

## MINERAL PROPERTY ACQUISITION AGREEMENT

THIS AGREEMENT is made the 1<sup>st</sup> day of August 2019

BETWEEN:

**ZIMTU CAPITAL CORP.**, a company incorporated pursuant to the laws of British Columbia, of 1450-789, West Pender Street, Vancouver, British Columbia, V6C 1H2

(the "Vendor")

AND:

**CORE ASSETS CORP.**, a company incorporated pursuant to the laws of British Columbia, of 1450-789, West Pender Street, Vancouver, British Columbia, V6C 1H2

(the "Purchaser")

**WHEREAS:**

- A. The Vendor is, in the aggregate, the registered and beneficial owner of 100% right, title and interest in and to the mineral claims described and illustrated in Schedule "A" attached located in the province of British Columbia;
- B. The Vendor has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Vendor, 100% right, title and interest in and to the Property in accordance with the terms and conditions hereinafter set forth

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of \$10.00 now paid by the Purchaser to the Vendor and for other good and valuable consideration, the receipt and sufficiency whereof the Vendor hereby acknowledge, **THE PARTIES HERETO AGREE AS FOLLOWS:**

### **1. Definitions**

1.1 In this Agreement the following expressions shall, where the context so admits, bear the meaning respectively set opposite them:

- (a) **"Acquisition Period"** The period during the term of this Agreement from the date hereof to and including the Closing Date.
- (b) **"Agreement"** This Agreement, as the same may be amended, supplemented or modified from time to time.

- (c) **"Approval Date"** The day upon which the Purchaser receives the written approval of the Exchange to the acquisition of the Property and the issuance of the Shares.
- (d) **"Closing Date"** That date which is the first day on which all of the Purchase Price has been paid.
- (e) **"Exchange"** means the TSX Venture Exchange and or the Canadian Securities Exchange;
- (f) **"Parties"** The parties to this Agreement consist of Zimtu Capital Corp. and Core Assets Corp;
- (g) **"Property"** Those mineral claims described in "Schedule A", together with all leases, licenses, claims and all other interests derived from any such permits, leases, licenses, claims and other interests that the Vendor owns.
- (k) **"Purchase Price"** The consideration specified in Subsection 3.2 hereof for the purchase of the Property by the Purchaser.
- (h) **"Net Smelter Returns"** 2% NSR has the meaning as defined in Schedule "B" attached hereto;

## 2. **Representations and Warranties of the Purchaser and the Vendor**

### 2.1 The Purchaser hereby represents and warrants to the Vendor as follows:

- (a) it has been duly incorporated under the laws of the Province of British Columbia and validly exists as a corporation in good standing under the laws of the Province of British Columbia;
- (b) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it;
- (c) there is no provision in its memorandum or articles or equivalent constituent documents, and no provision in an existing mortgage, indenture, guarantee, contract or agreement binding on it, and no provision in any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to it, which would be contravened by its execution, delivery or performance of this Agreement, and to the best of its knowledge it is not in default under any such mortgage, indenture, guarantee, contract or agreement or in violation of any such statute, rule, regulation, judgment, decree, order, franchise or permit, which default or violation would have material adverse effect on the Purchaser; and
- (d) no proceedings are pending for, and it is unaware of any basis for the institution of, any proceedings relating to the dissolution or winding up of it or the placing of

it in bankruptcy or subject to any other laws governing the affairs of insolvent persons.

2.2 The representations and warranties contained in subsection 2.2 are provided for the exclusive benefit of the Vendor, and a breach of any one or more thereof may be waived by the Purchaser, in whole or in part, at any time without prejudice to their rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in that subsection shall survive the execution hereof.

2.3 The Vendor hereby represents and warrants to the Purchaser as follows:

- (a) the Vendor is, and at the time of transfer to the Purchaser of the Property will be, the recorded and beneficial owner of a 100% undivided right, title and interest in and to the Property free and clear of all liens, charges, encumbrances, claims, liabilities and adverse interests of any nature or kind, except rights reserved to the government and other governmental requirements to keep staked property in good standing, and no taxes or rentals are or will be due in respect of any thereof as at the Closing Date;
- (b) to the best of the Vendor's knowledge, information and belief, the Property, as described in Schedule "A", is owned by the Vendor free and clear of all liens, charges and encumbrances;
- (c) there is no adverse claim or challenge to the ownership of or title to the Property nor to the knowledge of the Vendor without specific inquiry is there any basis therefor, and there are no outstanding agreements or options or other rights to acquire or purchase their interest in the Property or any portion thereof, and no person, other than the Vendor pursuant to the provisions hereof, has any royalty or other interest whatsoever in production from the Property or otherwise, except rights reserved to the government;
- (d) the Vendor is the sole recorded and beneficial owner of the Property, and the Vendor has the full right, title, capacity and authority to own the Property and to enter into this Agreement with the Purchaser and perform its obligations hereunder, and the execution, delivery and performance hereof by the Vendor will neither constitute a default under or violate any provisions of any mortgage, indenture, guarantee, contract or agreement binding on the Vendor or any statute, rule, regulation, judgment, decree, order, franchise or permit applicable to the Vendor nor, if the Vendor is a company, any provision of its memorandum, articles, by-laws or other constitutional documents;
- (e) the mineral claims comprising the Property have been properly staked and recorded and are in good standing under all applicable laws of British Columbia;
- (f) neither the Vendor nor, to the best of its knowledge without having made specific inquiry, any predecessor in interest or title of the Vendor to the Property has done anything whereby the Property may be encumbered or subject to any liability or adverse interest of any nature or kind;

- (g) each and every permit application in respect of the Property has been duly made, granted and recorded, and to the best of the Vendor's knowledge is free of defects and when issued will be in good standing pursuant to the laws of the jurisdiction in which the Property is situate; and
- (h) the Vendor is not aware, without having made specific inquiry, of any impediments to the Purchaser acquiring surface rights in respect of the Property which are necessary to conduct the exploration and development thereof.

2.4 The representations and warranties contained in subsection 2.2 are provided for the exclusive benefit of the Purchaser, and a breach of any one or more thereof may be waived by the Purchaser, in whole or in part, at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in that subsection shall survive the execution hereof.

2.5 The representations and warranties of the parties hereinbefore set out are conditions upon which the parties have relied on in entering into this Agreement. Any defaulting party shall be liable and shall indemnify and save harmless the non-defaulting party from any and all loss (including economic loss), costs, damages, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition made by it and contained in this Agreement.

### **3. Acquisition of the Property**

3.1 The Vendor, subject to the terms hereof, hereby agrees to sell to the Purchaser and, on the Closing Date, to transfer to the Purchaser, a 100% undivided right, title and interest in and to the Property free from all liens, mortgages, charges, pledges, encumbrances (each, a "burden") with all rights now or thereafter attached thereto. If the Purchaser should notify the Vendor in writing of any burden or burdens against the Property existing as at the Closing Date then the Vendor shall, after ascertaining the validity thereof, which shall be prosecuted in good faith, and in any event within a reasonable period of time after notification thereof by the Purchaser, attend to the discharge of such burden or burdens at their own expense, or will indemnify the Purchaser against the same; provided that the extent of any indemnification under this Agreement will be limited to the consideration received by the Vendor pursuant to this Agreement.

The Purchaser agrees to purchase the Property and pay the consideration hereinafter specified:

3.2 The Purchaser shall:

(a) issue to the vendor 1,000,000 common shares of the purchaser as follows:

(i) 1,000,000 common shares to Zimtu Capital Corp. upon signing.

3.3 The Vendor recognizes that the issuance of the Shares by the Purchaser to the Vendor and the acquisition by the Purchaser of the Property is subject to the approval of the Exchange

and, accordingly, the Vendor agrees to execute any undertakings in respect of the Shares and to do and comply with all such other acts and things as are reasonably required by the Exchange. Where a variation in the terms of this Agreement is reasonably required by the Exchange, such change will be deemed to be accepted by the parties hereto and form part of the terms of this Agreement. The Vendor acknowledges and agrees that the Shares will be subject to hold periods and restrictions on resale in accordance with applicable securities laws and Exchange requirements, and it is the Vendor's responsibility to determine what those hold periods and restrictions are before selling or otherwise transferring any Shares.

#### **4. Registration and Transfer of Property**

4.1 Upon full payment of the consideration required under section 3.2, the Vendor will deliver the Property Transfer Documents to the Purchaser. The Purchaser shall be entitled to record all Property Transfer Documents contemplated hereby at its own cost with the appropriate government office to effect legal transfer of the Property into the name of the Purchaser.

#### **5. Right of Entry**

5.1 Throughout the Acquisition Period after payment of the initial payment, the directors and officers of the Purchaser and its employees, servants, agents and independent contractors, shall have the sole and exclusive right in respect of the Property to:

- (a) enter thereon;
- (b) have exclusive and quiet possession thereof;
- (c) do such prospecting, exploration, development and/or other mining work thereon and thereunder as the Purchaser in its sole discretion may determine advisable;
- (d) bring upon and erect upon the Property buildings, plant and machinery as the Purchaser may deem advisable; and
- (e) remove therefrom and dispose of reasonable quantities of ores, minerals and metals for the purpose of obtaining assays or making other tests.

#### **6. Obligations of the Purchaser During the Currency of this Agreement**

6.1 Until the entire Purchase Price has been paid to the Vendor, the Purchaser shall:

- (a) maintain the Property in good standing by the doing and filing of assessment work or the making of payments in lieu thereof, by the payment of taxes and rentals, and the performance of all other actions which may be necessary in that regard and in order to keep the Property free and clear of all liens and other charges arising from the Purchaser's activities thereon, except those at the time being contested in good faith by the Purchaser;
- (b) permit the Vendor, its employees, agents and designated consultants, at their own risk, access to the Property at all reasonable times, subject always to Section 12, and the Vendor agrees to jointly and severally indemnify the Purchaser against

and save it harmless from all costs, claims, liabilities, expenses and damages of any nature or kind that the Purchaser may incur or suffer as a result of any injury (including injury causing death) to any employee, agent or designated consultant of the Vendor while on the Property;

- (c) do all work on the Property in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinance of any governmental authority; and
- (d) indemnify and save the Vendor harmless in respect of any and all costs, claims, liabilities and expenses arising out of the Purchaser's activities on the Property; provided that the Purchaser shall incur no obligations hereunder in respect of any such costs, claims, liabilities and expenses arising or damages suffered after the termination of this Agreement if upon the termination of this Agreement any workings on or improvements to the Property made by the Purchaser are left in a safe condition.

## **7. Obligations of the Purchaser on Termination of this Agreement**

7.1 This Agreement may be terminated by the Purchaser giving written notice of such to the Vendor. If this Agreement is terminated otherwise than upon the completion of the purchase and sale contemplated herein pursuant to Section 3, then the Purchaser shall:

- (a) leave in good standing for a period of at least 250 days from the termination of this Agreement those mineral claims comprised in the Property that are in good standing on the date hereof and any other mineral claims comprised in the Property that the Purchaser brings into good standing after the date hereof;
- (b) deliver to the Vendor a bill of sale in registrable form whereby its entire right, title and interest in the Property may be transferred to the Vendor or their nominee or nominees, free and clear of all liens or charges arising from the Purchaser's activities on the Property; and
- (c) deliver at no cost to the Vendor within 250 days of such termination copies of all reports, maps, assay results and other relevant technical data compiled by or in the possession of the Purchaser with respect to the Property and not theretofore furnished to the Vendor.

7.2 Notwithstanding the termination of this Agreement, the Purchaser shall have the right, within a period of 250 days following the termination of this Agreement, to remove from the Property all buildings, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the Property by or on behalf of the Purchaser, and any such property not removed within such 250-day period shall thereafter become the property of the Vendor.

## **8. NSR Royalty**

8.1 Upon the Commencement of Commercial Production, the Purchaser shall pay to the Vendor the NSR Royalty, being equal to 2.0% of the Net Smelter Returns, on the terms and

conditions as set out in this section and Schedule "B" hereto, such terms and conditions to be finalized in a formal agreement upon commercial production.

8.2 The Purchaser shall deliver the NSR Royalty to such person at such address as may be notified by the Vendor in writing from time to time.

8.3 The Purchaser can acquire half (50%) of the NSR Royalty from the Vendor, within 5 years of signing for \$1,000,000.

## **9. Power to Charge Property**

9.1 At any time after the Purchaser has acquired the Property, the Purchaser may grant mortgages, charges or liens (each of which is herein called a "mortgage") of and upon the Property or any portion thereof, on any mill or other fixed assets located thereon, and on any or all of the tangible personal property located on or used in connection with the Property, to secure financing of development of the Property, provided that, unless otherwise agreed to by the Vendor, it shall be a term of each mortgage that the mortgagee or any person acquiring title to the Property upon enforcement of the mortgage shall hold the same subject to the rights of the Vendor hereunder as if the mortgagee or any such person had executed this Agreement as the Purchaser.

## **10. Transfers**

10.1 The Purchaser may at any time either during the Acquisition Period or thereafter, sell, transfer or otherwise dispose of all or any portion of its interest in and to the Property and this Agreement provided that any purchaser, grantee or transferee of any such interest shall have first delivered to the Vendor its agreement related to this Agreement and to the Property, containing:

- (a) a covenant by such transferee to perform all the obligations of the Purchaser to be performed under this Agreement in respect of the interest to be acquired by it from the Purchaser to the same extent as if this Agreement had been originally executed by the transferee as obligor in respect of such obligations; and
- (b) a provision subjecting any further sale, transfer or other disposition of such interest in the Property and this Agreement or any portion thereof to the restrictions contained in this subsection.

## **11. Surrender and Acquisition of Property Interests Prior to Termination of Agreement**

11.1 The Purchaser may at any time, either before or after the Acquisition Period, elect to abandon any one or more of the mineral claims comprised in the Property by giving notice to the Vendor of such intention. For a period of 30 days after the date of delivery of such notice the Vendor may elect to have any or all of the mineral claims in respect of which such notice has been given transferred, at the Purchaser's expense, to them by delivery of a request therefore to

the Purchaser, whereupon the Purchaser shall deliver to the Vendor a bill of sale or other appropriate deed or assurance in registrable form transferring its entire interest in such mineral claims to the Vendor. Any claims so transferred, if in good standing at the date hereof or if the Purchaser causes the same to be placed in good standing after the date hereof, shall be in good standing under the laws of the Province of British Columbia for at least 250 days from the date of transfer. If the Vendor fails to make a request for the transfer of any mineral claims as aforesaid within such 30-day period, the Purchaser may then abandon such mineral claims without further notice to the Vendor. Upon any such transfer or abandonment, the mineral claims so transferred or abandoned shall for all purposes of this Agreement cease to form part of the Property.

## **12. Force Majeure**

12.1 If the Purchaser is at any time either during the Acquisition Period or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of the Purchaser, then the time limited for the performance by the Purchaser of its obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay, provided, however, that nothing herein shall discharge the Purchaser from its obligations under subsection 7.1.

12.2 The Purchaser shall within seven days give notice to the Vendor of each event of force majeure under subsection 13.1, and upon cessation of such event shall furnish the Vendor with notice of that event together with particulars of the number of days by which the obligations of the Purchaser hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

## **13. Confidential Information**

13.1 No information furnished by the Purchaser to the Vendor hereunder in respect of the activities carried out on the Property by the Purchaser, or related to the sale of substances derived from the Property, shall be published or otherwise disclosed or disseminated by the Vendor without the prior written consent of the Purchaser, but such consent in respect of the reporting of factual data shall not be unreasonably withheld, and shall not be withheld in respect of information required to be publicly disclosed pursuant to applicable securities or corporate laws. Further, the Vendor is permitted to disclose the amounts received from the Purchaser as the Purchase Price and the amount of royalties received hereunder.

## **14. Arbitration**

14.1 The parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof.

14.2 If either party shall fail to appoint an arbitrator within 15 days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the parties shall be



unable to agree on the appointment of the chairman, the chairman shall be appointed under the provisions of the *Commercial Arbitration Act* of British Columbia. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, for the purpose of hearing the evidence and representations of the parties, and he shall preside over the arbitration and determine all questions of procedure not provided for under such Act or this section. After hearing any evidence and representations that the parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the parties. The expense of the arbitration shall be paid as specified in the award.

14.3 The parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

## **15. Default and Termination**

15.1 The parties hereto agree that if the Purchaser is in default with respect to any of the provisions of this Agreement, the Vendor shall give written notice to the Purchaser, designating such default, and within 30 days after its receipt of such notice, the Purchaser shall either:

- (a) cure such default, or commence proceedings to cure such default and prosecute the same to completion without undue delay; or
- (b) give the Vendor notice that it denies that such default has occurred and that it is submitting the question to arbitration as herein provided.

## **16. Notice**

16.1 Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by prepaid registered mail deposited in a post office in Canada addressed to the party entitled to receive the same, or delivered to such party, at the address for such party specified above or given by facsimile (with electronic confirmed receipt). The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered, the first business day after the date of transmission if given by facsimile (with electronic confirmed receipt) or, if given by registered mail as aforesaid, shall be deemed conclusively to be the fifth day after the same shall have been so mailed, except in the case of interruption of postal services for any reason whatsoever, in which case the date of receipt shall be the date on which the notice, demand or other communication is actually received by the addressee.

16.2 Either party may at any time and from time to time notify the other party in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

## **17. General**

17.1 This Agreement shall supersede and replace any other agreement or arrangement, whether oral or written, heretofore existing between the parties in respect of the subject matter of this Agreement.

17.2 The parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any party the partner, agent or legal representative of any other party, nor create any fiduciary relationship between them for any purpose whatsoever. No party shall have any authority to act for, or to assume any obligations or responsibility on behalf of, any other party except as may be, from time to time, agreed upon in writing between the parties or as otherwise expressly provided.

17.3 No consent or waiver expressed or implied by either party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default.

17.4 The parties shall promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interests from time to time of the parties in the Property.

17.5 This Agreement is subject to the approval of the Exchange and the parties agree to such reasonable amendments as may be required by those Exchange.

17.6 This Agreement shall be construed in accordance with the laws in force from time to time in the Province of British Columbia.

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

**IN WITNESS WHEREOF** the corporate seal of the Vendor and the Purchaser has hereunto been affixed in the presence of its duly authorized officers in that behalf, as of the day and year first above written.

**ZIMTU CAPITAL CORP.**

*“David Hodge”*  
Authorized Signatory

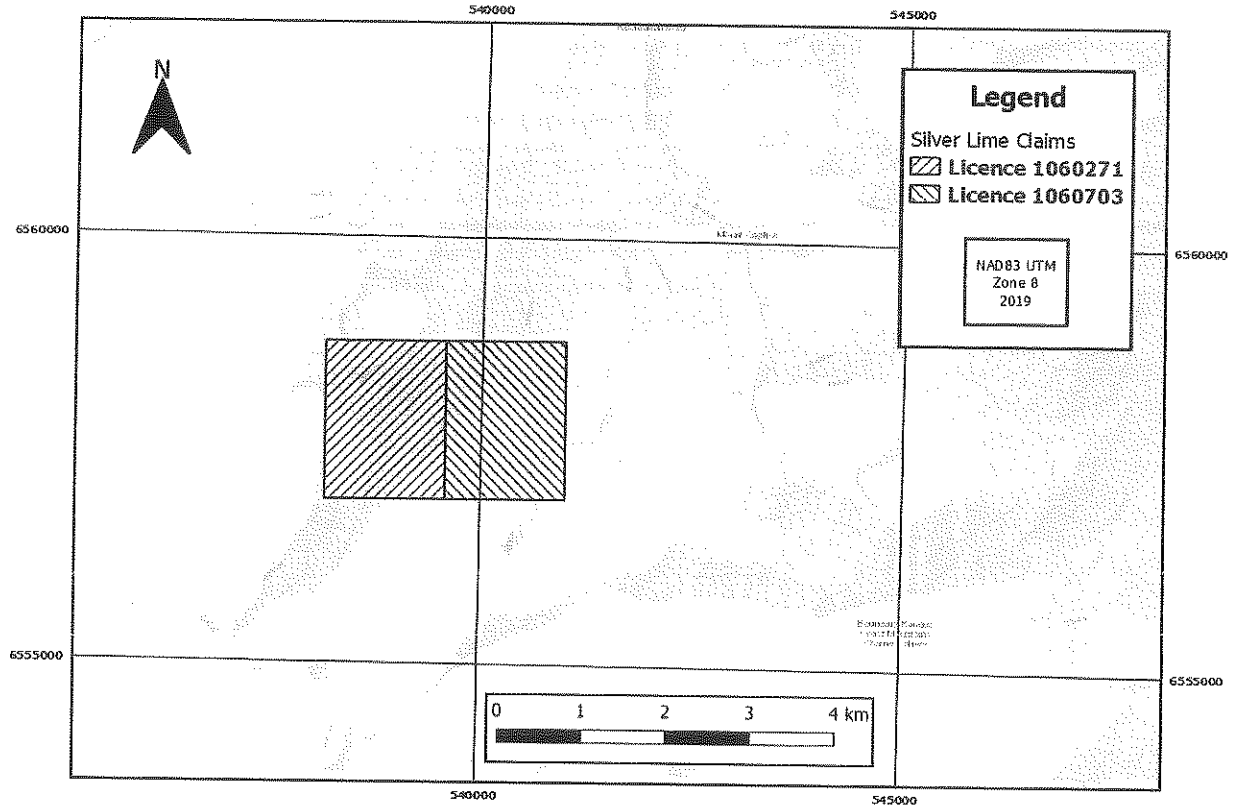
**CORE ASSETS CORP.**

*“Scott Rose”*  
Authorized Signatory

## SCHEDULE "A"

THIS IS SCHEDULE "A" to the Mineral Property Acquisition Agreement made as of the 1<sup>st</sup> day of August 2019.

### "THE PROPERTY"



Title Number	Claim Name	Owner	Title Type	Title Sub Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
1060271	FALCON	248281 (100%)	Mineral	Claim	104M	2018/APR/25	2020/MAY/22	GOOD	265.5901
1060703	DAVEFALCONJACKIE	248281 (100%)	Mineral	Claim	104M	2018/MAY/22	2020/MAY/22	GOOD	265.584

## **SCHEDULE "B"**

THIS IS SCHEDULE "B" to the Mineral Property Acquisition Agreement made as the 1<sup>st</sup> day of August, 2019.

### **NET SMELTER RETURNS**

1. For the purposes of this Agreement the following words and phrases shall have the following meanings, namely:

- (a) "Net Smelter Returns" shall mean the gross proceeds received by the Purchaser in any year from the sale of Product from the mining operation on the Property, less successively:
  - (i) the cost of transportation of such Product to a smelter or other place of treatment, and
  - (ii) smelter and treatment charges; and
  - (iii) Product sales taxes.
- (b) "Ore" shall mean any material containing a mineral or minerals of commercial economic value mined from the Property; and
- (c) "Product" shall mean Ore mined from the Property and any concentrates or other materials or products derived therefrom, but if any such Ore, concentrates or other materials or products are further treated as part of the mining operation in respect of the Property, such Ore, concentrates or other materials or products shall not be considered to be "Product" until after they have been so treated.

2. For the purposes of calculating the amount of NSR Royalty payable to the Vendor hereunder, if, after the Commencement of Commercial Production, the Purchaser sells any Product to one of its subsidiaries or affiliates, and if the sale price of such Product is not negotiated on an arm's-length basis, the Purchaser shall for the purposes of calculating Net Smelter Returns only and notwithstanding the actual amount of such sale price, add to the proceeds from the sale of such Product an amount which would be sufficient to make such sale price represent a reasonable net sale price for such Product as if negotiated at arm's length and after taking into account all pertinent circumstances including, without limitation, then current market conditions relating to Ore, concentrates or products similar to such Product.

3. The Purchaser shall by notice inform the Vendor of the quantum of such reasonable net sale price and, if the Vendor does not object thereto, within 60 days after receipt of such notice, said quantum shall be final and binding for the purposes of this Agreement.

4. The Purchaser may remove reasonable quantities of Product and rock from the Property for the purpose of bulk sampling and of testing, and there shall be no Royalty payable to the Vendor with respect thereto unless revenues are derived therefrom.

5. The Purchaser shall have the right to commingle Ore with ore produced from other properties, provided that prior to such commingling, the Purchaser shall adopt and employ reasonable practices and procedures for weighing, determination of moisture content, sampling and assaying, as well as utilize reasonable accurate recovery factors in order to determine the amounts of Products derived from, or attributable to, Ore mined and produced from the Property. The Purchaser shall maintain accurate records of the results of such sampling, weighing and analysis as pertaining to Ore mined