AOI Property as part of the Property in accordance with Section 6(a), then the acquisition costs of the AOI Property will, upon verification by Optionee, be reimbursed to Optionor.

7. Termination:

This Agreement will terminate and be of no further force or effect:

- (a) automatically, if Optionee fails to make any Exploration Expenditure or Cash Payment by the required date and fails to remedy such failure within 30 days of receipt of written notice from Optionor of such default; or
- (b) at any other time by Optionee giving notice of such termination to Optionor.

8. General:

- (a) This Agreement is for an option only and, for greater certainty, the payments and actions contemplated under Section 2 above shall not be construed as obligating Gold Lion to do any acts, make any expenditures on the Property, or make any payments hereunder, and any act, issuance, expenditure or payment as shall be made hereunder shall not be construed as obligating Gold Lion to do any further act or make any further issuance, expenditure or payment.
- (b) As between Optionor and Optionee, Optionee will have exclusive control and authority over all matters relating to the Property, including all business, operations and activities thereon, and will be responsible for all fees, expenses and other amounts incurred in connection with the Property.
- (c) Neither 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 in writing to abide by all the terms and conditions of this Agreement.
- (d) This Agreement is subject to the approval of the Board of Directors of the Optionee and to any required regulatory approvals including the approval of the Canadian Securities Exchange, each party using its reasonable best efforts to obtain the same.
- (e) The following schedules and appendices attached to this Agreement form part of this Agreement:

Schedule A – The Property
Appendix A - Definitions
- (f) This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

- (g) This Agreement will ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. However, if reasonably necessary, the parties will negotiate a formal option agreement incorporating the terms of this Agreement in a timely manner.
- (h) This Agreement may be executed in counterpart, by facsimile or emailed scanned copy, each of which so executed will be deemed to be original and together will be deemed to constitute one and the same instrument.

- *Remainder of page intentionally left blank* -

Sincerely,
Optionor

“Christopher Paul”
Christopher R. Paul

“Lucas Birdsall”
1132903 BC Ltd.

“Oliver Friesen”
Oliver Friesen

Agreed to this 10th day of December, 2018 (the “**Effective Date**”).

Gold Lion Resources Corp.
Optionee

Per: “Houman Ershadi”
Name: Houman Ershadi
Title: CEO

SCHEDULE A – THE PROPERTY

“**Property**” means the approximate 2574.3-hectare Fairview property located in the Kamloops Mining District, British Columbia, Canada, including the mineral claims listed below as well as any mineral claims that become part of the Property pursuant to the addition of AOI Property under Section 6 (collectively, the “**Mineral Claims**”).

Title Number	Title Type	Claim Name	Good To Date	Area (ha)
1064895	Mineral	FAIRVIEW2018A	2019/DEC/03	1941.1
1064896	Mineral	FAIRVIEW2018B	2019/DEC/03	633.2

TOTAL AREA (ha.): 2,574.29

APPENDIX A – DEFINITIONS

“Charged Assets” means Gold Lion’s 100% interest in the Property and all minerals, metals or concentrates extracted, derived and processed therefrom.

“Collateral” means the Charged Assets together with all Proceeds thereof.

“Obligations” means to obligation of Gold Lion to pay the Optionor the royalty interest provided in Section 4 [NSR Royalty and Advance Minimum Royalty Payments] of the Option Agreement.

“PPSA” means the *Personal Property Security Act*, S.B.C. 1989 c.36, as amended from time to time, and any legislation passed in replacement thereof or supplemental thereto.

“Proceeds” means:

- 1.01 All identifiable or traceable Goods, Intangibles, Chattel Paper, Documents of Title, Instruments, Money and Securities (all of which terms shall have the meanings ascribed to them in the PPSA), fixtures and crops:
 - (a) derived directly or indirectly from any dealing with the Charged Assets or any proceeds of the Charged Assets; and
 - (b) in which Gold Lion acquires an interest;
- 1.02 A right to an insurance payment or compensation for loss of, or damage to, the Charged Assets or proceeds of the Charged Assets; and
- 1.03 A payment made in total or partial discharge or redemption of an Intangible, an Instrument, a Security or Chattel Paper.

“Property” has the meaning given to it in Schedule “A” of the Option Agreement to which this Appendix A is attached.

“Option Agreement” means the agreement entered into between the Optionor and Gold Lion made as of the 10th day of December, 2018.

“Receiver” means a receiver-manager or a receiver and manager.

The following terms shall have the meaning given thereto in PPSA: Chattel Paper, Document of Title, Goods, Inventory, Instrument, Intangible, Money and Security.