



HopgoodGanim

LAWYERS

# Deed of Variation

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Papuan Minerals Pty Ltd ACN 156 225 919 (**PMPL**)

Golden Birch Resources Inc (**GBR**)

Papuan Minerals Ltd (**PML**)

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## Date

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## Parties

Papuan Minerals Pty Ltd ACN 156 225 919 (**PMPL**)

Golden Birch Resources Inc (**GBR**)

Papuan Minerals Ltd (**PML**)

## Background

- A. PMPL, GBR and PML are parties to the Agreement.
- B. PMPL, GBR and PML have agreed to vary the Agreement in the manner set out in this deed.

## It is agreed

### 1. Definitions and interpretation

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#### 1.1 Definitions

In this deed:

**Agreement** means the agreement dated 24 August 2018 between PMPL, GBR and PML.

#### 1.2 Terms used in Agreement

Any term used in this deed which is not defined in this deed will have the meaning given to that term in the Agreement.

#### 1.3 Interpretation

- (a) Unless the contrary intention appears, a reference in this deed to:
  - (1) this deed or another document includes any variation or replacement of it despite any change in the identity of the parties;
  - (2) one gender includes the others;
  - (3) the singular includes the plural and the plural includes the singular;
  - (4) a person, partnership, corporation, trust, association, joint venture, unincorporated body, Government Body or other entity includes any other of them;
  - (5) an item, recital, clause, subclause, paragraph, schedule or attachment is to an item, recital, clause, subclause, paragraph of, or schedule or attachment to, this deed and a reference to this deed includes any schedule or attachment;



- (6) a party includes the party's executors, administrators, successors, substitutes (including a person who becomes a party by novation) and permitted assigns;
  - (7) any statute, ordinance, code or other law includes regulations and other instruments under any of them and consolidations, amendments, re-enactments or replacements of any of them;
  - (8) money is to Australian dollars, unless otherwise stated; and
  - (9) a time is a reference to Brisbane time unless otherwise specified.
- (b) The words include, including, such as, for example and similar expressions are not to be construed as words of limitation.
  - (c) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
  - (d) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this deed.
  - (e) A provision of this deed must not be construed to the disadvantage of a party merely because that party or its advisers were responsible for the preparation of this deed or the inclusion of the provision in this deed.

## 1.4 Business Days

- (a) If anything under this deed must be done on a day that is not a Business Day, it must be done instead on the next Business Day.
- (b) If an act is required to be done on a particular day, it must be done before 5.00pm on that day or it will be considered to have been done on the following day.

## 1.5 Parties

- (a) If a party consists of more than one person, this deed binds each of them separately and any two or more of them jointly.
- (b) An agreement, covenant, obligation, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them separately.
- (c) An agreement, covenant, obligation, representation or warranty on the part of two or more persons binds them jointly and each of them separately.
- (d) A party which is an undisclosed trustee is bound both personally and in its capacity as trustee.

## 2. Variation of Agreement

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### 2.1 Variation

From the date of this deed, the Agreement is varied by:

- (a) including a new clause 5.10 as follows:

"For the avoidance of doubt, the parties acknowledge and agree that the consideration paid or payable to the Vendor under clauses 5.2, 5.5 and 5.7 constitutes the payment





of option fees by the Purchaser for the Stage 1 Interest pursuant to the exclusive option referred to in clause 7.1.”

- (b) including a new clause 7.3(e)(2)(1A) as follows:

“GBR Shares in the event of a Listing of GBR and becoming a “reporting issuer”, as that term is defined by the Securities Act (Ontario), by filing a final non-offering prospectus in the Province of Ontario and receiving a receipt (**Receipt**) therefor by the Ontario Securities Commission, to be issued as soon as reasonably practicable after receipt of the Receipt at an issue price for GBR Shares equal to the lower of:

(A) \$CDN 0.15; and

(B) the price offered for special warrants of GBR pursuant to its private placement financing closing on or around October 31, 2019, which as at the date of this Term Sheet is anticipated to be \$CDN 0.15; or”

- (c) by amending clause 7.3(f) to read as follows:

“7.3(f) within 12 months from the Listing Date, pay PMPL \$150,000 in Immediately Available Funds or by the issue of GBR Shares (at GBR’s election) at the 30-day volume-weighted average price for trading of GBR Shares on a Recognised Stock Exchange immediately preceding their issue.”

- (d) by amending clause 7.3(g) to read as follows:

“7.3(g) within 24 months from the Listing Date pay PMPL \$150,000 in Immediately Available Funds or by the issue of GBR Shares (at GBR’s election) at the 30-day volume-weighted average price for trading of GBR Shares on a Recognised Stock Exchange immediately preceding their issue.”

- (e) by replacing clause 11.4 to read as follows:

“The parties must use their best endeavours, including without limitation by negotiating in good faith, to enter into the Transaction Documents by no later than 29 February 2020 and in any event:

(a) prior to the expiry of the initial Exclusivity Period, or such later date as agreed between the parties; and

(b) on terms consistent with this Term Sheet.”

- (f) by renumbering the following clause 11.4 as clause 11.5; and

- (g) by renumbering the existing clause 11.5 as clause 11.6.

- (h) including a new clause 7.3(h)(1A) as follows:

“GBR Shares in the event of a Listing of GBR and becoming a “reporting issuer”, as that term is defined by the Securities Act (Ontario), by filing a final non-offering prospectus in the Province of Ontario and receiving a receipt (**Receipt**) therefor by the Ontario Securities Commission, to be issued as soon as reasonably practicable at an issue price being the 30-day volume-weighted average price of GBR Shares trading on a Recognized Stock Exchange preceding their issue; or”

- (i) including a new clause 7.3(i)(2)(1A) as follows:



"GBR Shares in the event of a Listing of GBR and becoming a "reporting issuer", as that term is defined by the Securities Act (Ontario), by filing a final non-offering prospectus in the Province of Ontario and receiving a receipt (Receipt) therefor by the Ontario Securities Commission, to be issued as soon as reasonably practicable at an issue price being the 30-day volume-weighted average price of GBR Shares trading on a Recognized Stock Exchange preceding their issue; or"

- (j) including a new clause 7.3A as follows:

"For the avoidance of doubt, the parties acknowledge and agree that the consideration satisfied or to be satisfied under subclauses 7.3(e), (f), (g), (h), (i) and (j) constitutes a prepayment of the exercise price by the Purchaser for the Stage 1 Interest pursuant to the exclusive option referred to in clause 7.1."

- (k) including a new clause 8.2(e)(1A) as follows:

"GBR Shares in the event of a Listing of GBR and becoming a "reporting issuer", as that term is defined by the Securities Act (Ontario), by filing a final non-offering prospectus in the Province of Ontario and receiving a receipt (Receipt) therefor by the Ontario Securities Commission, to be issued as soon as reasonably practicable at an issue price being the 30-day volume-weighted average price of GBR Shares trading on a Recognized Stock Exchange preceding their issue; or".

- (l) including a new clause 8.2A

"For the avoidance of doubt, the parties acknowledge and agree that the consideration satisfied or to be satisfied under subclause 8.2(d) constitutes a prepayment of the exercise price by the Purchaser for the Stage 2 Interest pursuant to the exclusive option referred to in clause 7.1."

- (m) in clause 25, deleting and replacing sub-clause (a) in the definition of "Listing Date" as follows:

"(a) GBR or its nominee:

- (i) conducting an IPO and listing GBR Shares on a Recognised Stock Exchange; or
- (ii) becoming a "reporting issuer", as that term is defined by the Securities Act (Ontario), by filing a final non-offering prospectus in the Province of Ontario and receiving a receipt (**Receipt**) therefor by the Ontario Securities Commission; or"

## 2.2 Confirmation of liability

PMPL, GBR and PML:

- (a) affirm the terms of the Agreement (as varied by this deed); and
- (b) acknowledge that their liability under the Agreement is not discharged or varied by this deed except to the extent that this deed may otherwise expressly specify.



## 3. Governing law and jurisdiction

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### 3.1 Governing law

This deed is governed by and construed in accordance with the laws of Queensland.

### 3.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non-exclusive jurisdiction of the courts of Queensland and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed; and
- (b) waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, if that venue falls within paragraph 3.2(a).

## 4. Miscellaneous

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### 4.1 Further assurance

Each party must promptly at its own cost do all things (including executing and delivering all documents) necessary or desirable to give full effect to this deed and the transactions contemplated by it.

### 4.2 Costs

Each party is responsible for all its own costs incurred in the negotiation and performance of this deed including legal costs.

### 4.3 Variation

An amendment or variation to this deed is not effective unless it is in writing and signed by the parties.

### 4.4 Counterparts

This deed may be executed in any number of counterparts each of which will be considered an original but all of which will constitute one and the same instrument. A party who has executed a counterpart of this deed may deliver it to, or exchange it with, another party by:

- (a) faxing; or
- (b) emailing a pdf (portable document format) copy of,

the executed counterpart to that other party.

### 4.5 Whole agreement

This deed and the Agreement:

- (a) are the entire agreement and understanding between the parties relating to the subject matter of this deed; and



- (b) supersedes any prior agreement, representation (written or oral) or understanding on anything connected with that subject matter.



# Deed of Variation



## Signing page

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**Executed as a deed by Papuan Minerals Pty Ltd ACN 156 225 919**

*"Andrew Morris"*

Director/Sole Director/Sole Director and Secretary

Andrew Morris

Print full name of Director/Sole Director

*"Ian David Lindley"*

Director/Secretary (if applicable)

**Ian David Lindley**

Print full name of Director/Secretary

**Executed as a deed by Golden Birch Resources Inc.**

*"Iain Martin"*

Director/Sole Director/Sole Director and Secretary

**Iain Martin**

Print full name of Director/Sole Director

*"Alan Martin"*

Director/Secretary (if applicable)

**Alan Martin**

Print full name of Director/Secretary

**Signed sealed and delivered by Papuan Minerals Ltd in the presence of**

*"Mirjam Vinka"*

Signature of Witness

Mirjam Vinka

Print full name of Witness

*"Andrew Morris"*

Papuan Minerals Ltd