

THIS RESTRUCTURING AND AMENDMENT AGREEMENT is made the 20th day of September, 2021

BETWEEN

MLK GOLD LTD. (formerly Mountain Lake Minerals Inc.) of 59 Payzant Drive, Windsor, Nova Scotia B0N 2T0 (**Mountain Lake**);

AND

WARWICK GOLD INC of [redacted personal address] (**Warwick**).

RECITALS

A. MLK and Warwick entered into an acquisition agreement dated April 6, 2020 as amended April 7, 2020 (the "Purchase Agreement") pursuant to which Mountain Lake was to acquire from Warwick a 50% interest in and to the mineral claims known as the Caledonia 2 property (the "Property"), located in Newfoundland and Labrador.

B. The transactions contemplated by the Purchase Agreement have not yet closed.

C. Since the date of the Purchase Agreement, Mountain Lake has consolidated its share capital on a six old for one new basis (the "Consolidation") and changed its name form " Mountain Lake Minerals Inc".

D. The parties mutually wish to amend and restructure the Purchase Agreement to contemplate the purchase by the Company of a 100% interest in and to the Property and to revise the consideration payable by the Company to Warwick therefore.

IT IS AGREED as follows:

1. ACKNOWLEDGEMENT

The Purchase Agreement, as amended hereby, will continue in full force and effect and this Amendment Agreement will have effect so far as practicable as if all the provisions of the Purchase Agreement and of this Amendment Agreement were contained in the one instrument

2. DEFINITIONS

Except as otherwise specified herein, all capitalized terms defined in the Purchase Agreement will have the same meaning when used in this Amendment Agreement

3. AMENDMENTS TO PURCHASE AGREEMENT

Effective as of the date of this Amendment Agreement, the Purchase Agreement is hereby amended such that Section 2 "Acknowledgement" will be deleted in its entirety and replaced as follows:

"2. PURCHASE OF CALEDONIA 2 PROPERTY

2.1 Purchase and Sale

Warwick agrees to sell, transfer and assign to Mountain Lake, and Mountain Lake agrees to purchase from Warwick, all of mineral claims comprising the Caledonia 2 property

(the "Property") as set forth in Schedule "A" attached hereto, free and clear of all encumbrances on the Closing Date (as hereinafter defined) on and subject to the terms and conditions in this Agreement (the "Transaction").

2.2 Purchase Price

As consideration for the purchase of the Property:

- (a) The Company agrees to pay to Warwick on the Closing Date, the amount of \$75,500 payable in cash (the "Cash Payment");
- (b) The Company agrees to issue to Warwick on the Closing Date, an aggregate of 1,490,000 fully paid and non-assessable common shares in the capital of the Company at a deemed price of \$0.05 per share (the "Payment Shares"), which Payment Shares shall be subject to hold periods under applicable securities legislation and such other escrow restrictions as may be imposed by any stock exchange on which the Payment Shares become listed on; and
- (c) The Company agrees to grant to Warwick on the Closing Date a 0.5% net smelter returns royalty on the Property (the "Caledonia 2 Royalty") and on the mineral claims known as the Manuels property (as identified in Schedule "A" hereto) (the "Manuels Royalty" and together with the Caledonia 2 Royalty, the "Royalties"), which Royalties will be granted pursuant to the terms and conditions of the royalty agreement in substantially the form attached hereto as Schedule "B" (the "Royalty Agreements").

2.3 Closing

The completion of the Transaction (the "Closing") shall take place electronically on the business day following the day on which the Company receives the conditional approval of the Canadian Securities Exchange for the listing of its common shares thereon (the "Closing Date") and in any event not later than September 30, 2021.

2.4 Obligations of Warwick on Closing

At the Closing, Warwick shall deliver or cause to be delivered to the Company the following:

- (a) all instruments of transfer and forms required to register the Royalties and to effect the transfer of the Property from Warwick to Company under the *Mineral Act*, RSNL, 1990, c M-12,
- (b) the Royalty Agreements as executed by Warwick in registrable form;
- (c) a certified copy of the resolutions of the directors, and if applicable, the shareholders, of Warwick approving and authorizing the entry into this Agreement and the Transaction; and
- (d) all documents, data, maps, books, records, results and other materials related to the Property.

2.5 Obligations of the Company on Closing

At the Closing, the Company shall deliver or cause to be delivered to Warwick the following:

- (a) a certified copy of the directors of the Company approving and authorizing this Agreement and the Transaction;
- (b) the Royalty Agreements executed by the Company, in registrable form;
- (c) a share certificate or other evidence of issuance representing the Payment Shares issued on the Closing Date payable to the beneficial owner of Warwick, William Fleming; and
- (d) a cheque, wire payment or electronic funds transfer representing the Cash Payment payable to Warwick.

2.6 Covenants of Warwick until Closing

During the period from the date of this Agreement until the earlier of the Closing Date or the termination of this Agreement, Warwick shall hold the Property in the ordinary course of business and in compliance with applicable laws and shall not:

- (a) dispose of, grant any interest in, or encumber any of the Property;
- (b) enter into any contract or other transaction that could materially affect the Property or Warwick's interest therein; and
- (c) terminate, cancel, modify or amend in respect any contract or claims related to the Property or take or fail to take any action that would entitle any party to a contract related to the Property to terminate, cancel, modify or amend such contract.

2.7 Representation and Warranties of Warwick

Warwick represents and warrants to the Company that as of the date of this Agreement and on the Closing Date:

- (a) it is a valid and subsisting corporation duly incorporated under the laws of its jurisdiction of incorporation and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and, subject to ratification by shareholders in a special meeting of shareholders of Warwick, has taken all necessary corporate action and proceedings and has obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of the Vendor enforceable against it in accordance with its terms, subject to shareholders' ratification as aforesaid and except that:
 - (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before it by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;

- (b) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of or accelerate the performance required by any agreement to which it is a party;
- (c) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby, result in a breach of any laws applicable to it or its constating documents;
- (d) it is not a "U.S. Person" (as that term is defined in Regulation S under the United States Securities Act of 1933, as amended);
- (e) Warwick is the legal, registered and beneficial owner of a 100% undivided Interest in the Property free and clear of all encumbrances.
- (f) to the best of its knowledge there are no aboriginal rights or interests that are currently asserted in respect of the Property;
- (g) the Property is in good standing and Warwick has paid all fees, taxes, assessments, rentals, levies or other payments and filed all reports and returns required to be made and filed relating to the Property, all claims comprising the Property have been duly and validly located and recorded, and no proceedings have been instituted to invalidate or assert an adverse claim or challenge against or to the ownership of title to the Property, nor is there any basis therefor, and no other person, except the Company, is entitled to acquire or purchase or enter into an agreement to acquire or purchase the Property or any portion thereof, and no person other than the Company has any royalty or other interest whatsoever in production from or the profits earned from any part of the Property;
- (h) all work carried out, or caused to be carried out, on the Property by Warwick has been carried out in compliance with all applicable laws, including environmental laws, and neither Warwick, nor, to its knowledge, any person, has received any notice of any breach of any such laws, and it has no knowledge of any facts which would lead a well-informed operator in the mining industry to believe there are any environmental liabilities associated with the Property, and there are no environmental audits, evaluations, assessments or studies relating to the Property;
- (i) there are no claims, actions, suits, judgments, litigation or proceedings of any nature concerning the Property, or to the knowledge of Warwick pending or threatened against Warwick or any other person which may defeat, impair, detrimentally affect or reduce the right, title and interest of Warwick in the Property, including any matter seeking forfeiture of the Property, and Warwick is not aware of any existing ground on which any such claim, action, suit, judgment, litigation or proceeding might be commenced with any reasonable likelihood of success;
- (j) as at the Closing Date Warwick will not have taken any steps to terminate its existence and will not have received any notice or other communication from any person or governmental authority indicating that there exists any situation which could result in the termination of its existence;

- (k) no event of insolvency has occurred in relation to Warwick nor is there any act which has occurred or any omission made which may result in an event of insolvency occurring in relation to Warwick; and
- (l) there has been no material default in any term, condition, provision, or obligation to be performed under any material contract entered into by Warwick in respect of the Property.

4. ACKNOWLEDGMENT OF WARWICK

Warwick acknowledges and agrees that following the execution of this AMENDMENT AGREEMENT the sole interest Warwick shall hold in the Manuels property and the Property shall consist of the Royalties.

5. GOVERNING LAW

This AMENDMENT AGREEMENT shall be governed by and construed in accordance with the law from time to time in the Nova Scotia, Canada and the Parties agree to submit to the non-exclusive jurisdiction of the courts of Nova Scotia, Canada and the courts which hear appeals therefrom.

6. COUNTERPARTS

This AMENDMENT AGREEMENT may be executed in any number of counterparts (including by way of facsimile or electronic transmission) each of which shall be deemed for all purposes to be an original and all such counterparts taken together shall be deemed to constitute one and the same instrument.

EXECUTED by the Parties as AMENDMENT AGREEMENT.

WARWICK GOLD INC.

Per: "William Fleming"

Authorized Signatory

MLK GOLD LTD.

Per: "Paul Smith"

Authorized Signatory

SCHEDULE "A"

DESCRIPTION OF MAUELS PROPERTY

The Manuels property comprises a total of 21 mineral claims held under 3 map-staked licences. Following the table are the descriptions for each mineral licence.

Project Area	Licence Number	Number of Claims	Issuance Date
Conception Bay South	023601M	7	2010/02/11
Wych Hazel Pond	025177M	9	2017/06/14
Conception Bay South	027292M	5	2019/08/29
	TOTALS	21	

SCHEDULE B
ROYALTY AGREEMENT

SCHEDULE "B"

NET SMELTER RETURN ROYALTY

THIS **ROYALTY AGREEMENT** is dated as of the • day of •, 2021 .

BETWEEN:

WARWICK GOLD INC, an corporation formed under the laws of Nova Scotia, having its head office at [insert]

(hereinafter called the "Payee")

AND:

MLK GOLD LTD., a corporation formed under the laws of British Columbia, having its head office at 59 Payzant Drive, Windsor, Nova Scotia B0N 2T0

(hereinafter called the "Payor")

WITNESSETH THAT for good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties hereto agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. In this Agreement, except as otherwise expressly provided, or unless the context otherwise requires:

- (a) "**Affiliate**" means any Person that directly or indirectly controls, or is controlled by or is under common control with, a Party or with whom a Party does not deal with at arm's length (as defined in the Income Tax Act (Canada)). The term "control" as used herein means the right to the exercise of, directly or indirectly, more than 50% of the voting rights attributable to the shares or ownership interests of the controlled entity.
- (b) "**Business Day**" means a day other than a Saturday, Sunday or a statutory holiday in Newfoundland and Labrador or Nova Scotia.
- (c) "**Commercial Production**" means any form of mining, milling, processing, concentrating, recovery or refining activity conducted with the intention of creating economic value or economic gain from deposits of Minerals contained within the Property, including the taking of Minerals from the Property for the purpose of bulk sampling or determining the amenability of the Minerals to beneficiation processes or mining to the extent that such taking results in actual proceeds of sale.
- (d) "**Deemed Receipts**" means the following:
 - (i) Where Payor or any Affiliate of Payor produces or has produced any Refined

Products through any smelting or refining arrangements or any other transactions that result in the return to, or credit to the account of, Payor or any Affiliate of Payor of Refined Products meeting the physical specifications for good delivery or minimum purity requirements of: in the case of copper, the London Metal Exchange ("**LME**") or the COMEX division of the New York Mercantile Exchange ("**COMEX**") (each, "**Refined Copper**"); in the case of zinc, the LME ("**Refined Zinc**"); in the case of gold, the London Bullion Market Association ("**LBMA**") ("**Gold Bullion**"); in the case of silver, the LBMA ("**Silver Bullion**"); in the case of Platinum, the LBMA ("**Platinum**"); in the case of Palladium, the LBMA ("**Palladium**"); in the case of rhodium, iridium or ruthenium, Johnson Matthey ("**Rhodium**"); and, in the case of other Products produced from Raw Products and/or Intermediate Products through subsequent smelting and/or refining and the outturned metal from which meets the relevant specifications for Refined Products that have prices regularly quoted on the LME ("**Other Refined Products**"),

then notwithstanding anything in this Agreement to the contrary, the term "**Deemed Receipts**" for such Refined Products shall be deemed to mean the net number of pounds avoirdupois of Refined Copper or Refined Zinc or troy ounces of Gold Bullion, Silver Bullion, Platinum, Palladium or Rhodium or net number of pounds avoirdupois or other relevant unit of measure for Other Refined Products, as the case may be, returned to, or credited to the account of, Payor or its Affiliates by the applicable smelter, refinery or other treatment facility in a calendar quarter, multiplied by:

- A. for Refined Copper, the average of the LME Settlement Price for Grade A Copper Cathode in the case of return of LME Grade A Copper Cathode or of the COMEX High Grade First Position Settlement price in the case of return of COMEX High Grade Copper or the equivalent, in each case for the calendar quarter in which such Refined Copper is returned or credited to the account of Payor or its Affiliates by such smelter, refinery or other treatment facility;
- B. for Refined Zinc, the average of the LME Settlement Price for special high-grade zinc for the calendar quarter in which such Refined Zinc is returned or credited to the account of Payor or its Affiliates by such smelter, refinery or other treatment facility;
- C. for Gold Bullion, the average daily mean of the Initial and Final quotations of LBMA Gold Price, for the calendar quarter in which such bullion is so returned or credited;
- D. for Silver Bullion, the average LBMA Silver Price for the calendar quarter in which such bullion is so returned or credited;
- E. for Platinum plate or ingots, the average of morning and afternoon fix LBMA Platinum Prices for the calendar quarter in which such product is so returned or credited;

- F. for Palladium plate or ingots, the average of morning and afternoon fix LBMA Palladium Prices for the calendar quarter in which such product is so returned or credited;
- G. for Rhodium, the average Johnson Matthey Rhodium Base Price for the calendar quarter in which such product is so returned or credited; and
- H. for Other Refined Products, the average LME prices for such Other Refined Product for the calendar quarter in which such Other Refined Product is so returned or credited.

In the event of any insurance proceeds payable to Payor or its Affiliates for any loss or damage to the Intermediate Products prior to receipt at the relevant refinery, smelter or other treatment facility, such insurance proceeds less any costs incurred to recover such proceeds shall be included as revenue in lieu of Deemed Receipts.

- (ii) The average price for the calendar quarter shall be determined by dividing the sum of all daily prices posted during the relevant calendar quarter by the number of days that prices were posted. The posted prices shall be obtained from Platt's Metals Daily, Metals Week or Metals Bulletin for the relevant period, or the average of such publications which publish such prices if more than one publishes relevant prices, but corrected to the official quotations of LME, COMEX or LBMA in the event of printing errors, and for other prices not published in such publications, the Wall Street Journal, Reuters, or other reliable source agreed by the parties hereto, or upon failure to so agree to be determined by arbitration in the manner provided herein as being an appropriate recognized pricing source by the mining industry.
- (iii) If any applicable price set forth above is not available or becomes unavailable for any reason, including the price in question becoming unavailable or being renamed, or the publications in question ceasing to publish or include such prices in its publications, the parties hereto shall agree upon a similar alternative method recognized in the mining industry for determining any such price, or upon failure to so agree to be determined by arbitration in the manner provided herein, with the average price for the quarter in which such price becoming no longer available being used on an interim basis pending an arbitration decision.
- (iv) If any applicable specification or definition of good delivery or applicable contract specifications for any Refined Products or Other Refined Products utilized by the LME, COMEX, LBMA or Johnson Matthey changes, or if such exchanges, organizations or associations cease to exist or are reconstituted or replaced by a successor or replacement exchange, organization or association, the parties hereto shall agree upon a similar alternative method recognized in the mining industry for determining such specifications or definition, or upon failure to so agree to be determined by arbitration in the manner provided herein.

In the case where a Raw Product or an Intermediate Product is distributed or otherwise disposed of to an Affiliate of Payor and such Raw Product or Intermediate Product is

converted by such Affiliate or a third Person on behalf of such Affiliate to a Refined Product meeting the standards for determining Deemed Receipts as set forth in this Section, then for purposes of calculating Deemed Receipts such Raw Product or Refined Product shall be deemed produced, and the Deemed Receipts received, by Payor in the calendar quarter in which the Raw Product or Refined Product is made available to the Affiliate by the smelter or refinery.

- (e) **“Financing Party”** means any Person who has provided or provides any form of financial assistance to the Payor in bringing the Property into or in continuing or expanding Commercial Production.
- (f) **“IFRS”** means International Financial Reporting Standards, at the relevant time, applied on a consistent basis;
- (g) **“Intermediate Products”** means concentrates (including without limitation iron ore concentrate, leachates, precipitates, and other concentrates), iron ore pellets, doré, and other intermediate products, if any, produced from Raw Products, but shall not include cathode or Other Refined Products.
- (h) **“iron ore pellets”** means a product obtained by pelletizing iron ore or iron ore concentrates, suitable for iron making in blast furnaces.
- (i) **“Minerals”** means all rocks, metallic and non-metallic minerals, ore, concentrate, precious and base metals, oil, gas, elements and other materials removed or recovered from the Property through mining, milling, processing, concentrating, smelting or refining activity including without limitation coal, uranium, limestone, dolomite, aggregate and quarry materials.
- (j) **“Net Smelter Returns”** means all Receipts in respect of Minerals less Permissible Deductions.
- (k) **“Non-Fair Market Purchaser”** means any Person to whom Products are sold for proceeds which are not at least equal to those which would have been realized from a fair market sale to a wholly independent arms-length third party purchaser.
- (l) **“Other Refined Products”** shall have the meaning ascribed thereto in section 1.1(e)(i).
- (m) **“Permissible Deductions”** means the aggregate of the following costs and charges (to the extent not previously deducted or accrued in computing Receipts) that accrue or are paid in each quarterly period:
 - (a) direct transportation and insurance costs incurred delivering Minerals or Products from the Property to the final smelting or refinement facility; and
 - (b) all smelting, refining and final treatment costs, penalties and other deductions charged by the smelting or refinement facility

provided that, where a cost or expense otherwise constituting a Permissible Deduction is incurred by the Payor in a transaction with a party with whom it is not dealing at arm's length (as that term is defined in the Income Tax Act (Canada)), such costs or expenses may be deducted, but only as to the lesser of the actual cost incurred by the Payor and

the lowest cost that could reasonably have been obtained if dealing at arm's length, considering the time of such transaction and under all the circumstances thereof.

- (n) **"Person"** means a natural person, a corporation, company or other body corporate (with or without share capital), a partnership or limited partnership, a trust, a trustee, executor, administrator or other legal personal representative, a syndicate, a joint venture, an unincorporated association, a regulatory body or agency, a government or governmental agency, or any other legal or business entity however designated or constituted.
- (o) **"Physical Product Receipts"** means:
- (i) If Raw Products or Intermediate Products are sold by Payor to a smelter, refinery, pelletization facility, steel company or other purchaser, other than an Affiliate, a Financing Party or a Non-Fair Market Purchaser, the Payor's gross revenues from such sale, including revenues in the form of credits for other Products, plus the amounts of any discounts or rebates.
 - (ii) If Refined Products are sold by Payor to any purchaser and the Deemed Receipts for such Refined Products cannot be calculated for purposes of payment through the application of the definition of Deemed Receipts set forth in Section 1.1(d) herein ("**Non-qualifying Refined Products**"), Payor's gross revenues from such sale, including revenues in the form of credits for other Products, plus the amounts of any discounts or rebates, excepting only for sales to an Affiliate, a Financing Party or a Non-Fair Market Purchaser.
 - (iii) If Raw Products, Intermediate Products or Non-qualifying Refined Products are distributed or disposed of to an Affiliate of Payor or a Financing Party or a Non-Fair Market Purchaser, and then are sold without further processing by or for such Affiliate, Financing Party or Non-Fair Market Purchaser, the gross revenues from such sale, including revenues in the form of credits for other Products, plus the amounts of any discounts or rebates, which shall be deemed to have been received by Payor.
 - (iv) If Raw Products, Intermediate Products or Non-qualifying Refined Products are sold, distributed or otherwise disposed of to an Affiliate of Payor, a Financing Party or a Non-Fair Market Purchaser in any transaction that is not covered above (including without limitation where the Affiliate, Financing Party or Non-Fair Market Purchaser, consumes such Raw Products, Intermediate Products or Non-qualifying Refined Products in its own operations) then in such event the fair market value that would otherwise be received from a third party in an arm's length transaction for the sale of such Raw Products, Intermediate Products or Non-qualifying Refined Products, FOB (Incoterms, 2010) the port or other freight terminal from which such Products are or would normally be shipped to the purchaser. Such fair market value shall be reasonably determined by Payor on the basis of world terms available from other smelters, refineries, pelletization facilities, steel companies or other purchasers to which such Products would otherwise be shipped and processed, for like kind, quantity, quality and grade of such Products.
- (p) **"Prime Rate"** means at any particular time the annual rate of interest announced from time to time by Royal Bank of Canada, Main Branch, Toronto, Ontario as a reference rate then

in effect for determining floating rates of interest on Canadian dollar loans made in Canada.

- (q) **“Products”** means Raw Products, Intermediate Products and Refined Products produced from the Property.
- (r) **“Property”** means the subsurface, mineral, exploration, mining and access rights, together with all ancillary or appurtenant rights attached or accruing thereto, with respect to those lands set forth in Schedule A annexed hereto and all lands, property and rights contained therein, including any renewals, extensions or replacements of the same issued from time to time in whole or in part, any substitute or successor titles thereto, and any other property or mineral tenure that may arise from time to time in connection therewith, including for the sake of certainty any mineral lease or mineral grant.
- (s) **“Purchaser”** has the meaning assigned to it in Section 12.1.
- (t) **“Raw Products”** means ore produced from the Property in the form of run of mine ore, direct shipment ore and other similar crude or raw ore produced from the Property without further processing other than crushing.
- (u) **“Refined Products”** means Gold Bullion, Silver Bullion, Refined Copper, Refined Zinc, Platinum, Palladium, Rhodium and Other Refined Products produced from Raw Products and/or Intermediate Products through refining and/or smelting or equivalent treatment operations.
- (v) **“Receipts”** shall be the sum of Physical Product Receipts and Deemed Receipts for the applicable calendar quarter.
- (w) **“Royalty”** has the meaning assigned to it in Section 2.1.
- (x) **“Royalty Percentage”** has the meaning assigned to it in Section 2.1.
- (y) **“Trading Activities”** has the meaning assigned to it in Section 4.6.

2. ROYALTY

- 2.1. The Payor hereby acknowledges the reservation in favour of the Payee, and further grants and agrees to pay to the Payee, a Net Smelter Returns royalty (the **“Royalty”**) in respect of the Minerals produced through Commercial Production from the Property equal to 0.5% (the **“Royalty Percentage”**).

3. COMPUTATION AND PAYMENT

- 3.1. Royalty. To compute the Royalty, the Payor shall multiply the Net Smelter Returns by the Royalty Percentage for the calendar quarter.
- 3.2. Payments. When Royalty payments are due and owing, Payor shall pay to the Payee the amount due within 45 days after the end of the calendar quarter for which such computation is made, and shall deliver with such payment a copy of the calculations used in connection with such payment. Any overpayments or underpayments shall be corrected in the next calendar quarter following

determination of such adjustment. All payments shall be made by bank cheque delivered to the address of the Payee or via wire payment to the account of the Payee.

- 3.3. Exceptions. All Royalty payments shall be considered final and in full satisfaction of all obligations of Payor with respect thereto, unless the Payee gives Payor written notice describing and setting forth a specific objection to the calculation thereof within twelve months after receipt by the Payee of the statement herein provided for. If the Payee objects to a particular statement as herein provided, the Payee shall, for a period of 30 days after Payor's receipt of notice of such objection, have the right, upon reasonable notice and at a reasonable time, to have Payor's accounts and records relating to the calculation of the Royalty in question audited by a chartered accountant acceptable to the Payee and to Payor. If such audit determines that there has been a deficiency or an excess in the payment made to the Payee such deficiency or excess shall be resolved by adjusting the next quarterly Royalty payment due hereunder, with interest as provided in Section 4.9 hereof in the case of a deficiency. The Payee shall pay all costs of such audit unless a deficiency of more than 10% of the amount due is determined to exist. Payor on its own account shall pay the costs of such audit if a deficiency of more than 10% of the amount due is determined to exist. All books and records used by Payor to calculate the Royalty shall be kept in accordance with IFRS. Failure on the part of the Payee to make claim on Payor for adjustment in such twelve month period shall establish the correctness and preclude the filing of exceptions thereto or making of claims for adjustment thereon.
- 3.4. Inspections. Upon not less than five (5) Business Days' notice to Payor, Payee, or its authorized agents or representatives, may, under the direction and control of Payor, enter upon all surface and sub-surface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, and all production records and data pertaining to all production activities and operations on or with respect to the Property, including without limitation, records and data that are electronically maintained. The Payee shall also have the right to be represented at all weighing, sampling, moisture determination and assaying except to the extent that such is not permitted under any contract with a smelter or refinery.
- 3.5. Annual Report. Within 60 days following the end of each calendar year during periods of Commercial Production, the Payor will provide Payee with an annual report of Minerals mined, Minerals milled or processed, recoveries, and grades, with respect to the Property during such calendar year. Such annual report shall include estimates of proposed expenditures upon, anticipated production from and estimated remaining Mineral reserves on the Property for the succeeding calendar year and any changes to, or replacements of, the mine plan or any "life of mine plan" with respect to the Property. The Payor will provide Payee with a copy of any "life of mine plan", if produced, within 30 days of its approval by Payor and any changes to, or replacements of, any such "life of mine plan" or any mine plan within 30 days after such change or replacement thereof.
- 3.6. Trading Activities. The Payor may, but need not, engage in forward sales, futures trading or commodity options trading, metals trading, gold loans, or any combination thereof, and other price hedging, price protection, and speculative arrangements ("**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. All profits and losses resulting from the Payor engaging in Trading Activities are specifically excluded from calculations of the Royalty, it being understood by the parties that both the Payor and Payee may engage in speculative hedging trading activities for their own account.

- 3.7. Accounting Principles. All computations under this Agreement shall be determined in accordance with IFRS as applied by Payor.
- 3.8. Withholding. Payor may deduct and withhold from payments due to the Payee hereunder such amounts as may be required by applicable law as the same may be amended from time to time.
- 3.9. Late Payments. Any payment required to be made pursuant to this Agreement by the Payor which is not made when due shall bear interest at an annual rate of interest equal to the Prime Rate plus two percent (2%), which shall accrue from the date due until the date paid.

4. COMMINGLING

- 4.1. Payor shall have the right to commingle ore, concentrates, minerals and other material mined and removed from the Property from which Products are to be produced, with ore, concentrates, minerals and other material mined and removed from other lands and property; provided, however, that Payor shall calculate from representative samples the average grade thereof and other measures as are appropriate, and shall weigh (or calculate by volume) the material before commingling. In obtaining representative samples, calculating the average grade of the ore and average recovery percentages, Payor may use any procedures accepted in the mining and metallurgical industry which it believes suitable for the type of mining and processing activity being conducted and, in the absence of fraud, its choice of such procedures shall be final and binding on the Payee.

5. TAILINGS AND WASTE

- 5.1. All tailings or waste material shall be the property of the Payor and the Payor shall have no obligation to process or extract substances therefrom. If the Payor elects to extract Minerals of value therefrom and utilizes or sells the same, the Payee shall receive payments in respect of the Royalty during Commercial Production of such Minerals. If the Payor commingles the tailings or waste material produced from the Property with tailings and waste material not produced from the Property, the Payor shall record the tonnage amount and source of such tailings and waste material prior to commingling and the Royalty payments, if any, shall be based upon the recoverable pro rata portion of the minerals in the tailings or waste material derived from the Property. The records of the Payor shall be deemed conclusive as to the tailings or waste material attributable to each source.

6. CONDUCT OF OPERATIONS

- 6.1. All decisions concerning the undertaking, methods, extent, times, procedures and techniques of any exploration, development, mining, leaching, milling, processing, extraction treatment, if any, and the materials to be introduced into the Property or produced therefrom, and except as otherwise provided in this Agreement all decisions concerning the sale or other disposition of Minerals (including, without limitation, decisions as to buyers, times of sale, whether to store or stockpile Minerals for a reasonable length of time without selling the same) shall be made by the Payor, acting reasonably and in accordance with good mining and engineering practice in the circumstances.

7. COMPLIANCE WITH LAWS

- 7.1. The Payor will indemnify and save Payee harmless from any loss, cost or liability including, without limitation, reasonable legal fees arising from a claim against Payee in respect of any

failure by the Payor to at all times comply with all applicable present or future federal, provincial, territorial and local laws, statutes, rules, regulations, permits, ordinances, certificates, licences and other regulatory requirements, policies and guidelines relating to the Payor or the Property; provided, however, the Payor shall have the right to contest any of the same.

8. ABANDONMENT OF PROPERTY

- 8.1. The Payor shall be entitled, from time to time, to abandon or surrender or allow to lapse or expire any part or parts of any mineral claims or mining leases relating to or comprising the Property ("**Released Property**"), provided that if the Payor wishes to so abandon, surrender or allow to lapse or expire the Released Property, the Payor shall provide the Payee at least 30 days' prior written notice of such proposed abandonment, surrender, lapse or expiration and the Payee shall be entitled to acquire, for no consideration, the Released Property, exercisable by notifying the Payor in writing within 10 days following receipt of such notice of proposed abandonment, surrender, lapse or expiration from the Payor. If the Payee notifies the Payor of its intention to acquire the Released Property as aforesaid, the Payor shall thereafter do all such acts and things or shall cause all such acts and things to be done, at the Payee's sole cost and expense, to assign or convey, as appropriate, the Released Property to the Payee and to have the Released Property recorded or registered into the name of the Payee. In the event that the Payee acquires the Released Property as provided in this Section 9.1, the Payor will have no liability to the Payee as may be associated with the Released Property whatsoever, whether due to the actions of the Payor or its Affiliates or otherwise.
- 8.2. Upon any such abandonment, surrender, lapse or expiration, this Agreement shall be null and void and of no further force or effect with respect to such Released Property, provided that if the Payor abandons or surrenders or allows to lapse or expire any such Released Property and, thereafter, the Payor or any Affiliate of the Payor subsequently reacquires a direct or indirect beneficial interest such Released Property, then such Released Property will once again be subject to the obligation to pay the Royalty with respect thereto.

9. NATURE OF ROYALTY

- 9.1. The Royalty shall be and shall comprise and constitute an interest in, run with, bind and touch the Property. The Payor and the Payee confirm their mutual intent to this effect. Any expense associated with establishing, registering or perfecting the Royalty as a real property interest shall be for the account of the Payee.

10. TERM

- 10.1. This Agreement shall continue in perpetuity. If any right, power or interest of either party under this Agreement would violate the rule against perpetuities, then such right, power or interest shall terminate at the expiration of 20 years after the death of the last survivor of all the lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the date of this Agreement.

11. CHANGE IN OWNERSHIP

- 11.1. By Payor. The Payor covenants and agrees that in the event of any sale or disposition of the Property or any part thereof in any manner whatsoever at any time hereafter by the Payor to a third party (a "**Purchaser**"), the Payor shall provide a copy of this Agreement to the Purchaser, shall obtain the Purchaser's written agreement to and in favour of Payee that the Purchaser shall be bound by the terms of this Agreement as if they were a party thereto in the place and stead of

the Payor, and shall ensure that in any such agreement and/or deed of sale, assignment or other disposition in any manner whatsoever to the Purchaser, a covenant to the same obligation and effect as this section which would oblige the Purchaser and its successors and assigns is contained therein, and that any such agreement, deed of sale, assignment or disposition in any manner whatsoever is registered at the public registries in which it is required or customary to register such mining agreements. Upon such assignment, sale or transfer, the Payor shall be released from all obligations under this Agreement.

- 11.2. By Payee. Payee may sell, assign or transfer the Royalty to any Person provided that no sale, assignment or transfer shall be effective until notice is delivered to the Payor and the transferee provides to the Payor an acknowledgement in writing that it assumes this Agreement and the obligations of Payee. No change or division in the ownership of the Royalty, however accomplished, shall enlarge the obligations or diminish the rights of the Payor. The Payee covenants that any change in ownership of the Royalty shall be accomplished in such a manner that Payor shall be required to make payments and give notice to no more than one Person.

12. GENERAL PROVISIONS

- 12.1. Registration of Interest. Payee shall have the right from time to time to register or record notice of this Agreement and the Royalty, any other documents relating to or contemplated by the foregoing and any caution or other title document, against title to the Property or elsewhere, and Payor shall cooperate with all such registrations and recordings and provide its written consent or signature to any documents and do such other things from time to time as are necessary or desirable to effect all such registrations or recordings or otherwise to protect the interests of Payee hereunder.
- 12.2. Time. Time is of the essence of this Agreement and each of the terms and conditions of this Agreement.
- 12.3. Notices. Any notices to be given to one party by the other may be sent by telecopy or may be personally delivered addressed as follows:

To Payee:

Warwick Gold Inc.

[redacted address]

E-mail: [redacted]

To Payor:

MLK GOLD LTD.
59 Payzant Drive
Windsor, NS
B0N 2T0, Canada

Attention: Paul K. Smith
E-mail: pksmith.geologist@gmail.com

or at such other address as any party hereto may from time to time designate by written notice to the other parties hereto and any such notice shall be deemed to have been given and received by the party to which it is addressed on delivery if delivered and on the day following transmission if telecopied.

- 12.4. No Implied Covenants. There are no implied covenants or duties on the part of Payor to the Payee, whether relating to the exploration, development or mining of the Property, the marketing or sale of Products or otherwise. Without limiting the generality of the foregoing, Payor is not under any obligation to explore, develop or produce Products from the Property or to continue production once commenced and Payor has the unfettered right to suspend, curtail or terminate any such operation or activity as it in its sole discretion may determine.
- 12.5. No Fiduciary Duties. Nothing herein shall be construed to create, expressly or by implication, a fiduciary relationship or a partnership between Payor and the Payee.
- 12.6. Severability. If any one or more of the provisions of this Agreement are held to be illegal, invalid or unenforceable for any reason, then such illegality, invalidity or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision or provisions had never been contained herein.
- 12.7. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Newfoundland and Labrador, and may be enforced in the courts of Newfoundland and Labrador.
- 12.8. Binding Effect. All covenants, conditions and terms of this Agreement shall be of benefit to and run as a covenant with the Property and shall bind and enure to the benefit of the parties hereto and their respective successors and assigns.
- 12.9. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.
- 12.10. Further Assurances. Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.
- 12.11. Counterparts. This Agreement may be executed in counterparts and delivered by facsimile or in the form of a photocopy, and each such facsimile or photocopy signature shall be deemed to be an original and all such counterparts taken together shall be deemed to be one and the same

original document and notwithstanding their actual date of execution shall be deemed to be dated as of the date first above written.

- 12.12. No Merger. The parties intend that if Payee in the future ever acquires an interest in the Property in addition to those rights granted by this Agreement, title to that interest shall not be deemed to merge with those rights, and this Agreement shall continue in full force and effect. A merger of title shall occur only if Payee records in the real estate records a memorandum of merger, expressly acknowledging that its rights under this Agreement have merged with its after-acquired interest in the Property.

13. ARBITRATION

- 13.1. All disputes, controversies, questions or claims arising out of, or in connection with, this Agreement, including the interpretation, performance, breach, termination or invalidity of it, shall be referred to and finally settled by three arbitrators appointed as follows:
- (a) either party may refer any such matter to arbitration by written notice to the other party, naming its appointee as arbitrator;
 - (b) the other party shall, within 14 days of receipt of the notice, name its appointee as arbitrator; and
 - (c) the two arbitrators so named shall, within 14 days of the naming of the latter of them, select and appoint a third arbitrator.
- 13.2. Except as specifically provided in this Section, an arbitration hereunder shall be conducted in accordance with the provisions of the Arbitration Act (Newfoundland and Labrador), which provisions shall be binding upon the parties hereto with respect to the submission made under this agreement.
- 13.3. The seat of the arbitration shall be St. John's, Newfoundland and Labrador and the language of the arbitration shall be English.
- 13.4. Judgment may be entered on the arbitration award in a court of competent jurisdiction, including, without limitation a court having jurisdiction of the Property.

[signature page follows]

IN WITNESS WHEREOF this Agreement has been executed as of the day and year first above written.

SIGNED, SEALED AND DELIVERED
by **WARWICK GOLD INC.** in the
presence of:

WARWICK GOLD INC.

Notary Public for _____
(affix seal or stamp)

By: _____
Name: **William Fleming**
Title: *President*
I have authority to bind the corporation

SIGNED, SEALED AND DELIVERED
by **MLK GOLD LTD.** in the
presence of:

MLK GOLD LTD.

Notary Public for _____
(affix seal or stamp)

By: _____
Name: **Paul K. Smith**
Title: *President & CEO*
I have authority to bind the corporation

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SCHEDULE A

PROPERTY SUBJECT TO THE ROYALTY