

PAKWASH LAKE PROPERTY OPTION AGREEMENT

THIS AGREEMENT is made as of November 18, 2019,

BETWEEN:

1544230 ONTARIO INC., a company existing under the laws of the Province of Ontario, having an office at 19 Southview Drive, Brandon, Manitoba, R7B 4H1

(the "**Optionor**")

AND:

SILVER DOLLAR RESOURCES INC., a company existing under the laws of the Province of British Columbia, having an office at Suite 200, 551 Howe Street, Vancouver, British Columbia, V6C 2C2

(the "**Optionee**")

WHEREAS:

- A. The Optionor is the sole recorded and beneficial holder of certain unpatented mining claims comprising the Property situated in the District of Red Lake in the Province of Ontario, as more particularly described in Schedule "A" hereto; and
- B. The Optionor wishes to grant to the Optionee, and the Optionee wishes to receive, the right and option to acquire a 100% undivided interest in and to the Property, subject to the Royalty, on the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants and conditions set forth herein, as well as other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In addition to the terms defined throughout this Agreement, the following capitalized words and phrases shall have the following meanings:

- (a) "**Affiliate**" has the meaning ascribed to that term in the *Business Corporations Act* (British Columbia);
- (b) "**Business Day**" means a day that is not a Saturday, Sunday, public holiday or bank holiday in the City of Vancouver, British Columbia;
- (c) "**Commencement of Commercial Production**" means the first day after the Property has been in Commercial Production for at least 30 consecutive days;
- (d) "**Commercial Production**" means the operation of the Property or any portion thereof as a producing mine and the production of mineral products therefrom, excluding bulk sampling, pilot plant or test operations;

- (e) "**Effective Date**" means the date first above written;
- (f) "**Environmental Laws**" means all requirements of the common law, civil code, or of environmental, health or safety statutes of any agency, board or Governmental Entity, including those relating to: noise; pollution or protection of the air, surface water, ground water or land; solid, gaseous or liquid waste generation, handling, treatment storage, disposal or transportation; exposure to hazardous or toxic substances; or the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of lands;
- (g) "**Exchange**" means the Canadian Securities Exchange or any other stock exchange on which the Optionee's securities are listed, from time to time;
- (h) "**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any securities commission or stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above;
- (i) "**Mining Operations**" means every kind of work done on or in respect of the prospecting, exploration, evaluation, development and mining of the Property or any product derived from the Property while the Option is in effect by or under the direction of the Optionee, including the work of assessment, geophysical, geochemical and geological surveys, studies and mapping, investigating, drilling, designing, examining, equipping, improving, surveying, shaft-sinking, raising, cross-cutting, searching for, drifting, trucking, sampling, working, procuring, treatment, storage and processing of minerals, ores and metals, surveying and bringing any mining claims to lease or patent, and all other work usually considered to be prospecting, exploration, evaluation, development and mining work;
- (j) "**Mining Act**" means the Ontario *Mining Act*, R.S.O. 1990, c. M.14;
- (k) "**Mining Rights**" means all rights to conduct Mining Operations on the Property, including all mining claims, mining concessions, mining leases, mining licences and other rights provided under the Mining Act;
- (l) "**Option**" has the meaning ascribed thereto in Section 3.1;
- (m) "**Option Period**" means the period commencing on the Effective Date and ending on the date that is the earlier of the date that the Option is exercised in full and the date that the Option is terminated in accordance with the provisions of Article 5;
- (n) "**parties**" means the Optionee and the Optionor and "**party**" means either of them and includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (o) "**person**" includes a natural person, partnership, body corporate, joint venture, association, governmental or local authority, or agency or other entity;
- (p) "**Property**" means all of the unpatented mining claims or other mineral tenure, as more particularly described in Schedule "A" hereto, together with the surface rights, mineral rights, personal property and permits and other Mining Rights associated therewith; and

- (q) **"Royalty"** means the 1.5% net smelter returns royalty retained by the Optionor upon the exercise of the Option relating to all of the mining claims comprising the Property calculated and paid in accordance with Schedule "B" hereto.

1.2 Interpretation

In this Agreement, except where the context otherwise requires:

- (a) the headings to the sections, subsections or clauses of this Agreement are inserted for convenience only and are not intended to affect the construction hereof;
- (b) a reference to a numbered or lettered section, subsection, clause or schedule refers to the section, subsection, clause or schedule bearing that number or letter in this Agreement, and a reference to "this Agreement", "hereof", "hereunder", "herein" or words of similar meaning means this Agreement including the schedules hereto, together with any amendments thereof;
- (c) a reference to a mineral property means the mineral property referred to and includes any other mineral property applied for, created or granted by way of conversion, reversion or substitution over a greater or lesser area from time to time or effecting any addition, amendment, extension or variation to that mineral property;
- (d) when used in this Agreement, the expression "to its knowledge" or "knowledge of" in relation to the representations and warranties of the parties means to the knowledge of the person making such representation and warranty after due and reasonable enquiry;
- (e) all references to currency are to Canadian dollars;
- (f) a reference to a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations;
- (g) where any representation or warranty is expressly qualified by reference to the knowledge of a party, the knowledge of the party shall mean the knowledge of the executive officers of the party if, after due inquiry (i) such individuals are actually aware of that fact or matter; or (ii) that fact or matter comes to the attention of such individuals under circumstances in which a reasonable person would take cognizance of it; and
- (h) words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa, and the word "or" is not exclusive and the word "including" is not limiting (whether or not non-limiting language is used with reference thereto).

1.3 Schedules

The following schedules are attached to and incorporated in this Agreement by this reference:

Schedule "A"	Description of the Property
Schedule "B"	Net Smelter Returns Royalty

ARTICLE 2 REPRESENTATIONS AND WARRANTIES

2.1 Representations and Warranties of Optionor

The Optionor represents and warrants to the Optionee that:

- (a) it is a company duly incorporated and is validly subsisting under the laws of the jurisdiction of its incorporation or organization;
- (b) it has full legal power, capacity and authority to enter into this Agreement and any agreement or instrument referred to in or contemplated by this Agreement and to carry out and perform all of its obligations and duties hereunder, and under the laws of Ontario, is legally entitled to hold the Property and all mineral claims comprised therein;
- (c) it has duly obtained all consents and authorizations (except as specifically provided for herein) which may be required for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transaction herein contemplated shall not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any liens, charges and encumbrances under the provisions of any indenture, agreement or other instrument whatsoever to which the Optionor is a party or by which it is bound or to which it may be subject;
- (d) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of the Optionee, enforceable against it in accordance with the Agreement's terms, except where such enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to equitable remedies that may be granted in the discretion of a court of competent jurisdiction;
- (e) no proceedings are pending and it is not aware of any basis for the institution of any proceedings leading to the placing of such party into bankruptcy or subject to any other laws governing the affairs of insolvent persons;
- (f) the Optionor is and, at the time of the transfer to the Optionee of an interest in the mineral claims comprising the Property, the Optionor shall be the sole legal and beneficial owner of all of the claims comprising the Property, free and clear of all any liens, charges and encumbrances of third parties and no taxes or rentals are due in respect of any thereof;
- (g) the Optionor holds a 100% undivided legal and beneficial interest in and to the Property and is the recorded holder of the Property;
- (h) the mineral claims comprising the Property (i) have been duly and validly located and recorded pursuant to the Mining Act; (ii) are in good standing, including with respect to property or mineral tax requirements, on the Effective Date and until the dates set opposite the respective names thereof in Schedule "A"; and (iii) are accurately described in Schedule "A";
- (i) the Mining Rights associated with the Property are valid and subsisting;
- (j) there is no adverse claim or challenge against or to the ownership of or title to the Property, nor to the knowledge of the Optionor after due inquiry is any of the foregoing pending or threatened nor is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Property or any portion thereof or any interest therein, and no person has any royalty or other interest whatsoever in production from any portion of the Property;

- (k) there is no outstanding directive, order or similar notice issued by any Governmental Entity, including agencies responsible for environmental matters, affecting the Property or the Optionor nor to the knowledge of the Optionor is there any basis therefor or any reason to believe that such an order, directive or similar notice is pending;
- (l) all work carried out on the Property by or under the direction of the Optionor has been done in full compliance with all applicable laws and regulations (including Environmental Laws) and it has no reason to believe that all prior work carried out on the Property by third parties has not been done in full compliance with all applicable laws and regulations and there are no environmental conditions existing on the Property to which any material remedial action is required or any material liability has or may be imposed under applicable Environmental Laws;
- (m) to its knowledge, the Property does not lie within any protected area, rescued area, reserve, reservation, reserved area or special needs lands as designated by any governmental authority having jurisdiction, that would materially impair the development of a mining project on such land;
- (n) to its knowledge, there are no outstanding work orders or, to its knowledge, actions required to be taken relating to environmental matters respecting the Property or any operations carried out on the Property;
- (o) to its knowledge, no toxic or hazardous substance or waste has been treated on or is now stored on the Property, and there has been no material spill, discharge, leak, emission, ejection, escape, dumping, or any release or threatened release of any kind, of any toxic or hazardous substance or waste (as defined by any applicable Environmental Law) from, on, in or under the Property or into the environment, except releases permitted or otherwise authorized by Environmental Laws; and
- (p) to its knowledge, there are no pending or ongoing actions taken by or on behalf of any native or indigenous persons pursuant to the assertion of any land claims with respect to lands included in the Property.

2.2 Representations and Warranties of Optionee

The Optionee represents and warrants to the Optionor that:

- (a) the Optionee is not a reporting issuer in any jurisdiction of Canada and its common shares are not presently listed and posted for trading on any stock exchange;
- (b) no consent or approval of any Governmental Entity is required for the execution, delivery or performance of this Agreement by the Optionee or the transfer or acquisition of any interest in the Property; and
- (c) to its knowledge, there is no fact or circumstance which has not been disclosed to the Optionor which would render any of the foregoing representations and warranties untrue, incomplete or otherwise misleading.

2.3 Survival of Representations and Warranties

The representations, warranties and covenants contained in this Agreement are conditions on which the parties have relied in entering into this Agreement and shall survive the execution hereof and the acquisition of any interest in the Property by the Optionee. Each party shall indemnify and save the other party harmless from all losses, damages, costs, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition made by them and contained in this Agreement. A party may waive the breach of any of such representations, warranties, covenants, agreements or

conditions in whole or in part at any time without prejudice of its right in respect of any other breach of the same or any other representation, warranty, covenant, agreement or condition.

ARTICLE 3 OPTION

3.1 Grant of Option

The Optionor hereby grants to the Optionee the sole, exclusive and irrevocable right and option (the "**Option**") to acquire a 100% undivided legal and beneficial interest in and to the Property, free and clear of all any liens, charges and encumbrances, subject to payment of the Royalty by making the payments described herein and by complying with the other terms and conditions of this Agreement.

3.2 Exercise of Option

- (a) The Option may be exercised by the Optionee making cash payments to the Optionor in aggregate amount of \$131,000.00, as follows:
- (i) \$16,000.00 upon the execution and delivery of this Agreement by both of the parties;
 - (ii) an additional \$20,000.00 on or before the first anniversary of the Effective Date;
 - (iii) an additional \$25,000.00 on or before the second anniversary of the Effective Date;
 - (iv) an additional \$30,000.00 on or before the third anniversary of the Effective Date; and
 - (v) an additional \$40,000.00 on or before the fourth anniversary of the Effective Date.
- (b) Upon satisfaction of the conditions set out in Section 3.2(a), (i) the Option shall be deemed to be exercised, and an undivided 100% right, title and interest in and to the Property shall automatically vest in the Optionee; and (ii) the Optionor shall promptly deliver to the Optionee a duly executed transfer, prepared by and at the expense of the Optionor, in proper registerable form conveying all of the Optionor's right, title and interest in the Property (other than the Royalty) to the Optionee.

3.3 Acceleration

The cash payments set forth in Section 3.2(a) may be completed within a shorter time frame, at the sole discretion of the Optionee.

ARTICLE 4 RIGHTS AND OBLIGATIONS DURING OPTION PERIOD

4.1 Right of Entry of Optionee

During the Option Period, the Optionee and its directors, officers, employees, 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 Mining Operations thereon and thereunder as the Optionee, in its sole discretion, may determine advisable;

- (d) bring upon and erect upon the Property buildings, plant, machinery and equipment as the Optionee 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.

4.2 Obligations of Optionee

During the Option Period, the Optionee shall:

- (a) comply with the provisions of the Mining Act, including any duty or requirement to consult with or provide notice to aboriginal communities as set out in the Mining Act, particularly during the early exploration stage of the mining process and with respect to the requirements to submit to the Ministry an exploration plan and obtain from the Ministry an exploration permit prior to carrying out certain early exploration activities in respect of the Property;
- (b) keep a record of any and all material efforts taken by the Optionee to notify and consult with aboriginal communities and to provide such records to the Ministry upon request;
- (c) conduct all Mining Operations in accordance with applicable Environmental Laws;
- (d) conduct all Mining Operations and supervise the operation of all contractors and or sub-contractors in, on and under the Property to ensure that the Mining Operations are being conducted in a good and workmanlike manner, in accordance with good mining practice and in compliance with all applicable laws. Without limiting the generality of the foregoing, the Optionee shall, on the completion of its work or at the end of the term of this Agreement, leave the Property in a safe condition with any and all openings safeguarded in accordance with the provisions of all applicable legislation, regulations and other laws affecting them;
- (e) pay or cause to be paid all workmen's wages and for all materials, supplies and services delivered to or performed on or in respect of the Property, so as to avoid any workman, builders, or construction liens from arising;
- (f) maintain the Property in good standing by doing all assessment work, recording all exploration and development work done on the Property in accordance with the requirements of the Mining Act, paying all exploration licenses fees and by doing all other acts and things that may be necessary in that regard until the termination or expiration of the Agreement or the abandonment of rights and options granted hereunder;
- (g) abide by all directions of the relevant Minister or any other governmental authority having jurisdiction over the Mining Operations;
- (h) permit the directors, officers, employees and designated consultants of the Optionor, at their own risk and cost, reasonable access to the Property and to all technical records, other factual and engineering data and all financial records relating to the Property which is in the possession of the Optionee at all reasonable times, subject to Article 9;
- (i) indemnify and save the Optionor harmless in respect of any and all reasonably foreseeable costs, claims, liabilities and expenses arising out of the Optionee's gross negligence or wilful misconduct in respect of its activities on the Property during the Option Period and, without limiting the generality of the foregoing, the Optionee shall obtain and maintain, and cause any contractor or subcontractor to obtain and maintain adequate general liability insurance in accordance with the business practices prevailing in the junior mining industry in Canada during any period in which

active work is carried out on the Property; provided that the Optionee shall incur no obligation thereunder in respect of claims arising or damages suffered after termination of the Option if upon termination of the Option any workings or improvements to the Property made by the Optionee are left in a safe condition; and

- (j) deliver to the Optionor forthwith after receipt by the Optionee material data and results, assay results for samples taken from the Property, together with reports showing the location from which the samples were taken and the type of samples.

4.3 Abandonment of Claims

The Optionee may at any time, elect to abandon any one or more of the mineral claims comprising the Property by giving written notice to the Optionor of such intention; provided that any claims so abandoned shall have at least one (1) year before any further assessment work is due to keep such Mineral Claim in good standing. Following such notice of abandonment under this Section 4.3, the mineral claims so abandoned shall thereafter cease to form part of the Property and shall no longer be subject to this Agreement, except with respect to any obligations or liabilities of the parties as have accrued to the date of such abandonment and subject to performing any reclamation on the abandoned mineral claims or providing a bond to provide for future payment of such reclamation requirements.

4.4 Obligations of Optionor

During the Option Period, in addition to the covenants set forth elsewhere in this Agreement, the Optionor shall:

- (a) not do any act or thing which would or might in any way adversely affect the rights of the Optionee hereunder to earn an undivided 100% interest in and to the Property;
- (b) not relinquish or abandon all or any part of its interest in the Property;
- (c) not mortgage, pledge or encumber the Property after the Effective Date without the Optionee's prior written consent, which consent shall not be unreasonably withheld; and
- (d) promptly make available to the Optionee and its representatives, during normal business hours, all reports, records, data, maps, information, accounts and files in the possession of the Optionor relating to the Property, and permit the Optionee and its representatives to take abstracts therefrom and make copies thereof at their own expense.

ARTICLE 5 TERMINATION OF OPTION

5.1 Termination by Optionor

If at any time the Optionee does not make any cash payment in the amounts and within the time periods provided by Section 3.2(a), then (i) this Agreement and the Option shall automatically terminate (without notice of default or termination from the Optionor), if the aforesaid breach is not cured within 30 days after the time provided for the particular payment set out in Section 3.2(a).

5.2 Termination by Optionee

Notwithstanding any other provision of this Agreement, and provided that the Optionee shall have made the cash payment due on the Effective Date pursuant to Section 3.2(a), the Optionee may elect at any time to terminate the Option by giving 30 days' advance written notice to that effect to the Optionor, in which

event the Optionee shall have no further obligations to the Optionor hereunder, save and except as set forth in Article 9, and Article 10 and Section 5.3.

5.3 Mutual Agreement

This Agreement and the Option may be terminated by mutual agreement of the parties in writing.

5.4 Events on Termination by Optionee

If the Option is terminated by the Optionee prior to the exercise of the Option, then the Optionee shall:

- (a) ensure that the mineral claims comprising the Property that are in good standing on the Effective Date and any other mineral claims comprised in the Property that arise because of this Agreement after the Effective Date are left in good standing for a period of at least 12 months from the date of termination;
- (b) deliver at no cost to the Optionor within 60 days of the date of termination all copies of all reports, maps, assay results and other relevant technical data compiled by or in the possession of the Optionee with respect to the Property and not theretofore furnished to the Optionor;
- (c) to remove from the Property within six (6) months from the date of termination of the Option all buildings, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the Property; and
- (d) perform or secure the performance of all reclamation and environmental rehabilitation on the Property as may be required by all applicable laws in relation to the activities completed by the Optionee or on the Optionee's behalf during the Option Period.

ARTICLE 6 ROYALTY INTEREST

6.1 Continued Obligation

If the Option is exercised, the Optionee covenants and agrees to perform its obligations with respect to the payment of the Royalty as provided for in this Agreement.

6.2 Purchase of Royalty

If the Option is exercised, the Optionee or its assigns shall have the right at any time to purchase from the Optionor 50% (being 0.75%) percent of the Royalty from the Optionor for \$500,000 by way of certified cheque or bank draft within 30 days of such election by the Optionee. In connection with the exercise of such right to elect, the Optionor shall execute and deliver all such documents, agreements, transfers and quit claims as the solicitors for the Optionee may reasonably require. Upon such purchase and payment being made, the Royalty shall thereafter be calculated as being reduced to 0.75%. Thereafter, the Optionee or its assigns shall have the right of first refusal to purchase the Royalty from the Optionor should the Optionor wish to sell, assign, transfer, convey or otherwise dispose of or deal with the Royalty in accordance with the provisions of Article 7, *mutatis mutandis*.

ARTICLE 7 RESTRICTIONS ON ASSIGNMENT

7.1 General

Neither the Optionee nor the Optionor (in this Article 7, a "**Disposing Party**") shall sell, assign, transfer, convey or otherwise dispose of or deal with or agree to sell, assign, transfer, convey or otherwise dispose of or deal with less than all of its rights and interests in or with respect to this Agreement, the Property or under or by virtue of this Agreement and neither party may sell, assign, transfer, convey or otherwise dispose of or deal with the whole of such rights and interests unless it shall first give to the other Party (in this Article 7, the "**Other Party**") 30 days' prior notice (in this Article 7, the "**Notice Period**") of the price and terms on which the Disposing Party would be willing to sell such rights and interests and the Other Party shall be entitled by notice in writing to the Disposing Party within the Notice Period to acquire the whole of such rights and interests at the price and on the terms stated in the notice. If the Other Party does not elect in writing within the Notice Period to acquire such rights and interests, the Disposing Party may transfer the whole of such rights and interests to any person within the following 120 days at a price at or above the price stated in the notice and upon terms and conditions not less favourable to the Disposing Party than those contained in the notice. For purposes of this Section 7.1, the consideration for the rights and interests to be sold shall be an amount payable in Canadian or United States dollars, unless the parties otherwise agree. If the Disposing Party fails to consummate the transfer within the said 120 days, the pre-emptive right of the Other Party shall be deemed to be revived and any subsequent proposal to sell, assign, transfer, convey or otherwise dispose of rights or interests hereunder shall again be subject to the provisions of this Section 7.1.

7.2 Exception

- (a) The Disposing Party shall have the right without restriction under Section 7.1 to assign, transfer, convey or otherwise dispose of all its rights and interests to an Affiliate.
- (b) Any assignment, transfer or conveyance by a Disposing Party of its rights and interests in or with respect to this Agreement, the Property or under or by virtue of this Agreement, including under Section 7.1, shall be void unless the assignee has first agreed in writing with the Other Party to observe and be bound by all of the provisions of this Agreement in the place and stead of the Disposing Party. Upon such assignment, transfer or conveyance, the Disposing Party shall be relieved and discharged from all of its obligations under this Agreement.

ARTICLE 8 FORCE MAJEURE

8.1 Events

No party shall be liable for its failure to perform any of its obligations under this Agreement due to a cause beyond its reasonable control (except those caused by its own lack of funds) including: acts of God, fire, storm, flood, explosion, strikes, lockouts or other industrial disturbances; acts of public enemy, war, riots, civil strife, insurrection, rebellion or disobedience on behalf of any third party or group; other actions by citizen groups, including environmental organizations or native rights groups; inability to obtain on reasonably acceptable terms any public or private license, permit or other authorization; curtailment or suspension of activities to remedy or avoid an actual or alleged, present or prospective violation of environmental protection laws; other laws, rules and regulations or orders of any duly constituted governmental authority, or non-availability of materials or transportation (in this Article 8, each an "**Intervening Event**").

8.2 Effect of Force Majeure

All time limits imposed by this Agreement shall be extended by a period equivalent to the period of delay resulting from the Intervening Event.

8.3 Notice

A party relying on the provisions of Section 8.1, insofar as possible, shall promptly give written notice to the other party of the particulars of the Intervening Event, shall give written notice to the other party as soon as the Intervening Event ceases to exist, shall take all reasonable steps to eliminate any Intervening Event and shall perform its obligations under this Agreement as far as practicable, but nothing herein shall require such party to settle or adjust any labour dispute or to question or to test the validity of any law, rule, regulation or order of any duly constituted governmental authority or to complete its obligations under this Agreement if an Intervening Event renders completion impossible.

ARTICLE 9 CONFIDENTIAL INFORMATION

9.1 Confidential Information

All information and data concerning or derived from activities carried out on the Property or derived in respect thereof, or related to the sale of product derived from the Property shall be confidential and shall not be disclosed or published by any party without the written consent of the other parties, 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 legislation; provided that the foregoing provisions shall not apply to information which becomes part of the public domain, other than as a result of actions by a party in breach of this Agreement. The provisions of this Section 9.1 shall apply for the term of this Agreement and for a period of three (3) years thereafter.

9.2 Exceptions

Nothing in this Article 9 shall prevent a party from disclosing information to a third party for purposes of corporate reorganization, financing, review of materials, data and results by a consultant and like matters provided that such third party agrees to be bound by these provisions of confidentiality.

9.3 Public Disclosure

In the event a party is required pursuant to applicable securities or corporate legislation to publicly disclose information by way of a news release or similar disclosure, it shall provide one (1) Business Day's prior notice to the other party who shall have the right, acting reasonably, to make changes to the proposed dissemination of information. The party disclosing information must act reasonably and take into account such comments prior to the issuance of such information.

ARTICLE 10 ARBITRATION

10.1 Dispute

All questions or matters in dispute under this Agreement shall be submitted to arbitration in accordance with this Article 10.

10.2 Prior Notice

It shall be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof that such party shall have given not less than ten (10) days' prior notice of its intention to do so to the other parties, together with particulars of the matter in dispute. On the expiration of said ten (10) day period, the party who gave such notice may proceed to refer the dispute to arbitration as provided in Section 10.3.

10.3 Conduct of Arbitration

The party desiring arbitration shall appoint one (1) arbitrator, and shall notify the other party of such appointment, and the other party shall, within 15 days after receiving such notice, either consent to the appointment of such arbitrator which shall then carry out the arbitration or appoint an arbitrator, and the two (2) arbitrators so named, before proceeding to act, shall, within 30 days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator to act with them and be chairman of the arbitration herein provided for. If the other party shall fail to appoint an arbitrator within 15 days after receiving notice of the appointment of the first arbitrator, the first arbitrator shall be the only arbitrator. If the two (2) 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 *Arbitration Act* (British Columbia). Except as specifically otherwise provided in this Section 10.3, the arbitration herein provided for shall be conducted in accordance with such Act. The Chairman, or in the case where only one (1) 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 it shall preside over the arbitration and determine all questions of procedure not provided for under such Act or this Article 10. 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 (1) copy thereof to each of the parties. The expense of the arbitration shall be paid as specified in the award.

10.4 Continued Performance of Obligations

Notwithstanding any other provision hereunder, during the conduct of dispute resolution procedures pursuant to this Article 10, the parties shall continue to perform their respective obligations under this Agreement.

ARTICLE 11 NOTICES

11.1 General

Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and be sent by prepaid registered mail addressed to the party entitled to receive the same, or delivered to such party at the address for such party specified on the first page of this Agreement, or by electronic mail, return receipt requested, as follows:

(a) If to the Optionor at:

1544230 Ontario Inc.
19 Southview Drive
Brandon, Manitoba, R7B 4H1

Attention: Perry English, President
Email: penglish@mts.net

(b) If to the Optionee at:

Silver Dollar Resources Inc.
Suite 200, 551 Howe Street
Vancouver, British Columbia, V6C 2C2

Attention: Michael Romanik, CEO & President
Email: romanikm@mymts.net

With a copy to (which shall not constitute delivery):

Lotz & Company
Suite 1170, 1040 West Georgia Street
Vancouver, British Columbia, V6E 4H1

Attention: Jonathan Lotz
Email: jlotz@lotzandco.com

All notices shall be effective and shall be deemed delivered (i) if by personal delivery, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours, on the next Business Day following delivery; (ii) if by electronic mail, on the next Business Day following confirmation of transmission of the Notice; and (iii) if by registered mail, on the third Business Day following the date it is posted; provided that if there is a mail strike, slowdown or other labour dispute which might affect delivery of the communication by mail, then the notices, consents, demands and requests shall be effective only if actually delivered.

11.2 Amending Addresses

Either party may at any time and from time to time notify the other party in accordance with this Article 11 of a change of address or electronic mail address, to which all notices shall be given to it thereafter until further notice in accordance with this Article 11.

ARTICLE 12 GENERAL

12.1 Entire Agreement

This Agreement constitutes the entire agreement between the parties and supersedes and replaces any preliminary or other agreement or arrangement, whether oral or written, express or implied, statutory or otherwise heretofore existing between the parties in respect of the subject matter of this Agreement.

12.2 Other Activities and Interests

This Agreement and the rights and obligations of the parties hereunder are strictly limited to the Property. Each party shall have the free and unrestricted right to enter into, conduct and benefit from business ventures of any kind whatsoever, whether or not competitive with the activities undertaken pursuant hereto, without disclosing such activities to the other party or inviting or allowing the other to participate.

12.3 Option Only

This Agreement provides for an option only and except as specifically provided otherwise, nothing herein contained shall be construed as creating a partnership arrangement between the parties or be construed as obligating the Optionee to do any acts or make any payments hereunder except as otherwise set forth herein,

and any act or acts or payment or payments as may be made hereunder shall not be construed as obligating the Optionee to do any further act or make any further payment or payments.

12.4 Amendment and Waiver

This Agreement may not be amended or modified except by an instrument in writing signed by each of the parties. No consent hereunder or waiver of or with respect to any term or condition of this Agreement shall be effective unless it is in writing and signed by the consenting or waiving party. 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.

12.5 Further Assurances

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 and to cooperate with each other and each other's counsel and other professional advisors in the preparation, execution and delivery of any and all documents or instruments necessary to give full force and effect to the terms and provisions set out herein and any other documents required to give effect hereto.

12.6 Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, the remaining provisions shall nevertheless be and remain valid and subsisting and such remaining provisions shall be construed as if this Agreement had been executed without the illegal, invalid or unenforceable portion.

12.7 Enurement

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

12.8 Governing Law

This Agreement shall be governed and interpreted in accordance with the laws of Province of Ontario and the federal laws of Canada applicable therein.

12.9 Time of the Essence

Time shall be of the essence of this Agreement.

12.10 Execution

This Agreement may be executed and delivered in any number of counterparts and by electronic transmission, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[Remainder of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

1544230 ONTARIO INC.

Per:

"Perry English"

Authorized Signatory

SILVER DOLLAR RESOURCES INC.

Per:

"Michael Romanik"

Authorized Signatory

SCHEDULE "A"

**Attached to and forming part of the Pakwash Lake Property Option Agreement made as of
November 18, 2019**

DESCRIPTION OF THE PROPERTY

The following unpatented mining claims are situated in the District of Red Lake in the Province of Ontario:

Mining Claim No.	Owner	Issue Date	Good To Date	Number of Cells
551136	Perry English	2019-06-08	2021-06-08	2
551134	Perry English	2019-06-08	2021-06-08	13
551133	Perry English	2019-06-08	2021-06-08	18
551132	Perry English	2019-06-08	2021-06-08	25
551131	Perry English	2019-06-08	2021-06-08	25
551130	Perry English	2019-06-08	2021-06-08	7
561429	Perry English	2019-10-08	2021-10-08	20
561430	Perry English	2019-10-08	2021-10-08	20
561431	Perry English	2019-10-08	2021-10-08	20
561432	Perry English	2019-10-08	2021-10-08	16
561433	Perry English	2019-10-08	2021-10-08	19
561445	Perry English	2019-10-09	2021-10-09	13
563081	Perry English	2019-10-31	2021-10-31	1
563082	Perry English	2019-10-31	2021-10-31	1
563077	Perry English	2019-10-31	2021-10-31	1
563078	Perry English	2019-10-31	2021-10-31	1
563079	Perry English	2019-10-31	2021-10-31	4
563080	Perry English	2019-10-31	2021-10-31	2
TOTAL:				208

SCHEDULE "B"

**Attached to and forming part of the Pakwash Lake Property Option Agreement made as of
November 18, 2019**

NET SMELTER RETURNS ROYALTY

The Royalty which may be payable by the Optionee (in this Schedule, the "**Payor**") to the Optionor (in this Schedule, the "**Payee**") pursuant to Sections 3.1 and 6.1 of the above-referenced Agreement shall be calculated and payable to the Payee by the Payor in accordance with the provisions of this Schedule. Terms having defined meanings in the Agreement and used herein shall have the same meanings in this Schedule as ascribed to them in the Agreement, unless otherwise specified or the context otherwise requires.

1. The Payor shall pay to the Payee a Royalty equal to 1.5% of the Net Value of all ores, minerals, metals and materials mined and removed from the Property and sold or deemed to have been sold by or for the Payor.
2. The Royalty shall be calculated and paid to the Payee, at such place or places as they shall advise the Payor, within 30 days after the end of each calendar quarter by way of certified cheque, bank draft or wire transfer. Smelter settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation shall be submitted with the payment.
3. For the purposes of this Schedule, the following words and phrases shall have the following meanings, namely:
 - (a) "**Gross Value**" means:
 - (i) the proceeds received by the Payor from sales of all Products; and
 - (ii) the proceeds of any insurance settlement arising from a claim for lost or damaged Products.
 - (b) "**Net Value**" means the Gross Value of Products, less all costs, charges and expenses paid or incurred by the Payor with respect to such Products paid or deemed to be incurred by the Payor before or after such Products leave the Property in respect of the following:
 - (i) charges for treatment in the smelting and refining process (including handling, processing, interest and provisional settlement fees, sampling, assaying and representation costs, penalties and other process deductions);
 - (ii) actual costs of transportation (including freight, insurance, security, transaction taxes, handling, port, demurrage, delay and forwarding expenses incurred by reason of or in the course of such transportation) of Products from the Property to the place of treatment and then to the place of sale;
 - (iii) actual sales and brokerage costs on Products; and
 - (iv) sales, use, severance, net proceeds of mine and ad valorem taxes and any other tax (excluding GST, as applicable) on or measured by mineral production net of any rebate (excluding GST rebates, as applicable), credit or refund which the Payor has received or to which it is entitled, but excluding any and all taxes based upon the net or gross income or outstanding capital of the Payor or other operator of the Properties.

- (c) "**Ore**" shall mean any material containing base metals, rare earth elements and precious metals mined from the Property.
 - (d) "**Products**" 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 "**Products**" until after they have been so treated.
4. (a) For the purposes of calculating the amount of the Royalty payable to the Payee hereunder, if, after the Commencement of Commercial Production, the Payor 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 Payor shall for the purposes of calculating the Royalty 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 then current market conditions relating to Ore, concentrates or products similar to such Product.
- (b) The Payor shall by notice inform the Payee of the quantum of such reasonable net sale price and, if the Payee do not object thereto, within 60 days after receipt of such notice, said quantum shall be final and binding for the purposes of this Schedule.
5. The Payor may remove reasonable quantities of Ore and rock from the Property for the purpose of bulk sampling and testing, and there shall be no Royalty payable to the Payee with respect thereto unless revenues are derived therefrom.
6. The Payor shall have the right to commingle with Ore from the Property, ore produced from other properties, provided that prior to such commingling, the Payor 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. In particular, the Payor shall take, or cause to be taken, representative samples of the average grade thereof and other measures as are appropriate, and shall determine the weight or volume of and sample and analyse/assay all such materials before the same are so mixed or commingled. Any such determination of grade, weight or volume, sampling and analysis shall be made in accordance with sound and generally accepted sampling and analytic procedures and practices consistently applied. The weight or volume and the analysis so derived shall be used as the basis of proportionate allocation of payments in the event of a sale of materials so mixed or commingled. In addition, comparable procedures may be used by the Payor to apportion among any commingled Product any penalties and other charges and deductions, if any, imposed by the smelter, refiner or purchaser of such Product in calculating the Net Value of such Product.
7. Within 120 days after the end of each fiscal year, commencing with the year in which Commencement of Commercial Production occurs, 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 auditors of the Payor at its expense. The Payee shall have 45 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. If such audited statements disclose any underpayment of the Royalty by the Payor during the year, the amount thereof shall be paid to the Payee forthwith after determination thereof.

8. The Payor shall maintain for each mining operation on the Property, up-to-date and complete records relating to the production and sale the Products from the Property, including accounts, records, statements and returns relating to treatment and smelting arrangements of such product, and the Payee or their agents shall have the right at all reasonable times, including for a period of 12 months following the expiration or termination of the Agreement, to inspect such records, statements and returns and make copies thereof at its own expense for the purpose of verifying the amount of the Royalty payments to be made by the Payor to the Payee pursuant to the Agreement. The Payee shall have the right to have such accounts audited by independent auditors at its own expense once each fiscal year.
9. The Payor may, but need not, engage in forward sales, futures trading or commodity options trading, and other price hedging, price protection, and speculative arrangements (in this Schedule, the "**Trading Activities**") which may involve the possible delivery of base or precious metals produced from the Property. The parties acknowledge and agree that the Payee shall not be entitled to participate in the proceeds or be obligated to share in any losses generated by the Trading Activities.
10. The Royalty shall attach to any amendments, relocations and conversions of any Mining Rights, including any tenement, licence, lease, concession, mining claim or right, permit or other tenure comprising the Property or Mining Rights, or to any renewals or extensions thereof. The Royalty shall be a real property interest that runs with the Property and the Mining Rights and shall be binding upon the Payor, its successors and permitted assigns and any other successor in interest or title and other right of ownership of the Property or the Mining Rights or both. The Payee shall be entitled to register the Agreement (and this Schedule), or notice thereof, on the title to the Property and Payor shall execute such documents as may be necessary to effect such registration.
11. The Payor shall not sell, assign, transfer or in any other manner deal with the Property or any interest therein without the new optionee, transferee or assignee acquiring the Property or such interest therein first agreeing with the Payee in writing to be bound by the terms of this Schedule.
12. Any dispute arising out of or related to any report, payment, calculation or audit in respect of this Schedule shall be resolved solely by the arbitration procedure provided in the Agreement.
13. The term of the Royalty shall be 99 years or until it is terminated by mutual agreement, whichever is the earlier.