

THIS SUPERSEDING AGREEMENT dated for reference July 1, 2018.

BETWEEN:

**ROMARDO GROUP PTY LTD.** having an address at [Redacted:  
Confidential address information]

AND:

**DOUGLAS HAYNES DISCOVERY PTY LTD.** having an address at  
[Redacted: Confidential address information]

AND:

**MAREKO PTY LTD. ATF GOLD INVESTMENT TRUST** having  
an address at [Redacted: Confidential address information]

AND:

**ROBERT HENRICK SKRZECZYNSKI** having an address at  
[Redacted: Confidential address information]

(herein called the “Vendors”)

OF THE FIRST PART

AND:

**ORE CAPITAL PARTNERS LTD.** having an address at [Redacted:  
Confidential address information]

(the “Acquirer”)

OF THE SECOND PART

AND:

**INFLECTION RESOURCES LTD.** having an address at Suite 1100 -  
595 Howe Street, Vancouver, British Columbia V6C 2T5

(the “Tenements Owner”)

OF THE THIRD PART

**WHEREAS:**

- A. The Vendors and the Acquirer are party to a Binding Term Sheet dated June 6, 2017 (the “Term Sheet”) that defines the terms under which the Acquirer will establish the Tenements Owner to implement all activities associated with the acquisition and commercialization of exploration targets in the Lachlan Fold Belt region of New South Wales (the “Tenements”) identified by the Vendors (the “Intellectual Property”), which Term Sheet is attached as Schedule “A”;
- B. The Term Sheet details payment of costs and expense obligations, of which the only outstanding commitment to survive the Term Sheet is the payment of AUD \$25,000 cash; and

- C. The parties wish to cancel the Term Sheet and replace it with a superseding agreement (the “Superseding Agreement”) under which the Tenements Owner will purchase the Intellectual Property from the Vendors and implement all activities associated with the acquisition and commercialization of the Tenements, subject to a net smelter returns (NSR) royalty on the Tenements retained by the Vendors, for consideration of AUD \$25,000 cash and the issuance of 2,805,000 common shares of the Tenements Owner.

**NOW THEREFORE THIS SUPERSEDING AGREEMENT WITNESSES** that, in consideration of the mutual promises, covenants, conditions, representations, and warranties set out in this Superseding Agreement, the parties agree as follows:

1. This Superseding Agreement constitutes the entire understanding between the Vendors, the Acquirer and the Tenements Owner relating to the purchase and sale of the Intellectual Property and the establishment of the Tenements Owner to implement all activities associated with the acquisition and commercialization of the Tenements, and supersedes and cancels all prior written and oral agreements and understandings with respect to the subject matter of this Agreement.
2. The Tenements Owner agrees to purchase and the Vendors agree to sell, transfer and assign to the Tenements Owner a 100% legal and beneficial interest in the Intellectual Property consisting of exploration targets in the Lachlan Fold Belt region of New South Wales (the “Tenements”), subject only to NSR on the Tenements, in consideration of the following:
  - (a) AUD \$25,000 for the full and final settlement of historical debt referenced in the Term Sheet and the parties agree to forever mutually release each other from any and all claims related thereto. The funds will be paid within thirty days of the completion by the Tenements Owner of successful financing in the minimum amount of CAD \$500,000;
  - (b) the issuance of an aggregate 2,805,000 common shares of the Tenements Owner to the Vendors.
3. The Tenements are subject to the Vendors retaining a 2.0% NSR on all minerals and products from the Tenements outlined in Schedule “B” and having the following attributes:
  - (a) the terms and conditions of the NSR shall be as set forth in Schedule C hereto;
  - (b) the NSR is payable to the following payees:
    - (i) Douglas Haynes Discovery Pty Ltd. as to 40%;
    - (ii) Mareko Pty Ltd. ATF Gold Investment Trust as to 40%; and
    - (iii) Robert Henrick Skrzeczynski as to 20%;
  - (c) the Tenements Owner shall have the right to repurchase one percent (1%) of the NSR on the Tenements for AUD \$3,000,000 at any time; and
  - (d) the Tenements Owner shall have the right of first refusal to purchase any royalty interest offered for sale by the Vendors. Such right must be exercised by the Tenements Owner within 30 days after the Tenements Owner has been provided with a notarized copy of an arms length bona fide offer to purchase any royalty interest from the Vendors.
4. The Vendors shall be paid a success fee upon the successful listing of the Tenements Owner’s common shares for trading on a public stock exchange, or going public in any other manner, in

the amount of AUD \$5,000 per Tenement to a maximum of AUD \$60,000, of which half is payable in cash and the balance, at the option of the Tenements Owner, must be payable in cash or common shares of the Tenements Owner at a deemed price of the greater of \$0.05 per share or the 30 day volume weighted average price, upon successful grant of the Tenements listed in Schedule B, subject to the acceptance of the appropriate regulatory authorities.

5. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

IN WITNESS WHEREOF the parties have signed this Superseding Agreement as of the date written on the first page of this Superseding Agreement.

**ROMARDO GROUP PTY LTD.**

Per:

“Mark Dugmore”

\_\_\_\_\_  
Mark Dugmore

**DOUGLAS HAYNES DISCOVERY PTY LTD.**

Per:

“Douglas Haynes”

\_\_\_\_\_  
Douglas Haynes

**MAREKO PTY LTD ATF GOLD INVESTMENT TRUST**

Per:

“Mark Dugmore”

\_\_\_\_\_  
Mark Dugmore

“Robert Henrick Skrzeczynski”

\_\_\_\_\_  
Robert Henrick Skrzeczynski

**ORE CAPITAL PARTNERS LTD.**

Per:

“Tero Kosonen”

\_\_\_\_\_  
Authorized Signatory

**INFLECTION RESOURCES LTD.**

Per:

“Alistair Waddell”

\_\_\_\_\_  
Alistair Waddell

**SCHEDULE "A"**

**Binding Term Sheet between Ore Capital Partners Ltd. and Romardo Group Pty Ltd.**

**Dated June 6, 2017**

## Binding Term Sheet between Ore Capital Partners Ltd. ("ORE") and Romardo Group Pty Ltd. ("RGP")

<b>Date</b>	6 <sup>th</sup> June 2017
<b>Tenements</b>	Exploration Licence applications in the Lachlan Fold Belt region of New South Wales, (the "Tenements")
<b>Tenements Owner</b>	An Australian Pty Limited ("Holdco") to be incorporated by and at the expense of ORE immediately after the execution of this Term Sheet.
<b>Acquirer</b>	ORE Capital Partners ["ORE"]
<b>Targets</b>	RGP has identified Target Areas which can be captured in the Tenement applications.
<b>Tenement Acquisition</b>	ORE will establish an Australian private, unlisted 'Pty Ltd' company (the "Holdco") to implement all activities associated with the acquisition and commercialization of the Tenements that will constitute the NSW Venture. All costs associated with the establishment thereof and acquisition (including rents and securities) of tenements will be borne by ORE.
<b>Equity Interests</b>	<p>ORE, shall have a 70% interest and RGP will have a 30% interest in Holdco which will file for the Tenements. Terms agreed respecting Holdco:</p> <ol style="list-style-type: none"> <li>a. Holdco to be held 70% ORE, 30% RGP or its nominees,</li> <li>b. Board to be as agreed with ORE entitled to 2 out of 3 directors</li> <li>c. ORE to fund the expenses enumerated in the section below.</li> <li>d. The intent is to take Holdco public, or roll it into a public company, however should additional financing be required before that takes place, the parties will negotiate a fair and reasonable division of responsibilities and resulting equity holdings for additional funds invested failing which ORE shall have the option to provide such funding by way of further shareholder's loans, with such funds to be the first repaid as a condition of going public.</li> </ol>
<b>Payment of Costs and Expense Obligations</b>	<p>ORE shall be responsible for the following expenses (all \$AUS), which shall be accounted as shareholder advances:</p> <ul style="list-style-type: none"> <li>- Upon execution of this Term Sheet reimburse Douglas Haynes costs to date [expected to be approx \$15,000] in cash;</li> <li>- Upon lodgment of Tenements reimburse Mark Dugmore's documented costs associated with the Tenement Acquisition [expected to be approx \$10,000] in cash;</li> <li>- With respect to the LCME-West Resource Ventures transaction, within 15 days of execution of this Term Sheet, reimburse outstanding costs up to a maximum cap of \$15,000 in cash, and a further \$25,000 (capped) in cash payable upon progressive grant of WA Tenements;</li> <li>- Costs of lodging and acquiring the Tenements estimated to be: \$20,000 application fees, \$130,000 financial assurance, \$30,000 first year rent;</li> <li>- Within one year of the execution of the Formalization of this Term Sheet, expend not less than \$500,000 in exploration expenditures on the Tenements.</li> </ul>

<b>Drag along</b>	In the event that an opportunity to take Holdco public arises (whether by reorganization, plan of arrangement, share exchange or otherwise with a public company, or Holdco itself has the ability to become public, ORE may elect at its sole discretion to require RGP's interest in Holdco also participate in such going public transaction on the same terms and conditions as apply to ORE.
<b>Success Fee</b>	RGP to be paid a success fee upon Holdco being acquired by a public company ("Pubco"), or going public in any other manner, of \$5,000 per Tenement to a maximum of \$60,000, of which half is payable in cash and half in stock in Pubco upon each successful progressive grant of Tenements.
<b>Royalty</b>	In respect of the Tenements, Holdco shall enter into a Royalty Deed with the RGP shareholders pursuant to which Holdco shall pay the Royalty <i>pro rata</i> to each of the Founding Shareholders (being Mark Anthony Dugmore, Douglas William Haynes, Robert Henrick Skrzeczynski), in the proportion of their respective shareholdings in the Holder  "Royalty" is a net smelter returns royalty, or NSR and the "Royalty Percentage" is 2% in respect of all "Minerals" and "Products".
<b>Assignment</b>	ORE or RGP has the right to deal its interest at any time, subject to such new party being required to become party to this agreement and its more formalized form. No pre-emptive rights.
<b>Technical Services</b>	Haynes and Dugmore to provide technical geological services, as mutually agreed, which shall be provided at prevailing industry rates for such services.
<b>Definitive Agreements</b>	The parties shall use all reasonable endeavours to agree and execute a Formal Agreement and Royalty Deed consistent with this Term sheet within 60 days of executing this Term sheet. Should this not occur, this Term Sheet remains binding on the parties.
<b>Offer Period</b>	The terms of this Offer is valid for 30 days from the receipt of this Term Sheet.

**EXECUTION**

DATED the 6<sup>th</sup> day of June 2017.

Signed for and on behalf of Romardo Group Pty Ltd ACN 613 384 122

Signed: “Mark Dugmore”

Name: Mark A. Dugmore

Position: Director

Date: June 6, 2017

Signed for and on behalf of Ore Capital Partners Ltd.

Signed: “Garry Stock”

Name: Garry Stock

Position: Director

Date: June 6, 2017

**SCHEDULE "B"****Description of the Tenements**

<b>EL &amp; ELA's</b>	<b>Target #</b>	<b>Size Ha</b>	<b>Grant date</b>	<b>Expiry date</b>	<b>Company</b>	<b>Area - Units</b>
ELA5738		6,600			ACGH Pty Ltd.	22
ELA5739		24,900			ACGH Pty Ltd.	83
EL8695	Romardo 1	15,000	02/26/2018	02/26/2024	ACGH Pty Ltd.	50
EL8699	Romardo 6	18,900	03/05/2018	03/05/2024	ACGH Pty Ltd.	63
EL8720	Romardo 7	34,800	03/29/2018	03/29/2024	ACGH Pty Ltd.	116
EL8730	Romardo 15 & 13	9,000	03/29/2018	03/29/2024	ACGH Pty Ltd.	30
EL8739	Romardo 8 & 9	22,200	04/17/2018	04/17/2024	ACGH Pty Ltd.	74
EL8744	Romardo 11 & 12	31,200	05/15/2018	05/15/2024	ACGH Pty Ltd.	104
EL8750	Romardo 2	30,000	05/24/2018	05/15/2024	ACGH Pty Ltd.	100
EL8771	ROM 9, 10, 15 & 16	17,100	07/09/2018	07/09/2024	ACGH Pty Ltd.	57
EL8770	Romardo 16	24,300	07/09/2018	07/09/2024	ACGH Pty Ltd.	81

**SCHEDULE "C"**

**Minerals Royalty Deed**



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LAWYERS

# Minerals Royalty Deed

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Inflection Resources Ltd.

Douglas Haynes Discovery Pty Ltd ACN 094 652 516 and Robert Henrick  
Skzrzeczynski and Mareko Pty Ltd ACN 098 027 475 ATF Gold Investment Trust

Contact - Peter Burge, Special Counsel, [p.burge@hopgoodganim.com.au](mailto:p.burge@hopgoodganim.com.au)

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# Table of Contents



- 1. Definitions and interpretation .....1
  - 1.1 Definitions .....1
  - 1.2 Interpretation .....6
  - 1.3 Accounting matters .....7
- 2. Respective Payees’ interests and obligations .....7
  - 2.1 Each of Douglas Haynes Discovery Pty Ltd ACN tba and Mareko Pty Ltd ATF Gold Investment Trust and Robert Henrick Skrzeczynski are entitled to any Royalty payable in accordance with clause 3 or any amount payable in accordance with clause 9.4 to the Payees in the following proportions: .....7
  - 2.2 Each of Douglas Haynes Discovery Pty Ltd ACN tba and Mareko Pty Ltd ATF Gold Investment Trust and Robert Henrick Skrzeczynski are liable in respect of any obligations owed by the Payees under this deed in the following proportions: .....7
- 3. Royalty .....8
  - 3.1 Royalty obligation .....8
  - 3.2 Calculation and payment of Royalty .....8
  - 3.3 Adjustment of Royalty .....8
  - 3.4 Deduction from Royalty and other payments .....8
  - 3.5 Interest and costs .....9
  - 3.6 Finality of Statement .....9
  - 3.7 Royalty a continuing obligation .....9
  - 3.8 Cessation of Royalty .....9
  - 3.9 Interest in Tenements .....10
  - 3.10 Perpetuity period .....10
  - 3.11 Further assurance .....10
- 4. Mining operations .....10
  - 4.1 Maintenance of Tenements in good standing .....10
  - 4.2 Payer to determine Tenement operations .....10
  - 4.3 Commingling .....11
  - 4.4 Tailings .....11
  - 4.5 Samples .....11
- 5. Trading Arrangements .....11
  - 5.1 Acknowledgement by the parties .....11
  - 5.2 Sales to Related Parties .....11
  - 5.3 Royalty on material not sold .....12
  - 5.4 Waiver and acknowledgement .....12
- 6. Information and audit .....12
  - 6.1 Royalty Records .....12
  - 6.2 Inspection and audit of Royalty Records .....12
  - 6.3 Access, inspection and technical audit .....12
  - 6.4 Consequences of financial audit .....13
  - 6.5 Consequences of technical audit .....13
- 7. Relinquished Tenements .....13
  - 7.1 Notice of relinquishment of Tenements .....13
  - 7.2 Payees right of conveyance of Relinquished Tenement .....13
  - 7.3 Surrender of Relinquished Tenement .....14
  - 7.4 Compulsory surrender of Relinquished Tenement .....14
  - 7.5 Total abandonment or surrender of Tenements .....14
  - 7.6 Revival of obligations under a Relinquished Tenement .....14
- 8. Caveat and registration of interest in Royalty .....14
  - 8.1 Registration .....14
  - 8.2 Assistance .....14
  - 8.3 Lodgement and withdrawal of caveat .....14
- 9. Assignment and Encumbrances .....15
  - 9.1 Assignment by Payer .....15
  - 9.2 Payer release and survival .....15

# Table of Contents



- 9.3 Indemnity and damages..... 16
- 9.4 Grant of Encumbrance..... 16
- 10. Confidentiality..... 16
  - 10.1 Disclosure of Confidential Information ..... 16
  - 10.2 Disclosure by recipient of Confidential Information ..... 17
  - 10.3 Return of Confidential Information ..... 17
  - 10.4 Survival of termination ..... 17
  - 10.5 Announcements and press releases ..... 17
- 11. Goods and services tax..... 17
  - 11.1 GST exclusive amounts ..... 17
  - 11.2 Payment of GST ..... 17
  - 11.3 GST Adjustments..... 18
  - 11.4 Definitions ..... 18
- 12. Resolution of disputes ..... 18
  - 12.1 Dispute Resolution Process..... 18
  - 12.2 Expert determination..... 18
  - 12.3 Parties to continue to perform..... 19
  - 12.4 Condition precedent to Litigation ..... 19
- 13. Notices ..... 19
  - 13.1 Initial details ..... 19
  - 13.2 A party may from time to time change its address or numbers for service by notice to each other party. .... 20
  - 13.3 Form of Notice ..... 20
  - 13.4 When Notices are taken to have been given and received ..... 20
- 14. Ancillary provisions..... 21
  - 14.1 Entire agreement ..... 21
  - 14.2 No reliance or inducement..... 21
  - 14.3 Enurement ..... 21
  - 14.4 No partnership ..... 21
  - 14.5 Amendment..... 21
  - 14.6 Prompt performance ..... 21
  - 14.7 Severability ..... 21
  - 14.8 Waiver ..... 21
  - 14.9 Remedies cumulative..... 22
  - 14.10 Indemnities..... 22
  - 14.11 Applicable law ..... 22
  - 14.12 Further assurances ..... 22
  - 14.13 Fees and charges ..... 22
  - 14.14 Counterparts ..... 22
- Schedule 1 : Basic particulars ..... 23
- Schedule 2 : List of Tenements as at the Execution Date ..... 24



## Date

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## Parties

Inflection Resources Ltd. (**Payer**)

Douglas Haynes Discovery Pty Ltd ACN 094 652 516 and Mareko Pty Ltd ATF Gold Investment Trust and Robert Henrick Skrzeczynski (together the **Payees**)

## Background

- A. The Payer and the Payees are parties to the Superseding Agreement entered into on or about the 1 July 2018 (the **Agreement**).
- B. The Payer has agreed to pay the Payees a royalty on all Minerals extracted from the Tenements and recovered from the smelter.
- C. The parties have agreed to enter into this deed to record the terms of the Royalty and the basis on which it is to be paid to the Payees.

## It is agreed

In consideration of, among other things, the mutual promises contained in this deed:

### 1. Definitions and interpretation

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#### 1.1 Definitions

Unless the context otherwise requires, the following expressions have the respective meanings in this deed (including the Recitals):

**Accounting Standards** means the accounting standards required to be complied with under the Corporations Act and any other relevant accounting standards approved by the Australian Accounting Standards Board and generally accepted accounting principles applied from time to time in Australia.

**Adjustment** means any adjustment that may be made by the Payer to the Royalty Records and a Statement:

- (a) which arise from a subsequent adjustment to the amount paid to a Payer based on the actual Products recovered after refining;
- (b) to correct any accounting or recording errors from previous Quarters;
- (c) which are otherwise made in accordance with this deed; or
- (d) which are agreed by the parties.

**Allowable Deductions** mean all costs actually paid or incurred by the Payer, in Australian dollars, or in the Australian Dollar Equivalent, in relation to the sale of Products extracted and



recovered from the Mining Area after mining and milling or other initial processing within or adjacent to the Tenements, and include:

- (a) all costs of smelting and refining and retorting the Ores and Minerals, including metal losses and Penalties for impurities and all umpire charges and other processor deductions;
- (b) all road, sea and rail freight, transportation, security and incidental costs and expenses, including forwarding, shipping, demurrage, delay and insurance costs, incurred between the outer boundary of, or adjacent to, the Tenements and the point of delivery of the Products into a Refinery, including the cost of transport to and between any Refinery or other places of treatment;
- (c) all handling and incidental costs and expenses including agency, banking, assaying, sampling, weighing, loading, unloading, stockpiling and storage;
- (d) actual sales costs, and reasonable marketing, representation, agency and brokerage costs of the Products subject to the Royalty;
- (e) Carried Forward Deductions;
- (f) all taxes (excluding taxes based on the income of the Payer), royalties, duties, levies and charges lawfully imposed by an Authority, including carbon emission licence fees, charges, fuel excise (net of any fuel tax credits), carbon trading taxes and imposts, value added taxes or energy consumption taxes, in any way connected with the transportation or sale of the Products from the Mining Area, including GST (but not if subject to an input tax credit, which is actually claimed and received); and
- (g) any other incidental charge or expense incurred between the outer boundary of, or adjacent to, the Mining Area up to the point of delivery of the Products into a Refinery, including on-site transport and storage;

but do not include:

- (h) any exploration, development, construction, mining, crushing, treatment or concentrating costs incurred by the Payer within or adjacent to the Tenements; and
- (i) where Products are loaded, treated, milled, processed, transported or unloaded outside the Tenements in a Refinery wholly or partially owned by the Payer or a shareholder, Related Body Corporate or Related Entity of the Payer, any costs and expenses that are in excess of those which would be paid or incurred by the Payer on Arm's Length Terms, or which would not be Allowable Deductions if those Products were processed by a Third Party.

**Arm's Length Terms** means, for the purposes of calculating the Royalty, prices and terms no less favourable to the Payer than those which would be paid and agreed to by a Third Party in an arm's length transaction under similar circumstances.

**Assumption Deed** means a deed in such form as may be reasonably required by the party for whose benefit the deed is to be made (acting in a timely and prompt manner) whereby the assignee or other recipient of an interest in the Tenements, or any rights in relation to Products extracted and recovered from the Mining Area, agrees to assume, be bound by and perform the obligations in this deed of the party from which it acquires its interest and rights.

**Australian Dollar Equivalent** means, where a sum to which this deed relates is not stated in Australian dollars, the amount determined by converting the amount in foreign currency into



Australian dollars at the Exchange Rate existing when the relevant revenue was earned or receivable, or the relevant expenditure was incurred, by the Payer.

**Authority** is any government department, local government council, government or statutory authority or any other person under a Law which has a right to impose a requirement or whose consent is required with respect to any matter or thing arising under, or affected by, this deed.

**Average Spot Price for a Quarter** means the arithmetic average of the price of a Product, on each Business Day of the Quarter, where such price is arrived at using the Reference Price for the Product.

**Business Day** means a day on which trading banks are open for business in the capital city of the Nominated State.

**Carried Forward Deduction** means the amount of Allowable Deduction that exceeds the Gross Revenue in a Quarter, which may then be carried forward and deducted from Gross Revenue in subsequent Quarters.

**Commencement Date** means the later of the Execution Date and the date on which the extraction and recovery of any Product commences from the Mining Area.

**Concentrate** means Ore in which particular Minerals are the principal components having commercial value.

**Confidential Information** means all confidential, non-public or proprietary information of a party regardless of how the information is stored or delivered, which is exchanged between the parties before, on or after the Execution Date in connection with this deed, and expressly include the terms of this deed, other than information:

- (a) which is in or becomes part of the public domain other than through breach of this deed or an obligation of confidence owed to the disclosing party; or
- (b) which the recipient can prove by contemporaneous written documentation was already known by it at the time of disclosure to it (unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality).

**Corporations Act** means the Corporations Act 2001 (Cth).

**Dispute** means a dispute or difference between 2 or more of the parties in relation to the rights or obligations of the parties under, or in relation to, this deed, including the calculation and payment of the Royalty.

**Dispute Notice** means a written notice given by one party to all of the other parties that a Dispute has arisen, which requires resolution in accordance with this deed.

**Encumbrance** means any security interest, mortgage, pledge, lien, charge, title retention arrangement, trust or power, or other form of security or interest having effect as a security for the payment of any monetary obligation or the observance of any other obligation whether existing or agreed to be granted or created.

**Encumbrancee** means a person who is entitled to the benefit of an Encumbrance over the Tenements, the Royalty or over a party's rights under this deed.

**Exchange Rate** means, in respect of any foreign currency:

- (a) the average of the buy and sell rates for the foreign currency in Australian dollars, as quoted in The Australian Financial Review; or



- (b) if those rates are not quoted, then the average of the buy and sell rates for the foreign currency as quoted by any two major Australian trading banks selected by the Payer in good faith and on a consistent basis,

on the day on which the Exchange Rate is to be determined (or, if the Exchange Rate is to be determined on a day that is not a Business Day, then on the immediately preceding Business Day).

**Execution Date** means the date of this deed.

**Expert** means a suitably qualified independent person appointed in accordance with this deed.

**Gross Revenue** means the gross proceeds actually received by the Payer or applied to its benefit, in Australian dollars, or in Australian Dollar Equivalent, from the sale or other disposal of Products including to the owner or operator of a Refinery, or in relation to the Products, including the proceeds received from an insurer in the case of loss of, or damage to, the Products (net of any excess paid in respect of that loss), less any applicable Penalties, refunds, claims or discounts.

**GST** has the same meaning as in the GST Law.

**GST Law** has the meaning given to that term in the A New Tax System (Goods and Services Tax) Act 1999 (Cth) and any other Act or regulation relating to the imposition or administration of GST.

**Law** is Commonwealth and State legislation including regulations, by laws, and other subordinate legislation and guidelines, and common law and equity, which applies to any matter or thing arising under, or affected by, this deed.

**Minerals** means any and all minerals, as defined by or prescribed for the purposes of the Mining Act, in, under or upon the surface or sub-surface of the Tenements.

**Mining Act** means the mining legislation described in Schedule 1.

**Mining Area** means the area of land from time to time the subject of the Tenements.

**Net Smelter Return** means, for a Quarter, Gross Revenue and Adjustments (whether plus or minus) minus Allowable Deductions for that Quarter.

**Nominated State** is the State or Territory of Australia described in Schedule 1.

**Ore** means any Mineral or mixture of Minerals of intrinsic economic interest located in or on the Earth's crust at a concentration above background level.

**Penalty** means a charge made by a Refinery, in addition to normal refining costs, for removing from the Product Minerals or other substances where the cost of the removal exceeds the value of those Minerals or other substances.

**Product** means a Mineral or metallic product extracted and recovered from Ore extracted from the Tenements which is capable of being sold or otherwise disposed of.

**Quarter** means a period of 3 consecutive months commencing on 1 January, 1 April, 1 July or 1 October in any year, other than the first Quarter which commences on the Commencement Date and expires on the date immediately preceding the next to occur of 1 January, 1 April, 1 July or 1 October.

**Reference Price, for a Business Day**, means:



- (a) in respect of gold, the price quoted in the Australian Financial Review newspaper as being the “Gold Perth Mint” price for that Business Day;
- (b) in respect of silver, the price quoted in the Australian Financial Review newspaper as being the “Silver Perth Mint” price for that Business Day;
- (c) in respect of copper, the price quoted in the Australian Financial Review newspaper as being the “London Copper (LME)” last sale price for that Business Day; and
- (d) for each Product not specified in paragraph (a), (b) or (c), the price quoted for that Product for that Business Day by a reference source:
  - (i) agreed between the Payer and the Payees; or
  - (ii) failing agreement between the Payer and the Payees, determined by the Expert at the request of any party, as representing an industry standard source in Australia for establishing the spot price of such Product, provided that if any source specified in paragraph (a), (b) or (c) or otherwise agreed between the parties or determined by the Expert ceases at any time to publish a reference price for the relevant Product:
- (e) the Payer and the Payees must endeavour to agree a replacement source; and

if the Payer and the Payees are unable to agree a replacement source, a replacement source must be determined by the Expert at the request of either party, as representing an industry standard source in Australia for establishing the spot price of such Product and the price as published by that replacement source for that Business Day will be the Reference Price for the relevant Product for that Business Day.

**Related Body Corporate** has the same meaning that the term “related body corporate” in the Corporations Act.

**Related Entity** has the same meaning as “related entity” in the Corporations Act.

**Refinery** means a smelter, refinery or other processing facility.

**Representative** of a party includes an employee, agent, officer, director, auditor, advisor, partner, consultant, joint venturer or sub-contractor of that party.

**Royalty** means the royalty payable by [the Payer to the Payees under this deed calculated by multiplying the Royalty Percentage by the Net Smelter Return.

**Royalty Percentage** means the royalty percentage as set out in Schedule 1.

**Royalty Records** means the books, accounts and records maintained by or on behalf of the Payer showing reasonable detail in relation to:

- (a) the quantity of Products produced in each Quarter;
- (b) the calculation of each component of the Royalty for each Quarter;
- (c) the payment of the Royalty in each Quarter; and
- (d) where there is any commingling of Products in a Quarter with materials from areas extracted outside the Mining Area, the measures, moistures and assays of the



Minerals and substances in the Products extracted and recovered from the Mining Area prior to the commingling, including those substances which attract a Penalty.

**Superseding Agreement** means the agreement for acquisition of the Tenements made between the parties and signed on 1st of July 2018.

**Statement** means, for a Quarter, a statement setting out in reasonable detail:

- (a) the quantities and grades of Products recovered and sold during the Quarter;
- (b) the individual elements which make up the royalty calculation, being the Gross Revenue, Adjustments, Allowable Deductions, and Carried Forward Deductions (if any) for the Quarter;
- (c) the Royalty payable for that Quarter; and
- (d) any other material information which is relevant in explaining the calculation of the Royalty payment.

**Statutory Tenement Expenditure** means the minimum expenditure which the holder of a Tenement is required by the Mining Act to incur in respect of that Tenement in any given Tenement year.

**Tailings** includes tailings, residues, waste rock, spoiled leach materials and other materials resulting from mining operations and activities conducted on or adjacent to the Mining Area, whether such operations and activities took place before or after the Commencement Date.

**Tenement** means a mineral title listed in Schedule 2, and includes any application for a mineral title, and any extension, renewal, variation, conversion, amalgamation, replacement or substitution of a mineral title, which is granted in respect of the whole or part of the area of a mineral title on the application of a Payer or on the authority of a Payer.

**Third Party** means a person not a party, or the Related Body Corporate or Related Entity of a party, to this deed.

**Trading Arrangements** means forward sale and/or purchase contracts, spot deferred contracts, futures trading, and commodity option contracts and/or other price hedging and price protection arrangements and mechanisms and speculative purchases and sales of forward, futures and option contracts, both on and off commodity exchanges and does not include physical sales of Products with delivery.

## 1.2 Interpretation

In this deed, unless the context otherwise requires:

- (a) the singular includes the plural and vice-versa;
- (b) headings do not affect the interpretation of this deed;
- (c) a reference to a party means a party to this deed as listed on page 1 of this deed and includes that party's executors, administrators, substitutes, successors and permitted assigns;
- (d) references to a part, clause, schedule, exhibit and annexure refers to a part, clause, schedule, exhibit or annexure of, in or to this deed;
- (e) a reference to this deed includes all schedules, exhibits and annexures to this deed;



- (f) a reference to an agreement, deed, instrument or other document includes the same as amended, novated, supplemented, varied or replaced from time to time;
- (g) a reference to a court is to an Australian court;
- (h) a reference to any legislation or legislative provision includes any statutory modification or re-enactment of, or legislative provision substituted for, and any subordinated legislation issued under, that legislation or legislative provision;
- (i) a reference to a day, month or year is relevantly to a calendar day, calendar month or calendar year;
- (j) a reference to \$, AUD or dollars is to the lawful currency of the Commonwealth of Australia;
- (k) the expressions “including”, “includes” and “include” have the meaning as if followed by “without limitation”; and
- (l) no rule of construction is to apply to the disadvantage of a party on the basis that that party drafted the whole or any part of this deed.

## 1.3 Accounting matters

Unless otherwise agreed by the parties, all accounting matters are to be determined in accordance with sound accounting practices customary in the mining industry which are generally accepted and consistently applied in Australia.

## 2. Respective Payees’ interests and obligations

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2.1 Each of Douglas Haynes Discovery Pty Ltd and Mareko Pty Ltd ATF Gold Investment Trust and Robert Henrick Skrzeczynski are entitled to any Royalty payable in accordance with clause 3 in the following proportions:

- (a) 40% of the amount due and owing, to Douglas Haynes Discovery Pty Ltd; and
- (b) 40% of the amount due and owing, to Mareko Pty Ltd ATF Gold Investment Trust; and
- (c) 20% of the amount due and owing, to Robert Henrick Skrzeczynski.

2.2 Each of Douglas Haynes Discovery Pty Ltd and Mareko Pty Ltd ATF Gold Investment Trust and Robert Henrick Skrzeczynski are liable in respect of any obligations owed by the Payees under this deed in the following proportions:

- (a) 40% of the liability, by Douglas Haynes Discovery Pty Ltd; and
- (b) 40% of the liability, by Mareko Pty Ltd ATF Gold Investment Trust; and
- (c) 20% of the liability, by Robert Henrick Skrzeczynski.

## 3. Royalty

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### 3.1 Royalty obligation

- (a) As from the Commencement Date, for each Quarter in which any Product is produced and sold, removed or otherwise disposed of, the Payer agrees to pay to the Payees the Royalty calculated in accordance with this deed.
- (b) The obligation to pay the Royalty accrues upon the receipt by a Payer of revenue received from the sale or other disposal of Products, or as otherwise set out in this deed.

### 3.2 Calculation and payment of Royalty

Within 30 days after the end of each Quarter, each Payer, must:

- (a) calculate the Royalty payable for that Quarter, if any;
- (b) give to the Payees a Statement in respect of that Quarter, even if there is no Royalty payable in respect of that Quarter; and
- (c) if the Royalty is payable, pay to the Payees the Royalty due by it for that Quarter, in immediately available funds without demand, reduction or set-off (except any deduction or withholding required by law):
  - (1) by direct deposit to the bank account nominated by the Payees, which the Payees may, by notice to the Payer, change from time to time; or
  - (2) if no bank account is nominated, by bank cheque payable to the Payees.

### 3.3 Adjustment of Royalty

- (a) The parties recognize that a period of time exists between the extraction and recovery of Ore, the production of Concentrates from Ore, the production of Products from Concentrates, and the receipt by a Payer of the Products or the revenue from the sale or other disposal of the Products.
- (b) Accordingly, the payment of Royalty in a Quarter may not coincide exactly with the actual amount of Products produced during the Quarter. The Payers may make Adjustments to the Royalty Records and the Statement following determination of an Adjustment, and must provide a final Statement of the Royalty due for a Quarter within 30 days of determination of the final Adjustment.

### 3.4 Deduction from Royalty and other payments

- (a) If a party making a payment to another party under this deed is legally required to deduct any tax, duty, levy, impost, deduction, charge or withholding from that payment, the deduction is for the account of the party receiving the payment.
- (b) The Payer must make any payment due to the Payees under this deed in Australian dollars and without deduction of any commission or expense relating to any necessary foreign currency conversion or any other related bank charge.
- (c) If a Payer is required by law to deduct any tax, duty, impost, charge or withholding from a payment of Royalty (**Tax Deduction**), the Payer must:



- (1) promptly, upon becoming aware that it is required to make the Tax Deduction, or if there is any change in the rate or the basis of the Tax Deduction, notify the Payees of the amount, date and proposed recipient of the required Tax Deduction;
- (2) make the Tax Deduction and pay the minimum amount required by law to the relevant Authority within the time allowed; and
- (3) within 30 days of making either the Tax Deduction or any payment required in connection with that Tax Deduction, deliver to the Payees evidence satisfactory to the Payees, acting reasonably, that the Tax Deduction has been made and paid as required.

### 3.5 Interest and costs

- (a) Without limiting the rights of the Payees in relation to any breach of this deed by a Payer, if a Payer fails to pay the Royalty due under this deed on or before the due date for payment, then the Payer must also pay to the Payees immediately on demand:
  - (1) interest on the amount due from due date up to and including the date upon which the moneys are paid, calculated on a daily basis and compounded with monthly rests; and
  - (2) all costs and expenses (including legal costs and expenses on a full indemnity basis) incurred by the Payees which are attributable to the Payer's failure to pay by due date.
- (b) The rate of interest is the Reserve Bank Cash Rate plus 8 percent calculated on a daily basis and compounded with monthly rests, or such other similar rate of interest as the parties may agree.

### 3.6 Finality of Statement

A Statement for a Quarter and payment of the Royalty in accordance with that Statement is final and in full satisfaction of all obligations of the Payer with respect to and payment of the Royalty for that Quarter unless:

- (a) the Payees does not agree with the Statement, in which case the Payees may, within 12 months of receiving the Statement or the report of an auditor appointed in accordance with this deed (whichever is the later), give the Payer a Dispute Notice in which case the dispute resolution procedures in this deed apply; or
- (b) there has been any fraud, deliberate miscalculation, or reckless calculation of the Royalty by the Payer.

### 3.7 Royalty a continuing obligation

Unless otherwise provided for in this deed, the obligation to pay the Royalty continues, with respect to each Tenement, for the full term of the Tenement, including any successor Tenement and throughout the period that any Product can lawfully be extracted and recovered, unless this deed is previously determined in accordance with its terms.

### 3.8 Cessation of Royalty

The obligation of the Payer to pay the Royalty to the Payees ceases when the total weight of Product produced from the Tenements after the Execution Date exceeds the amount (if any) in the Royalty Cap at Schedule 1.



### 3.9 No interest in Tenements

Without derogating from their entitlement to the Royalty under this deed and except as may be required in support of any caveat lodged pursuant to clause 8, the Payees have no legal or equitable interest in the Tenements or in the Mining Area.

### 3.10 Perpetuity period

If the vesting of any interest under this deed would, but for this clause, be void under the rule against perpetuities at common law or under any statute imposing perpetuity periods, then that interest terminates one day before the end of the maximum time from the Execution Date permitted by the law of the Nominated State for that interest to be valid.

### 3.11 Further assurance

If a Payer extends, renews, converts or substitutes any Tenement described in Schedule 2 for a new Tenement, the Payees may require the Payer to execute an Assumption Deed and any other document that the Payees reasonably consider necessary to confirm that this deed applies to the new Tenement.

## 4. Mining operations

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### 4.1 Maintenance of Tenements in good standing

The Payer acknowledges and agrees that the Payer is responsible, at the Payer' cost, for keeping the Tenements valid and in full force and effect under the Mining Act for the duration of this deed, including:

- (a) observing the provisions of the Mining Act and all other legislation affecting the Tenements and mining operations and activities conducted by the Payer on or about the Mining Area, including lodging in good time all required reports and;
- (b) paying annual claim fees;
- (c) paying all fees, rates, royalties, taxes and rental payments due in respect of all of the Tenements;
- (d) ensuring all Statutory Tenement Expenditure conditions are met or exemptions obtained; and
- (e) making all necessary applications and paying any relevant fees for renewals or extensions of the Tenements.

### 4.2 Payer to determine Tenement operations

The Payees acknowledges and agrees that each Payer:

- (a) owes the Payees no duty to explore, develop or mine any of the Tenements, or to do so at any rate or in any manner other than that which the Payer may determine in its sole and unfettered discretion;
- (b) has complete discretion concerning the nature, timing and extent of all exploration, development, mining, treating, milling and other operations conducted on the Tenements and may suspend operations and production on the Tenements at any time it wishes to do so;



- (c) may, but is not obliged to, treat, mill, sort, concentrate, refine, or otherwise process, beneficiate or upgrade Ores, Concentrates, and Products extracted from the Tenements; and
- (d) is not liable for any Mineral of commercial value lost in processing Ores, Concentrates, and Products extracted from the Tenements under sound mining practices and procedures, and no Royalty is due on any such lost value.

#### 4.3 **Commingling**

- (a) A Payer may commingle Products extracted from the Tenements prior to being dispatched with other Ores, Concentrates or products produced elsewhere in accordance with customary good mining and metallurgical practice in Australia applied reasonably.
- (b) Each Payer must establish, and record in the Royalty Records, the methods and practices adopted by the Payer necessary to weigh, sample, assay and perform other measuring or testing necessary to fairly allocate to each party the valuable minerals and metals contained in the Products extracted and recovered from the Tenements prior to being dispatched from the Mining Area.

#### 4.4 **Tailings**

If any Tailings held under or pursuant to, or derived from Ore mined from within, any Tenement are processed or reprocessed in the future and result in Products, those Products are subject to payment of the Royalty. The Payer must not deposit or store any Tailings on any land that is not the subject of a Tenement without the Payees' prior written consent.

#### 4.5 **Samples**

The Payer may, without being liable to pay Royalty under this deed, mine, remove and supply small amounts of Minerals reasonably necessary for sampling, assaying, metallurgical testing and evaluation of the Mineral potential of the Tenements.

### 5. **Trading Arrangements**

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#### 5.1 **Acknowledgement by the parties**

Each party acknowledges that:

- (a) the Payer may engage in Trading Arrangements which may involve the delivery, or possible delivery, of any Products whether from the Mining Area or otherwise; and
- (b) the sale of any Product pursuant to any Trading Arrangements will be deemed not to be on Arm's Length Terms for the purposes of determining Gross Revenue; and
- (c) apart from clause 5.1(b) above and except as otherwise provided in this deed, a Payer has no obligation to account to the Payees for, and the Payees have no interest or right to participate in, any profits or incur any losses of Trading Arrangements engaged in by a Payer.

#### 5.2 **Sales to Related Parties**

If, in any Quarter, the Payer sells, assigns or otherwise disposes of Products derived from the Tenements to a Related Body Corporate, or a Related Entity of the Payer, or a company in which the Payer has a beneficial interest on terms that are not Arm's Length Terms, the Payer



is deemed to have received revenue equivalent to the Average Spot Price multiplied by the quantity of the Products so sold or assigned by the Payer during that Quarter and such deemed revenue must be included in the calculation of the Royalty payable for the relevant Quarter.

### 5.3 **Royalty on material not sold**

If a Payer produces and disposes of material from the Mining Area or Products derived from that material which are not sold or for which revenue is not derived, the Payer is deemed to have received revenue equivalent to the Average Spot Price multiplied by the quantity of the Products so sold or assigned by the Payer during that Quarter and such deemed revenue must be included in the calculation of the Royalty payable for the relevant Quarter.

### 5.4 **Waiver and acknowledgement**

- (a) The Payees waives any claim for additional Royalty arising from the Payer realising more proceeds of sale of Products from its Trading Arrangements than is properly utilised in the Royalty calculation.
- (b) The Payer acknowledges that the Payees are not obligated to share in any losses generated by any of the Payer's Trading Arrangements with respect to any Products and any such losses must not be reflected in the Royalty calculation.

## 6. **Information and audit**

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### 6.1 **Royalty Records**

Each Payer must keep, or cause to be kept, true and accurate Royalty Records in accordance with the Accounting Standards and generally accepted Australian mining industry practice.

### 6.2 **Inspection and audit of Royalty Records**

- (a) The Payees may, upon reasonable notice to a Payer and at reasonable times and at its own cost, within 60 days of receiving a Statement in respect of a Quarter, appoint a registered company auditor under the Corporations Act to inspect, audit and report on the Royalty Records of a Payer to the Payees in respect of that Quarter.
- (b) Each Payer must give the auditor appointed by the Payees full and free access to the Royalty Records of the Payer at its offices, or elsewhere as agreed, in respect of the payment of the Royalty for that Quarter.

### 6.3 **Access, inspection and technical audit**

- (a) The Payees may, upon reasonable notice to the Payer and at reasonable times but not more frequently than once in every 6 months and at its own cost and risk, inspect any operations carried on within and adjacent to the Mining Area, provided that the Payees must ensure that they do not unduly interfere with the operations or with the general conduct by a Payer of its business and complies with the reasonable requirements of the Payer and their safety officers.
- (b) This clause also applies to the Payer's operations outside of the Mining Area where the Payer is commingling Products extracted from the Tenements prior to being dispatched from the Mining Area with other Ores, Concentrates, Mineral products, metals and Minerals produced elsewhere. In that event, the Payees may, at reasonable times and at its own cost and risk and not more than once in every 6 months upon reasonable notice to the Payer, by itself or by a qualified and recognised



mining engineer appointed by it, inspect and conduct a technical audit on the methods and practices used by the Payer in weighing, sampling, assaying or other measuring or testing extracted from the Tenements and elsewhere, and in doing so must comply with the reasonable requirements of the Payer and their safety officers.

- (c) The Payer must provide, at the Payees' cost, all reasonable access to the Payees and to the mining engineer appointed by the Payees sufficient and necessary to reasonably carry out such technical audit.
- (d) The Payees must ensure that any audit undertaken by, or on behalf of, the Payees is conducted and concluded promptly and diligently.

## 6.4 Consequences of financial audit

- (a) If the Payees notify a Payer of any underpayment or overpayment of the Royalty which the Payees or their appointed auditor, in their reasonable opinion, considers exists, or the audit determines that any Royalty paid has been calculated in error, the Payer must, on being provided with a copy of the report of the Payees or their appointed auditor, make an Adjustment of the Royalty due for the next Quarter accordingly, unless the Payer gives a Dispute Notice under this deed in relation to the relevant Statement within 3 months of receiving the report.
- (b) If the Royalty properly payable is agreed between the Payer and the Payees, or is determined by the Expert, to be more than [5] % more than the Royalty set out in a Statement provided by the Payer, the Payer must refund to the Payees forthwith the costs of the audit.

## 6.5 Consequences of technical audit

- (a) The Payees may give the Payer a copy of any technical report arising from a technical audit conducted under this clause which raises, as a matter of concern, any matter concerning the weighing, sampling, assaying or any other measuring or testing practice which is not consistent with good mining and metallurgical practice in Australia applied reasonably.
- (b) If the Payer does not accept that there is a matter of mining and metallurgical practice which it is prepared to, and does, correct, either party may give a Dispute Notice under this deed in relation to that matter within 3 months of receiving the technical report.

## 7. Relinquished Tenements

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### 7.1 Notice of relinquishment of Tenements

The Payer must give the Payees at least 30 days prior notice of its intention for any reason (including being compelled or required by Law) to relinquish, surrender or not renew or extend the whole or any part of a Tenement (**Relinquished Tenement**).

### 7.2 Payees right of conveyance of Relinquished Tenement

- (a) Within 21 days of receiving a notice of intention to relinquish, surrender or not renew or extend the Relinquished Tenement, the Payees may, if the Relinquished Tenement is capable of being conveyed to the Payees, give notice to the Payer requiring them to convey the Relinquished Tenement to the Payees, free of Encumbrances for a consideration of \$1.00, and the Payer must do so forthwith, together with all material information and data which the Payer has within its possession or control relating to the Relinquished Tenement.



- (b) Upon the Payer conveying the Relinquished Tenement to the Payees under this clause, then from the date of conveyance the Payer have no further obligation to pay the Royalty to the Payees under this deed in relation to that Relinquished Tenement.

## 7.3 Surrender of Relinquished Tenement

If the Payees does not exercise their right to acquire the Relinquished Tenement, then the Payer may proceed to relinquish, surrender or not renew or extend the Relinquished Tenement and, subject to the rights arising on Revival (as defined below), this deed no longer applies to the Relinquished Tenement.

## 7.4 Compulsory surrender of Relinquished Tenement

Subject to giving prior notice under clause 7.1, if a Payer is required by law to relinquish or surrender part of a Tenement and that part Tenement is not capable of being conveyed to the Payees, then the Payer may relinquish or surrender that part of the Tenement and upon relinquishment or surrender, but subject to the rights arising on Revival (as defined below), this deed no longer applies to the part of the Tenement relinquished or surrendered.

## 7.5 Total abandonment or surrender of Tenements

Subject to the rights arising on Revival, if the Payer relinquishes, surrenders or conveys to the Payees all of the Tenements, then this deed terminates on the latest of the date of the relinquishment, expiry or surrender of the last of the Tenements or the date of the last conveyance to the Payees.

## 7.6 Revival of obligations under a Relinquished Tenement

If any part of the area of any Relinquished Tenement is granted to or acquired by a Payer or a Related Entity or Related Body Corporate of a Payer within 3 years of its relinquishment or surrender (**Revival**), then upon such Revival the area of the Relinquished Tenement again becomes subject to this deed and the obligation to pay the Royalty by the Payer as part of the Mining Area.

## 8. Caveat and registration of interest in Royalty

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### 8.1 Registration

As soon as practicable after the Execution Date, if the Law of the relevant Nominated State so permits or the practice allows, the Payer must do all things reasonably necessary to register, or procure the registration of, this deed and the Payees' Royalty interest, as granted pursuant to this deed, on the Tenement register.

### 8.2 Assistance

The Payees must give to the Payer all assistance that the Payer may reasonably require in carrying out the Payer's obligations to register this deed (if any). The Payer must pay all costs associated with such registration.

### 8.3 Lodgement and withdrawal of caveat

- (a) The Payer acknowledges that the Payees may lodge a caveat under the Mining Act to protect their respective interests under this deed, if the Law of the relevant Nominated State so permits or the practice allows, and hereby consents to any such lodgement.



- (b) Each Payer covenants that it will not take any steps to seek the removal of any caveat lodged by the Payees.
- (c) The Payees must promptly either file a notice of continuation of caveat having the effect of allowing the dealing to proceed or withdraw its caveat:
  - (1) upon an assignee or Encumbrancee executing an Assumption Deed; or
  - (2) at the request of a Payer where the transfer or assignment is between the Payees and the Payer; or
  - (3) where the dealing or the result of it would not adversely affect the Payees' interests under this deed.
- (d) In the case of an Encumbrancee, the Assumption Deed must include assurances to the satisfaction of the Payees (acting reasonably) that the rights of the Payees to the Royalty take priority over the interests of the Encumbrancee and the Encumbrancee can only exercise any power of sale subject to those rights.
- (e) In the Assumption Deed, the assignee or Encumbrancee must agree to provide its written consent to, and do all other acts reasonably requested by the Payees, to facilitate the lodgement of a subsequent caveat by the Payees.
- (f) The Payees may re-lodge their caveat or lodge another caveat immediately after the transfer or Encumbrance is registered and the Payer must, and must procure that the assignee or Encumbrancee must, provide their prior written consent to, and do all other acts reasonably requested by the Payees, to facilitate the lodgement of a subsequent caveat by the Payees.

## 9. Assignment and Encumbrances

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### 9.1 Assignment by Payer

A Payer may not sell, transfer, grant, assign or otherwise dispose of (**Transfer**) all, part of, or any interest in any of the Tenements, or any rights in relation to Products extracted and recovered or to be extracted and recovered from the Mining Area to a Third Party or a Related Body Corporate or a Related Entity except:

- (a) by an Encumbrance which is expressly subject to the Royalty; or
- (b) by the sale of Products in the ordinary course of business; or
- (c) with the prior consent of the Payees, the Payer first having executed and delivered to the Payees an Assumption Deed in favour of the Payees executed by the Payer and the assignee or other recipient of the interest and rights being the subject of the Transfer.

### 9.2 Payer release and survival

- (a) A Payer may be released from its obligations under this deed in respect of the interest the subject of the Transfer as from the date of the Transfer, but only if a Transfer is completed strictly in accordance with this deed, but without affecting its obligations arising prior to that date.
- (b) The rights of the Payees survive the Transfer and do not merge on or by virtue of completion and registration of the Transfer.

## 9.3 Indemnity and damages

- (a) A Payer may not make or attempt to make a Transfer of any interest or rights that does not comply strictly with the requirements of this deed and agrees to fully indemnify the Payees from all loss, damage, claims and expenses (including solicitors costs on a full indemnity basis) resulting from any breach by the Payer of this deed in relation to the Transfer. The Payees are not to be taken to have provided their approval or acceptance of any purported Transfer that does not comply strictly with the requirements of this deed and any such purported Transfer is void.

## 9.4 Assignment by the Payee

The benefit of this deed may be sold, assigned or otherwise disposed of by the Payees (or any of them) in their absolute discretion. However, no sale, assignment or other disposal will be of any force and effect with respect to the Payer until the Payer is given Notice of the sale, assignment or other disposition.

## 9.5 Grant of Encumbrance

The Payer covenants in favour of the other parties that it will not grant any Encumbrance over the Tenements or this deed unless the Encumbrancee executes a deed of covenant to which the other parties are parties under which the Encumbrancee agrees to be bound by the terms of this deed in exercising the Encumbrancee's powers or remedies under the Encumbrance, as if it was a party to this deed.

## 10. Confidentiality

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### 10.1 Disclosure of Confidential Information

A party must not disclose Confidential Information except:

- (a) if the disclosure is expressly permitted by this deed; or
- (b) to its Representative, or the Representative of a Related Body Corporate, who requires the information for the purposes of or related to this deed, the Tenements or the Royalty; or
- (c) with the written consent of the party who supplied the Confidential Information, which consent may be given or withheld in its absolute discretion; or
- (d) if the party, or a Related Body Corporate of the party, holding the Confidential Information is required to do so by Law, including by a recognised stock exchange, or in connection with legal proceedings relating to this deed; or
- (e) to its employees, accountants, auditors, financial advisers or legal advisers with the prior requirement that they keep the disclosed information confidential in accordance with this clause; or
- (f) in order to comply with the listing rules of a recognised stock exchange in the event that the Payer is listed, in which case the Parties will consult in good faith with a view to agreeing the form of the proposed disclosure; or
- (g) if disclosure is made on a confidential basis to a prospective farminee or assignee of the party's rights and obligations under this deed or prospective financier of the party or its Related Bodies Corporate, or to another Third Party which proposes to enter into contractual relations with the party provided the farminee, assignee, financier or other



Third Party agrees to keep the disclosed information confidential in accordance with this clause.

## 10.2 Disclosure by recipient of Confidential Information

- (a) To the extent permitted by section 275 of the Personal Property Securities Act 2009 (Cth), the parties agree to keep all information of the kind mentioned in section 275(1) of that Act confidential and to not disclose that information to any other person, except as permitted by this deed.
- (b) A party disclosing Confidential Information as permitted by this deed must use all reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the Confidential Information except as permitted by this deed.

## 10.3 Return of Confidential Information

A party who has disclosed Confidential Information to a prospective farminee, assignee, financier or other Third Party as provided for by this deed must obtain from that person prior to disclosure an undertaking that, on the request of the disclosing party, it will immediately deliver or re-deliver to that party all documents or other materials containing or referring to the Confidential Information in its possession, power or control.

## 10.4 Survival of termination

This confidentiality clause continues to bind a person notwithstanding that that person ceases to be a party to this deed or this deed is terminated for any reason, for a period of 5 years from the date of cessation or termination.

## 10.5 Announcements and press releases

A party must not make press or other announcements or releases relating to this deed and the transactions the subject of this deed without the approval of the other parties to the form and manner of the announcement or release unless and to the extent that the announcement or release is required to be made by the party, or a Related Body Corporate of the party, by Law, including by a recognised stock exchange.

## 11. Goods and services tax

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### 11.1 GST exclusive amounts

All amounts payable under or in connection with this deed are exclusive of GST unless indicated otherwise.

### 11.2 Payment of GST

- (a) A Recipient of a Taxable Supply under or in connection with this deed:
  - (1) must pay to the Supplier, in addition to the Consideration for the Taxable Supply, an amount equal to any GST paid or payable by the Supplier in respect of the Taxable Supply; and
  - (2) must make such payment to the Supplier as and when the Consideration or part of it is provided, except that the Recipient need not pay unless the Recipient has received a Tax Invoice (or an Adjustment Note) for that Taxable Supply.



- (b) Any additional amount of Consideration payable under this clause is payable at the same time, to the same extent, and in the same manner as the Consideration for the Taxable Supply and only in exchange for a Tax Invoice.

## 11.3 GST Adjustments

If a party becomes aware that the actual amount of GST payable on a Supply made in connection with this deed is more or less than the amount paid by the Recipient of the Supply, the difference on the amount payable must be paid or refunded, as applicable, by or to the relevant party promptly after the actual amount of GST on the Supply is paid or can be clearly ascertained, and an Adjustment Note is issued as required by the GST Law.

## 11.4 Definitions

In this clause, the following terms have the same meaning as in the GST Law:

**Adjustment Note, Consideration, GST, Recipient, Supplier, Supply, Tax Invoice and Taxable Supply.**

## 12. Resolution of disputes

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### 12.1 Dispute Resolution Process

- (a) Except where a time limitation is stated, and subject to the terms of this deed, a party may give a Dispute Notice to the other parties at any time.
- (b) A Dispute Notice must:
  - (1) describe the nature of the Dispute; and
  - (2) nominate a Representative of the party who is authorised to negotiate and settle the Dispute on the party's behalf.
- (c) Each other party must within 7 days after receipt of a Dispute Notice nominate in writing to the other parties a Representative authorised to negotiate and settle the Dispute on its behalf.
- (d) The nominated Representatives must negotiate in good faith with a view to resolving the Dispute within 21 days after the receipt of the Dispute Notice, (or such longer period as those Representatives agree), failing which the Dispute may, if the Dispute relates to the calculation of the Royalty or any component of it or a matter arising out of a technical audit conducted in accordance with this deed, be immediately referred by a party by notice to Expert determination under this deed.

### 12.2 Expert determination

Where a Dispute is permitted or required by this deed to be determined by an Expert, or the parties agree that a Dispute should be determined by an Expert, the following provisions apply:

- (a) the reference to the Expert is made in accordance with, and subject to, The Institute of Arbitrators & Mediators Australia Expert Determination Rules;
- (b) the Expert determination must be conducted by a person or body agreed to by the parties or failing agreement within 14 days by the person or body nominated by the Institute of Arbitrators & Mediators Australia; and



- (c) in making a determination:
  - (1) the Expert must act in that capacity and not as an arbitrator;
  - (2) the Expert's finding is final and binding upon the parties in the absence of manifest error;
  - (3) the Expert must determine which party or parties should bear the costs of any such determination and in what proportion. In making this decision, the Expert must consider the degree to which he or she considers such party was unreasonable in failing to agree to the matter; and
  - (4) the Expert may employ consultants to carry out his or her duties.

## 12.3 Parties to continue to perform

Prior to resolution of the Dispute, the parties must continue to perform their respective obligations under this deed including all pre-existing obligations the subject of the Dispute, except only to the extent that lack of resolution of the Dispute prevents such performance.

## 12.4 Condition precedent to Litigation

A party must not commence proceedings in any court in respect of a Dispute:

- (a) that this deed requires to be referred to an Expert; or
- (b) in all other cases, unless a Dispute Notice has been given and the Representatives do not resolve the Dispute within 21 days after the receipt of the Dispute Notice (or such longer period as those Representatives agree).

Nothing in this clause prevents a party from commencing proceedings in any court where proceedings are required to obtain urgent interlocutory relief

## 13. Notices

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### 13.1 Initial details

The addresses and numbers for service are initially:

#### **Payer**

Address: Suite 1100 – 595 Howe Street, Vancouver, BC, Canada, V6C 2T5

Electronic Mail: alistair@inflectionresources.com

Attention: Alistair Waddell

#### **Douglas Haynes Discovery Pty Ltd ACN 094 652 516**

Address: [Redacted: Confidential address information]

Electronic Mail: [Redacted: Confidential address information]

Attention: Douglas Haynes

#### **Mareko Pty Ltd ACN 098 027 475 ATF Gold Investment Trust**



Address: [Redacted: Confidential address information]

Electronic Mail: [Redacted: Confidential address information]

Attention: Mark Dugmore

**Robert Henrick Skrzeczynski**

Address: [Redacted: Confidential address information]

Electronic Mail: [Redacted: Confidential address information]

Attention: Bob Skrzeczynski

13.2 A party may from time to time change its address or numbers for service by notice to each other party.

**13.3 Form of Notice**

Unless expressly stated otherwise in this deed, any notice, certificate, consent, approval, waiver or other communication in connection with this deed (**Notice**) must be in writing or given by electronic transmission, signed by the sender (if an individual) or an Authorised Officer of the sender and marked for the attention of the person identified in clause 13.1 if any, or, if the recipient has notified otherwise in accordance with clause 13.2, then marked for attention in the last way notified.

**13.4 When Notices are taken to have been given and received**

- (a) A Notice is regarded as given and received:
  - (1) if delivered by hand, when left at the address given in clause 13.1 or notified in accordance with clause 13.2 as the case maybe;
  - (2) if sent by pre-paid post, on the fifth day following the date of postage, if posted to an addressee in the same country or seven days following the date of postage if posted to an addressee in a different country;
  - (3) if given by fax, on production of a transmission report by the machine from which the fax was sent which indicates that the fax was sent in its entirety to the recipient's fax number, unless the recipient informs the sender that the Notice is illegible or incomplete within 4 hours of it being transmitted; and
  - (4) if sent by email, at the time shown in the delivery confirmation report generated by the sender's email system which indicates that the email was sent to the recipient's email address.
- (b) A Notice delivered or received other than on a Business Day or after 5.00pm (recipient's time) is regarded as received at 9.00am (recipient's time) on the following Business Day. A Notice delivered or received before 9.00am (recipient's time) is regarded as received at 9.00am.

## **14. Ancillary provisions**

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### **14.1 Entire agreement**

This deed contains everything the parties have agreed in relation to the subject matter it deals with. The parties agree that there are no implied covenants in or with respect to this deed, other than those of good faith and fair dealing.

### **14.2 No reliance or inducement**

Each party warrants and agrees that when entering into this deed it relied exclusively on the terms expressly contained in this deed and on:

- (a) its own inspections, investigations, skill and judgement; and
- (b) opinions and advice obtained by it,

and did not rely on any statements, inducements, undertakings, representations or advice given or made, whether orally or in writing, by or on behalf of any other party, including without limitation by any officer, employee, agent or adviser of any other party.

### **14.3 Enurement**

The provisions of this deed enure for the benefit of and are binding on each party and their respective successors and permitted assigns.

### **14.4 No partnership**

Nothing contained or implied in this deed constitutes a party the partner, agent, or legal representative of another party for any purpose or creates any partnership, agency or trust, and no party has any authority to bind another party in any way.

### **14.5 Amendment**

No modification, variation or amendment of this deed is of any force unless it is in writing and has been signed by each of the parties.

### **14.6 Prompt performance**

If this deed specifies when the party agrees to perform an obligation, the party agrees to perform it by the time specified. Each party agrees to perform all other obligations promptly.

### **14.7 Severability**

If any provision of this deed is void, illegal or unenforceable, it may be severed without affecting the enforceability of the other provisions in this deed.

### **14.8 Waiver**

A waiver of any right, power or remedy under this deed must be in writing signed by the party granting it. A waiver is only effective in relation to the particular right, power or remedy in respect of which it is given. It is not to be taken as an implied waiver of any other right, power or remedy or as an implied waiver of that obligation or breach in relation to any other occasion.



## 14.9 Remedies cumulative

The rights and remedies provided in this deed are in addition to other rights and remedies given by law independently of this deed, except to the extent that they are expressly excluded.

## 14.10 Indemnities

The indemnities in this deed are continuing obligations, independent from the other obligations of the parties under this deed and continue after this deed terminates.

## 14.11 Applicable law

- (a) This deed is governed by and must be construed in accordance with the laws of the Nominated State.
- (b) The parties submit irrevocably to the non-exclusive jurisdiction of the Courts of the Nominated State and all Courts competent to hear appeals from those Courts.

## 14.12 Further assurances

Each party must execute all documents and do all things reasonably necessary or desirable to give full effect to this deed and to any matter or thing contemplated pursuant to this deed.

## 14.13 Fees and charges

- (a) Each party must bear its own costs for the preparation, execution, delivery and performance of this deed.
- (b) All stamp duties and registration fees relating to the execution, registration and performance of this deed, and of all other documents arising out of this deed, must be paid by the Payer.

## 14.14 Counterparts

This deed may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed is deemed an original but all of which together constitute one and the same instrument.



## Schedule 1 : Basic particulars

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- Mining Act: in respect of any Tenement in:
- New South Wales, then the NSW Mining Act 1992 (NSW) (see Clause 1.1)
- Nominated State: in respect of any Tenement in:
- New South Wales, then New South Wales (see Clause 1.1)
- Royalty Percentage: 2%
- Royalty Cap (clause 3.9): Not applicable



## Schedule 2 : List of Tenements as at the Execution Date

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In respect of the NSW Projects (New South Wales)

EL & ELA's	Target #	Size Ha	Grant date	Expiry date	Company	Area - Units
ELA5738		6,600			ACGH Pty Ltd.	22
ELA5739		24,900			ACGH Pty Ltd.	83
EL8695	Romardo 1	15,000	02/26/2018	02/26/2024	ACGH Pty Ltd.	50
EL8699	Romardo 6	18,900	03/05/2018	03/05/2024	ACGH Pty Ltd.	63
EL8720	Romardo 7	34,800	03/29/2018	03/29/2024	ACGH Pty Ltd.	116
EL8730	Romardo 15 & 13	9,000	03/29/2018	03/29/2024	ACGH Pty Ltd.	30
EL8739	Romardo 8 & 9	22,200	04/17/2018	04/17/2024	ACGH Pty Ltd.	74
EL8744	Romardo 11 & 12	31,200	05/15/2018	05/15/2024	ACGH Pty Ltd.	104
EL8750	Romardo 2	30,000	05/24/2018	05/15/2024	ACGH Pty Ltd.	100
EL8771	ROM 9, 10, 15 & 16	17,100	07/09/2018	07/09/2024	ACGH Pty Ltd.	57
EL8770	Romardo 16	24,300	07/09/2018	07/09/2024	ACGH Pty Ltd.	81



Signing page

Executed by Inflection Resources Ltd. in accordance with s127 of the Corporations Act:

"Alistair Waddell"

Director/Sole Director/Sole Director and Secretary

Alistair Waddell

Print full name of Director/Sole Director

"Emma Fairhurst"

Director/Secretary (if applicable)

Emma Fairhurst

Print full name of Director/Secretary

Executed by Mareko Pty Ltd ACN [098 027 475] ATF Gold Investment Trust in accordance with s127 of the Corporations Act:

"Mark Anthony Dugmore"

Director/Sole Director/Sole Director and Secretary

Mark Anthony Dugmore

Print full name of Director/Sole Director

Director/Secretary (if applicable)

Print full name of Director/Secretary

Executed by Douglas Haynes Discovery Pty Ltd ACN [094 652 516] in accordance with s127 of the Corporations Act:

"Douglas William Haynes"

Director/Sole Director/Sole Director and Secretary

Douglas William Haynes

Print full name of Director/Sole Director

"Estelle Haynes"

Director/Secretary (if applicable)

Estelle Haynes

Print full name of Director/Secretary

# Minerals Royalty Deed



**Signed, sealed and delivered** by Robert Henrick Skrzeczynski in the presence of:

“Mark Dugmore”

\_\_\_\_\_  
Signature of witness

Mark Dugmore

\_\_\_\_\_  
Name of witness

“Robert Henrick Skrzeczynski”

\_\_\_\_\_  
Robert Henrick Skrzeczynski