

ASSET PURCHASE AGREEMENT

CLOVER NEVADA LLC

- and -

MAVERICK SPRINGS MINING COMPANY, LLC

- and -

1316524 B.C. LTD.

October 1, 2021

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT made the 1st day of October, 2021,

BETWEEN:

CLOVER NEVADA LLC,
a limited liability company existing under the laws of
the State of Nevada,

(hereinafter referred to as "**Clover Nevada**"),

- and -

MAVERICK SPRINGS MINING COMPANY, LLC,
a limited liability company existing under the laws of
the State of Nevada,

(hereinafter referred to as "**MSMC**" and, together
with Clover Nevada, the "**Vendor Parties**"),

- and -

1316524 B.C. LTD.,
a corporation existing under the laws of the Province of British Columbia,

(hereinafter referred to as the "**Purchaser**").

WHEREAS Clover Nevada owns the Battle Mountain Portfolio (as defined herein) and MSMC controls the Maverick Springs Project (as defined herein);

AND WHEREAS MSMC is a wholly-owned subsidiary of Clover Nevada;

AND WHEREAS the Vendor Parties wish to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendor Parties, all of the Vendor Parties' right, title and interest in and to the Purchased Assets (as defined herein), all on the terms and conditions set out in this Agreement;

AND WHEREAS after the date hereof the shareholders of Purchaser intend to sell all of the issued and outstanding securities of the Purchaser to Pubco (as defined herein), and such Pubco will complete the purchase of the Purchased Assets (as defined herein) on the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following terms have the following meanings:

“363 Order” means the Order of the United States Bankruptcy Court for the District of Delaware, Case No. 15-10503-MFW, in respect of Allied Nevada Gold Corp., et al. dated June 18, 2015 approving the sale of certain assets, as more particularly set forth therein, and including the asset purchase agreement dated as of April 27, 2015 attached thereto and all schedules, appendixes, exhibits and attachments thereto;

“affiliate” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly;

“Applicable Laws” means applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and Orders, by-laws, rules, regulations, ordinances, or other requirements of any Governmental Authority having the force of law;

“Applicable Securities Laws” means: (a) securities legislation in each province and territory of Canada where Pubco is a “reporting issuer” at the date hereof, including all rules, regulations, published policy statements and blanket orders thereunder or issued by one or more of the Canadian Securities Regulatory Authorities, and (b) the United States federal securities laws, including the U.S. Securities Act and the U.S. Exchange Act, and applicable state securities laws;

“Artemis” means Artemis Exploration Company and its successors and assigns;

“Artemis Royalty” means the net smelter returns production royalty held by Artemis pursuant to a Mining Lease and Agreement dated October 1, 2001, as amended, by and between Artemis and Newmont Mining Corporation in respect of the Maverick Springs Project;

“associate” means, in respect of a relationship with a Person:

- (a) a body corporate of which that Person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than ten per cent (10%) of the voting rights under all circumstances or by reason of the occurrence of an event that has occurred and is continuing, or a currently exercisable option or right to purchase such shares or such convertible securities;
- (b) a partner of that Person acting on behalf of the partnership of which they are partners;
- (c) a trust or estate or succession in which that Person has a substantial beneficial interest or in respect of which that Person serves as a trustee or liquidator of the succession or in a similar capacity;

- (d) a spouse of that Person or an individual who is cohabiting with that Person in a conjugal relationship, having so cohabited for a period of at least one year;
- (e) a child of that Person or of the spouse or individual referred to in paragraph (d);
- (f) a relative of that Person or of the spouse or individual referred to in paragraph (d), if that relative has the same residence as that Person; and
- (g) any other Person with which such Person is not dealing with at arm's length or on arm's length terms;

"Authorizations" has the meaning set out in Section 8.1(b);

"Battle Mountain Portfolio" means the Mining Claims listed under "Battle Mountain Portfolio" on Schedule A;

"Books and Records" means the books and records of a party principally relating to such party or any of its Subsidiaries including financial, corporate, operations and sales books and records, sales and purchase records, lists of suppliers and customers, formulae, business reports, and material plans and projections and all other material documents, surveys, plans, files, records, assessments, correspondence, and other material data and information, financial or otherwise, including all material data, information and databases stored on computer-related or other electronic media;

"Business Day" means any day, other than a Saturday or Sunday, on which chartered banks in Toronto, Ontario and Vancouver, British Columbia, are open for commercial banking business during normal banking hours;

"Canadian Securities Regulatory Authorities" means, collectively, the securities regulatory authority in each province and territory of Canada where Pubco is a "reporting issuer";

"Cash Consideration" has the meaning set out in Section 2.3(a)(i);

"Claims" means all rights or causes of action (whether in law or equity), proceedings, obligations, demands, restrictions, warranties, guaranties, indemnities, consent rights, options, contract rights, rights of recovery, setoff, recoupment, indemnity or contribution, covenants and interests of any kind or nature whatsoever (known or unknown, matured or unmatured, accrued or contingent and regardless of whether currently exercisable), and whether imposed by agreement, understanding, law, equity or otherwise;

"Closing" means the completion of the transactions contemplated by this Agreement;

"Closing Date" means the day that the transactions contemplated herein close and all conditions contained in this Agreement have been satisfied or waived, which shall not be prior to the date upon which all Authorizations have been obtained for the transactions described herein, provided that the Closing Date shall occur no later than the Outside Date;

"Closing Time" means 12:00 p.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as agreed to by the Vendor Parties and the Purchaser Parties;

“**Clover Exploration Project**” means the Mining Claims listed under “Clover Exploration Project” on Schedule A;

“**Clover Exploration Project Permits**” means that certain Clover Exploration Project Plan of Operations permit number 0298, in connection with which Clover Nevada has provided reclamation security in the amount of \$92,157;

“**Code**” means the United States Internal Revenue Code of 1986, as amended;

“**Confidential Information**” has the meaning set out in Section 6.4(b);

“**Continuous Disclosure Documents**” means all forms, reports, schedules, statements and other documents filed by Pubco on SEDAR or EDGAR, as applicable, under Applicable Securities Laws, and including all news releases, financial statements, management’s discussion and analysis, material change reports, information circulars and other continuous disclosure documents;

“**Contract**” means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation (written or oral);

“**control**” means, in respect of:

- (a) a corporation, the ability of a Person or group of Persons acting in concert to influence the manner in which the business of such corporation is carried on, whether as a result of ownership of sufficient voting shares of such corporation to entitle that Person or group of Persons to elect a majority of the directors of such corporation or by Contract or otherwise; or
- (b) a partnership, trust, syndicate or other entity, actual power or authority to manage and direct the affairs of, or ownership of more than fifty percent (50%) of the transferable beneficial interests in, such entity,

and the term “**controlled**” has a corresponding meaning;

“**CSE**” means the Canadian Securities Exchange;

“**CVR**” means a freely transferable contingent value right to be issued to the Vendor Parties’ designee, substantially in the form attached hereto as Exhibit 1.1(a);

“**Deductible**” has the meaning set out in Section 9.3(a);

“**Deed of Trust**” has the meaning set out in the CVR;

“**Deposit**” means the non-refundable deposit of \$500,000 paid by the Purchaser to Clover Nevada concurrently with execution of the Letter of Intent;

“**Disclosing Party**” has the meaning set out in Section 6.4(b);

“**Distribution**” means, in respect of a Person: (a) the declaration or payment of any dividend in cash, securities or property on or in respect of any class of securities of the Person or its Subsidiaries; (b) the purchase, redemption or other retirement of any

securities of the Person or its Subsidiaries, directly or indirectly; or (c) any other distribution on or in respect of any class of securities of the Person or its Subsidiaries;

“Encumbrance” means any pledge, lien (statutory or otherwise), charge, security interest, sublicense (in respect of real property), sublease (in respect of real property), title retention agreement, option, privilege, right of first refusal or first offer, royalty, interest in the production or profits from any asset, back-in rights, earn-in rights, mortgage, hypothec, or other similar interest or instrument charging, or creating a security interest in, or against title, easement, servitude or right-of-way (registered or unregistered) which affects the assets of a Person and any agreement, option, right or privilege (whether by law, Contract or otherwise) capable of becoming any of the foregoing;

“Environmental Laws” means all Applicable Laws imposing obligations, responsibilities, liabilities or standards of conduct for or relating to: (a) the regulation or control of pollution, contamination, activities, materials, substances or wastes in connection with or for the protection of human health or safety, the environment or natural resources (including climate, air, surface water, groundwater, wetlands, land surface, subsurface strata, wildlife, aquatic species and vegetation); or (b) the use, generation, disposal, treatment, processing, recycling, handling, transport, distribution, destruction, transfer, import, export or sale of Hazardous Substances;

“Expense Allocation Payment” has the meaning set out in Section 2.4(b);

“Exploration Information” means all information available in respect of the Nevada Properties including: (a) all surveys, maps, mosaics, aerial photographs, electromagnetic tapes, sketches, memoranda, plans, geophysical plots (including magnetics and EM) and diagrams of the Nevada Properties and adjacent areas, (b) all drill samples, cores, rejects, pulps, drilling locations and logs from drilling conducted on the Nevada Properties or adjacent areas, (c) all mineral substances extracted or removed from the Nevada Properties for mineral exploration purposes and currently located in the Vendor Parties’ facility in Lovelock, Nevada, (d) geological and geochemical samples and geophysical logs and reports with respect to anomalous mineralization located within the Nevada Properties and all other technical data and information prepared and/or assembled by the Vendor Parties or in the possession of the Vendor Parties, (e) flora, fauna, hydrogeological and surface waters, ethnographic and archaeological surveys and environmental reports and audits, and (f) other documents or information relating specifically to the Nevada Properties, to work carried out or proposed to be carried out on the Nevada Properties, or to the conduct of operations on the Nevada Properties, in the possession or custody of, or owned by, the Vendor Parties and howsoever held or stored;

“Fundamental Representations” has the meaning set out in Article 4;

“Governmental Authority” means any (a) multinational, federal, provincial, state, regional, municipal, local, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, council, agency board or bureau, domestic or foreign, (b) any quasi-governmental body exercising any regulatory, administrative, expropriation or Tax Authority under or for the account of any of the foregoing, (c) any judiciary or quasi-judiciary tribunal, court, mediator or body, (d) any stock exchange, or (e) any self-regulatory organization;

“Hazardous Substance” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including hydrogen sulphide, arsenic, cadmium, copper, lead, mercury, petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material, substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any Environmental Law;

“Interim Period” means the period from the date hereof and continuing until the earlier of the termination of this Agreement and the Closing;

“Issue Price” has the meaning set out in Section 2.4;

“Letter of Intent” means the bid letter dated August 4, 2021 between the Purchaser and Clover Nevada;

“List” means the United States Environmental Protection Agency’s National Priorities List (NPL) of Hazardous Substance Sites or Superfund Enterprise Management System (SEMS), or any similar and active lists of environmental sites maintained by a state or local Governmental Authority;

“Losses” means, in respect of any matter, all Claims, demands, losses, damages, liabilities, fines, costs and expenses (including all legal and other professional fees, costs and disbursements, interest, assessments, penalties and amounts paid in settlement) and judgments arising directly or indirectly as a consequence of such matter;

“Maverick Springs Permits” means that certain Maverick Springs Exploration Plan of Operations permit number 0255, in connection with which MSMC has provided reclamation security in the amount of \$87,951;

“Maverick Springs Project” means the Mining Claims listed under “Maverick Springs Project” on Schedule A;

“Maverick Springs Representations” means the representations in Sections 5 to 10 of Schedule B, but only to the extent such representations relate to the Maverick Springs Project;

“Maverick Springs Title Report” means the title report update dated February 26, 2021 prepared by Parr Brown Gee & Loveless in respect of the Maverick Springs Project and all documents on which such report relies;

“Mining Claims” means the unpatented mining claims listed on Schedule A;

“Nevada BLM” means the Nevada Bureau of Land Management;

“Nevada Properties” means, collectively, the Battle Mountain Portfolio and the Maverick Springs Project;

“Newmont Royalty” means the net smelter returns production royalty held by Maverix Metals Inc. pursuant to a Royalty Deed dated October 7, 2002 by and between Vista Nevada Corp. and Newmont USA Limited d/b/a Newmont Mining Corporation in respect of the Maverick Springs Project;

"NI 43-101" means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*;

"Notice of Claim" means written notification by a Purchaser Party to the Vendor Parties of a claim for indemnification under Section 9.1;

"Notices" has the meaning set out in Section 11.1;

"Order" means any order, injunction, judgment, administrative complaint, decree, ruling, award, assessment, direction, instruction, penalty or sanction issued, filed or imposed by any Governmental Authority or arbitrator;

"ordinary course of business" means any transaction that constitutes an ordinary day-to-day business activity of a Person in accordance with, and materially consistent with, its past business practices;

"Outside Date" means, subject to Section 10.1(b), November 30 2021;

"Payment Shares" has the meaning set out in Section 2.3(a)(ii);

"Permit" means any license, permit, certificate, consent, order, grant, approval, agreement, classification, restriction, registration or other authorization of, from or required by any Governmental Authority;

"Permitted Encumbrances" means:

- (a) undetermined or inchoate Encumbrances and charges incidental to construction, maintenance or operations or otherwise relating to the ordinary course of business which have not at the time been filed pursuant to Applicable Law;
- (b) Encumbrances for taxes and assessments for the then current year, Encumbrances for taxes and assessments not at the time overdue, Encumbrances securing worker's compensation assessments and Encumbrances for specified taxes and assessments which are overdue (and which have been disclosed to the other parties to this Agreement) but the validity of which is being contested at the time in good faith, if the Person shall have made on its books provision reasonably deemed by it to be adequate therefor;
- (c) cash or governmental obligations deposited in the ordinary course of business in connection with Contracts, bids, tenders or to secure worker's compensation, unemployment insurance, surety or appeal bonds, costs of litigation, when required by Applicable Law, public and statutory obligations;
- (d) Encumbrances or Claims incidental to current construction, and mechanics', warehousemen's, carriers' and other similar Encumbrances;
- (e) all rights reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit held by it or by any statutory provision to terminate any such lease, licence, franchise, grant or permit or to require annual or periodic payments as a condition of the continuance thereof or to distrain

against or to obtain an Encumbrance on any of its property or assets in the event of failure to make such annual or other periodic payments;

- (f) Encumbrances and Claims disclosed in the Maverick Springs Title Report; and
- (g) all "Permitted Liens" as defined in the 363 Order and all Encumbrances described in Section 1.1 of the Vendor Parties Disclosure Letter;

"Person" means any individual, sole proprietorship, partnership, firm, entity, joint venture, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

"Prepaid Expenses" means each of the prepaid expenses paid by the Vendor Parties as of the Closing Date on account of required lease and maintenance payments in respect of the Purchased Assets, as described in Schedule E;

"Prior Acquisition Date" means June 29, 2015;

"Pubco" means Element79 Gold Corp., a corporation existing under the laws of the Province of British Columbia;

"Pubco Acquisition" has the meaning set out in Section 2.2(a);

"Pubco Acquisition Agreement" means the securities exchange agreement to be entered into between the Purchaser and Pubco prior to the Closing Date;

"Pubco Shares" has the meaning set out in Section 2.4;

"Purchased Assets" has the meaning set out in Section 2.1;

"Purchased Assets MAE" means any event, change or effect that, when taken individually or together with all other adverse effects, will or would be reasonably likely to have a materially adverse effect on the Purchased Assets, taken as a whole, or the ability of the Vendor Parties to perform their obligations under this Agreement or to consummate the transactions contemplated hereby; provided, however, that effects relating to:

- (a) changes in general political, regulatory, financial or economic conditions and changes affecting generally the industries and markets in which the Vendor Parties conduct business;
- (b) any fluctuation in interest rates, Canadian and U.S. currency exchange rates;
- (c) any fluctuation in commodity prices, including the price of gold;
- (d) any natural disaster;
- (e) the fact of the pendency of the transactions contemplated by this Agreement and the identity of the Vendor Parties and the Purchaser Parties;

- (f) the adoption or proposed implementation of, or changes in, Applicable Laws;
- (g) any act of terrorism or any outbreak of hostilities, military action or war, riot, protest or similar social disturbance or any escalation or worsening thereof; and
- (h) any general outbreaks of sickness or pandemics, including any event, change or effect relating to or caused by the COVID-19 pandemic,

are not Purchased Assets MAEs and are not to be taken into account in determining whether a Purchased Assets MAE has occurred, provided that in the case of (a), (d) and (f) through (h) above such changes or developments do not disproportionately affect the Purchased Assets;

“Purchaser Parties” means, collectively and unless the context otherwise requires, the Purchaser and, from and after the Pubco Acquisition, Pubco;

“Purchaser Party MAEs” means any event, change or effect that, when taken individually or together with all other adverse effects, will or would be reasonably likely to have a materially adverse effect on the business, affairs, capitalization, assets, liabilities, results of operations or condition (financial or otherwise) of the Purchaser or Pubco, as applicable, and their respective Subsidiaries, in either case taken as a whole, or the ability of the Purchaser or Pubco to perform their respective obligations under this Agreement or to consummate the transactions contemplated hereby; provided, however, that effects relating to:

- (i) changes in general political, regulatory, financial or economic conditions and changes affecting generally the industries and markets in which the Purchaser or Pubco, as applicable, and its Subsidiaries conducts business;
- (j) any fluctuation in interest rates, Canadian and U.S. currency exchange rates;
- (k) any fluctuation in commodity prices, including the price of gold;
- (l) any natural disaster;
- (m) the fact of the pendency of the transactions contemplated by this Agreement and the identity of the Vendor Parties;
- (n) the adoption or proposed implementation of, or changes in, Applicable Laws;
- (o) any act of terrorism or any outbreak of hostilities, military action or war, riot, protest or similar social disturbance or any escalation or worsening thereof; and
- (p) any general outbreaks of sickness or pandemics, including any event, change or effect relating to or caused by the COVID-19 pandemic,

are not Purchaser Party MAEs and are not to be taken into account in determining whether a Purchaser Party MAE has occurred, provided that in the case of (b), (e) and (g) through (i) above such changes or developments do not disproportionately affect the Purchaser or Pubco, as applicable, and their respective Subsidiaries;

“Receiving Party” has the meaning set out in Section 6.4(b);

“Reclamation Bonds” has the meaning set out in Section 10 of Schedule B;

“Release” means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Substance in the indoor or outdoor environment, including the movement of Hazardous Substance through or in the air, soil, surface water, ground water or property;

“Replacement Bonds” has the meaning set out in Section 6.5(a);

“Representative” means, with respect to any Person, such Person’s and such Person’s affiliates’ officers, directors, managers, employees, agents, representatives and financing sources (including any investment banker, financial advisor, accountant, legal counsel, agent, representative or expert retained by or acting on behalf of such Person or its affiliates);

“Subsidiaries” with respect to a Person, means, at the time such determination is being made, any other Person controlled by such first Person, in each case, whether directly or indirectly;

“Tax Authority” means the United States Internal Revenue Service, Canada Revenue Agency, Nevada BLM and any other national, state, local, provincial, territorial or other Governmental Authority responsible for the administration, implementation, assessment, determination, enforcement, compliance, collection or other imposition of any Taxes;

“Tax Returns” means any and all returns, reports, information, rebates or credits, elections, designations, schedules, filings or other documents (including any related or supporting information) relating to Taxes filed or required to be filed by any Tax Authority or pursuant to any Applicable Law relating to Taxes or in fact filed with any Tax Authority;

“Taxes” includes any taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind, including without limitation any fees payable to the Nevada BLM, imposed by any Tax Authority, including all interest, penalties, fines or additions to tax imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, local, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes and all employment insurance, health insurance and Canada pension plan premiums or contributions;

“Transfer Tax” means any sales, use, transfer, conveyance, documentary transfer, stamp, recording or other similar Tax imposed upon the sale, transfer or assignment of property or any interest therein or the recording thereof, and any penalty, addition to Tax or interest with respect thereto, including any filing fees to be paid to the U.S. Bureau of Land Management or similar state agency or county recorder and any Taxes under the agricultural deferral, but such term shall not include any Tax on, based upon or

measured by, the net income, gains or profits from such sale, transfer or assignment of the property or any interest therein;

“U.S. Exchange Act” means the United States Securities Exchange Act of 1934, as amended;

“U.S. Securities Act” means the United States Securities Act of 1933, as amended;

“Vendor Parties” has the meaning set out in the recitals to this Agreement;

“Vendor Parties’ Disclosure Letter” means the disclosure letter executed by the Vendor Parties and delivered to the Purchaser concurrently with the execution of this Agreement; and

“Voting Support and Lock-Up Agreement” means the voting support and lock-up agreement to be entered into between the Vendor Parties (or their designee receiving the Payment Shares) and Pubco on the Closing Date in the form attached hereto as Exhibit 1.1(b).

1.2 Rules of Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an “Article”, “Section”, “Schedule” or “Exhibit” followed by a number or letter refer to the specified Article or Section of or Schedule or Exhibit to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) the word “including” is deemed to mean “including without limitation”;
- (f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;
- (g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;
- (h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

- (i) all dollar amounts refer to Canadian dollars unless otherwise specified;
- (j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 Entire Agreement

This Agreement, the CVR and the Voting Support and Lock-Up Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, including the Letter of Intent. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in this Agreement and the Voting Support and Lock-Up Agreement.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Governing Law and Submission to Jurisdiction

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

(b) Each of the parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.7 Knowledge

References in this Agreement to the knowledge of any party means the actual knowledge of the officers of such party and the knowledge that such officers would have following reasonably diligent inquiry into the matter in question but without any requirement to make any inquiries of third parties or any Governmental Authority or to perform any search of any public registry office or system.

1.8 Waiver

No waiver of any provision of this Agreement shall be binding unless it is in writing. No indulgence or forbearance by a party shall constitute a waiver of such party's right to insist on performance in full and in a timely manner of all covenants in this Agreement. Waiver of any provision shall not be deemed to waive the same provision thereafter, or any other provision of this Agreement at any time.

1.9 Amendments

This Agreement may be amended or supplemented only by a written agreement signed by each of the parties.

1.10 Binding Effect

This Agreement shall be binding upon the parties hereto, and their respective successors and permitted assigns.

1.11 Schedules

The following schedules are attached hereto and form part of this Agreement:

- Schedule A - Mining Claims
- Schedule B - Representations and Warranties of the Vendor Parties
- Schedule C - Representations and Warranties of Pubco
- Schedule D - Representations and Warranties of the Purchaser
- Schedule E - Prepaid Expenses

1.12 Exhibits

The following exhibits are attached hereto and form part of this Agreement:

- Exhibit 1.1(a) - Form of CVR
- Exhibit 1.1(b) - Form of Voting Support and Lock-Up Agreement

ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS

2.1 Purchase and Sale of Purchased Assets

Subject to the terms and conditions set forth in this Agreement, the Vendor Parties hereby covenant and agree to sell, transfer, assign, convey and set over to the Purchaser Parties, and the Purchaser Parties hereby covenant and agree to purchase and acquire from the Vendor Parties, effective as of and from and after the Closing Time, all of the Vendor Parties' right, title and interest in and to the Mining Claims, the Exploration Information, the Maverick Springs Permits and the Clover Exploration Project Permits (collectively, the "**Purchased Assets**").

2.2 Acquisition by Pubco

(a) Promptly following the execution of this Agreement, the Purchaser shall enter into the Pubco Acquisition Agreement with Pubco, in form and substance satisfactory to the Vendor Parties, acting reasonably, pursuant to which the Purchaser shall agree to sell all of the issued and outstanding securities of the Purchaser to Pubco (the "**Pubco Acquisition**"), whereupon Pubco shall be responsible for satisfaction of all of the obligations of the Purchaser under this Agreement; provided, however, that such acquisition shall not relieve the Purchaser from any of its obligations hereunder.

2.3 Purchase Price

(a) The aggregate purchase price (the "**Purchase Price**") payable in exchange for the sale, transfer, assignment and conveyance of the Purchased Assets shall be satisfied at the Closing Time by the:

- (i) payment by Pubco to the Vendor Parties of \$2,000,000 in cash (the "**Cash Consideration**"), to be satisfied by: (A) the retention by the Vendor Parties of the Deposit; and (B) a wire transfer of the balance in immediately available funds to such account as the Vendor Parties shall have indicated by direction in writing to the Purchaser Parties at least two Business Days prior to the Closing Date;
- (ii) the issuance to the Vendor Parties' designee of that number of Pubco Shares (the "**Payment Shares**") as determined pursuant to Section 2.4 below, as fully paid, non-assessable shares in the capital of Pubco; and
- (iii) the issuance to the Vendor Parties' designee of the CVR.

(b) The Vendor Parties' designee is: (i) for purposes of Section 2.3(a)(ii), Waterton Nevada Splitter, LLC; and (ii) for purposes of Section 2.3(a)(iii), Waterton Nevada Splitter, LLC.

2.4 Expense Allocation Payment

(a) No later than one Business Day prior to the Closing Date, the Vendor Parties shall advise the Pubco in writing of the final amount of each of the Prepaid Expenses.

(b) At the Closing Time, Pubco shall make a cash payment to the Vendor Parties in an aggregate amount equal to US\$150,000, as partial reimbursement for the Prepaid Expenses (the “**Expense Allocation Payment**”). The Expense Allocation Payment shall be paid by wire transfer of immediately available funds to such account as the Vendor Parties shall have indicated by direction in writing to the Purchaser Parties at least two Business Days prior to the Closing Date.

2.5 Payment Shares

The number of Payment Shares shall be such number of common shares of Pubco (the “**Pubco Shares**”) that is equal to the lesser of: (a) \$6,000,000 divided by the Issue Price, and (b) a 9.9% equity interest of all of the issued and outstanding Pubco Shares on a basic, non-diluted, basis immediately following the issuance of such Payment Shares. The deemed “**Issue Price**” of each Payment Share will be equal to the greater of: (i) the minimum price permitted by the CSE, and (ii) the volume weighted average price of the Pubco Shares for the 20 trading days prior to Closing.

2.6 Allocation of Purchase Price

(a) During the Interim Period, the Purchaser Parties shall determine the allocation of the Purchase Price among the Purchased Assets and the Purchaser Parties shall deliver a written copy of such Purchase Price allocation to the Vendor Parties no later than 30 Business Days after the Closing Date for the Vendor Parties’ review, comment and approval, acting reasonably, which reasonable comments shall be incorporated into the allocation by the Purchaser Parties prior to approval, and once so approved, subject to Section 2.6(b), the Purchaser Parties and the Vendor Parties shall report the sale and purchase of the Purchased Assets for all federal, state, territorial, regional, local and municipal Tax purposes in a manner consistent with such allocation.

(b) If the Purchase Price allocation as determined pursuant to Section 2.6(a) is disputed by any Governmental Authority for purposes of applicable Transfer Taxes, the parties shall determine whether an adjustment to the Purchase Price allocation shall be made so as to satisfy the requirements of such Governmental Authority. Each of the Vendor Parties and the Purchaser Parties agrees to share such information within its possession and control and cooperate to the extent reasonably necessary or requested to facilitate such Purchase Price allocation hereunder and to obtain the endorsement and approval of such Purchase Price allocation by any Governmental Authority and to permit the transactions contemplated by this Agreement to be properly, timely and consistently reported; provided that nothing contained herein shall require any party or its affiliates to contest or to litigate in any forum any proposed deficiency or adjustment by any such Governmental Authority which challenges such Purchase Price allocation. Any adjustment to the Purchase Price allocation in accordance with this Section 2.6(b) shall be final and binding upon the parties.

ARTICLE 3 CLOSING

3.1 Closing

Subject to compliance with the terms and conditions hereof, the Closing, including the purchase and sale of the Purchased Assets, shall be deemed to take effect as at

the Closing Time. The Closing shall take place electronically. Unless otherwise agreed, all closing transactions shall be deemed to have occurred simultaneously.

3.2 Closing Deliveries by the Vendor Parties

At the Closing, the Vendor Parties shall deliver or cause to be delivered to the Purchaser Parties:

- (a) all deeds, declarations of value, bills of sale, conveyances, transfers, assignments (including duly executed counterparts of assignments of the Maverick Springs Permits), instruments and other documents which are necessary to assign, sell, transfer, convey and set over the Purchased Assets to the Purchaser Parties' designee as contemplated by this Agreement in such form and content as the Purchaser Parties and the Vendor Parties, each acting reasonably, may mutually agree;
- (b) a certificate of an officer of each of the Vendor Parties, dated the Closing Date, representing and certifying that the conditions set forth in Sections 8.3(a) and 8.3(b) have been fulfilled;
- (c) evidence of the Authorizations required for the Vendor Parties to consummate the transactions contemplated by this Agreement and perform their respective obligations hereunder;
- (d) a counterpart of the Voting Support and Lock-Up Agreement, executed by the applicable designee of the Vendor Parties;
- (e) a receipt for the Cash Consideration, the Payment Shares, if any, and the Expense Allocation Payment;
- (f) a certificate for each Vendor Party prepared in accordance with Treasury Regulations section 1.1445-2(b)(2) and section 1445 of the Code dated as of the Closing Date certifying that such Vendor Party is not a foreign person; and
- (g) all other documents and data, including electronic data and maps in the possession of the Vendor Parties, required to be delivered by the Vendor Parties to the Purchaser Parties pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

3.3 Closing Deliveries by the Purchaser Parties

At the Closing, the Purchaser Parties shall deliver or cause to be delivered to the Vendor Parties:

- (a) all deeds, bills of sale, conveyances, transfers, assignments (including duly executed counterparts of assignments of the Maverick Springs Permits), instruments and other documents which are necessary to assign, sell, transfer, convey and set over the Purchased Assets to Pubco or its designee as contemplated by this Agreement, in such form and content as the Vendor Parties and the Purchaser Parties, acting reasonably, may mutually agree;

- (b) a certificate of an officer of each of the Purchaser Parties, dated the Closing Date, representing and certifying that the conditions set forth in Sections 8.2(a) and 8.2(b), as they relate to such party, have been fulfilled;
- (c) evidence of the Authorizations required for the Purchaser Parties to consummate the transactions contemplated by this Agreement and perform their respective obligations hereunder;
- (d) a counterpart of the Voting Support and Lock-Up Agreement, executed by Pubco;
- (e) the Payment Shares, registered in the name of the Vendor Parties' designated nominee, the Cash Consideration, and the duly executed CVR, in accordance with Section 2.3;
- (f) the duly executed Deed of Trust;
- (g) the Expense Allocation Payment, in accordance with Section 2.4(b); and
- (h) all other documents required to be delivered by the Purchaser Parties to the Vendor Parties pursuant to this Agreement or reasonably necessary to give effect to the transactions contemplated hereby.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE VENDOR PARTIES

The Vendor Parties hereby make to the Purchaser Parties the representations and warranties set forth in Schedule B hereto, and acknowledges that the Purchaser Parties are relying upon such representations and warranties in connection with the entering into of this Agreement and the carrying out of the transactions contemplated herein. The representations and warranties of the Vendor Parties set forth in Schedule B hereto shall survive the execution and delivery of this Agreement and, except for Sections 1, 4 and 11 of Schedule B hereto (the "**Fundamental Representations**") and the Maverick Springs Representations, shall expire and be terminated and extinguished on the Closing Date. The Fundamental Representations shall expire and be terminated and extinguished two years from the Closing Date. The Maverick Springs Representations shall expire and be terminated and be extinguished 18 months from the Closing Date.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER PARTIES

(a) Pursuant to the Pubco Acquisition and Assumption Agreement, Pubco will make the representations and warranties set forth in Schedule C hereto as of the date of the Pubco Acquisition and as of the Closing, as applicable, and will acknowledge that the Vendor Parties are relying upon such representations and warranties in connection with the entering into of this Agreement and the carrying out of the transactions contemplated herein. The representations and warranties of Pubco set forth in Schedule C hereto shall survive the execution and delivery of the Pubco Acquisition Agreement and shall expire and be terminated and extinguished on the Closing Date.

(b) The Purchaser hereby makes to the Vendor Parties the representations and warranties set forth in Schedule D hereto and acknowledges that the Vendor Parties are relying upon such representations and warranties in connection with the entering into of this Agreement and the carrying out of the transactions contemplated herein. The representations and warranties of the Purchaser set forth in Schedule D hereto shall survive the execution and delivery of this Agreement and shall expire and be terminated and extinguished on the Closing Date.

ARTICLE 6 COVENANTS

6.1 Conduct of Business of the Vendor Parties

During the Interim Period, except as required by Applicable Laws or any Governmental Authority or as required in order to take commercially reasonable steps to respond to emergency-type occurrences involving life, health, personal safety, or the protection of property from incidents or accidents occurring on or after the date hereof, the Vendor Parties shall hold or own the Purchased Assets in the ordinary course of business and in compliance in all material respects with all Applicable Laws and use commercially reasonable efforts to maintain and preserve the Purchased Assets. Without limiting the generality of the foregoing, the Vendor Parties shall (a) not without the prior written consent of the Purchaser Parties, enter into any transaction or refrain from doing any action which, if effected before the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation hereunder of the Vendor Parties, (b) maintain their current right, title and interest in and to the Purchased Assets, (c) preserve intact the Purchased Assets as currently owned or held by the Vendor Parties, (d) comply in all material respects with all Applicable Laws applicable to the ownership or holding of the Purchased Assets, including without limitation payment of all Taxes and property payments, (e) notify the Purchaser Parties of any event or occurrence having a Purchased Assets MAE, and (f) not, directly or indirectly, take any action which is reasonably expected to interfere with or be materially inconsistent with the successful completion of the transactions contemplated herein or take any action or fail to take any action which is reasonably expected to result in a condition precedent to such transactions not being satisfied. For the avoidance of doubt, nothing in this Agreement shall preclude the Vendor Parties from conducting, in their sole discretion, exploration work and other activities on or in connection with the Mining Claims during the Interim Period, and all such activities will be deemed to be in the ordinary course of business.

6.2 Conduct of Business of the Purchaser

The Purchaser covenants and agrees that during the Interim Period, except as required by Applicable Law or as otherwise expressly permitted or specifically contemplated by this Agreement or as the Vendor Parties otherwise consent in writing (such consent not to be unreasonably withheld or delayed):

- (a) the Purchaser shall notify the Vendor Parties of any event or occurrence having a Purchaser Party MAE in respect of the Purchaser; and
- (b) the Purchaser shall not directly or indirectly take any action which is reasonably expected to result in a condition precedent to the transactions described herein not being satisfied.

6.3 Conduct of Business of Pubco

Pursuant to the Pubco Acquisition Agreement, from and after the Pubco Acquisition, Pubco will covenant and agree that during the Interim Period, except as required by Applicable Law or as otherwise expressly permitted or specifically contemplated by this Agreement or as the Vendor Parties otherwise consent to in writing (such consent not to be unreasonably withheld or delayed):

- (a) Pubco shall notify the Vendor Parties of any event or occurrence having a Purchaser Party MAE in respect of Pubco;
- (b) Pubco shall not directly or indirectly:
 - (i) take any action which is reasonably expected to result in a condition precedent to the transactions described herein not being satisfied;
 - (ii) amend or propose to amend its constating documents;
 - (iii) split, combine or reclassify any of its securities or declare or make any Distribution, or distribute any of its property or assets to any Person;
 - (iv) enter into any Contract, commitment or agreement under which it would incur indebtedness for borrowed money or for the deferred purchase price of property or would have the right or obligation to incur any such indebtedness or obligation, or make any loan or advance to any Person;
 - (v) enter into any material Contracts regarding its business operations, including joint ventures, partnerships or other arrangements;
 - (vi) make any material change in accounting procedures or practices;
 - (vii) mortgage, pledge or hypothecate any of its assets, or subject them to any Encumbrance, except Permitted Encumbrances;
 - (viii) enter into any agreement or arrangement granting any rights to purchase or lease any of its assets or requiring the consent of any Person to the transfer, assignment or lease of any of its assets;
 - (ix) engage in any business that is outside of the business that is being currently conducted by Pubco, whether as a partner, joint venture participant or otherwise;
 - (x) settle any outstanding Claim, dispute, litigation matter or Tax dispute;
 - (xi) redeem, purchase or offer to purchase any shares or other securities;
 - (xii) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, outside the ordinary course of business, except in connection with the Pubco Acquisition; or
 - (xiii) enter into any agreement or understanding to do any of the foregoing.

6.4 Confidential Information

(a) For purposes of this Section 6.4, the Vendor Parties shall be treated as a single “party”.

(b) Each party acknowledges having received Confidential Information belonging to the other party in the course of negotiating this Agreement. As used herein, the term “**Confidential Information**” means any and all information of the parties that has been or may hereafter be disclosed by any party or its Representatives (collectively, a “**Disclosing Party**”) to another party or its Representatives (collectively, a “**Receiving Party**”) by any means, whether written, oral, electronic or visual. Information is not, however, “**Confidential Information**” if it (x) was known to the Receiving Party, prior to its disclosure to the Receiving Party by the Disclosing Party, from a source not known by the Receiving Party to be under an obligation of confidentiality to the Disclosing Party after due inquiry, (y) is or becomes known generally otherwise than through breach of this Agreement, or (z) was independently developed by the Receiving Party without reliance on the Confidential Information of the Disclosing Party.

(c) Each Receiving Party acknowledges the confidential and proprietary nature of the Confidential Information of the Disclosing Party and agrees that such Confidential Information (i) shall be kept confidential by the Receiving Party, (ii) shall not be used for any reason or purpose other than to evaluate and consummate the transactions contemplated by this Agreement and (iii) without limiting the foregoing, shall not be disclosed by the Receiving Party to any Person, except in each case as otherwise expressly permitted by the terms of this Agreement or with the prior written consent of an authorized Representative of the Disclosing Party. Each party shall disclose the Confidential Information only to its Representatives who require such material for the purpose of evaluating the transactions contemplated by this Agreement and are informed by such party of the confidentiality obligations herein. Each party shall (x) enforce the terms of this Section 6.4 as to its respective Representatives, (y) take such action to the extent necessary to cause its Representatives to comply with the terms and conditions of this Section 6.4 and (z) be responsible and liable for any breach herein by its Representatives.

(d) Prior to any public announcement of the transactions contemplated hereby, no party shall disclose this Agreement or any aspects of such transactions except to its board of directors, its senior management, its shareholders, its legal, accounting, financial or other professional advisors, or as may be required by any Applicable Law or legal process. If any party or an affiliate thereof is required to disclose any Confidential Information of another party to comply with Applicable Law (including the rules of any stock exchange) or by any Governmental Authority or legal process having jurisdiction, such party shall as soon as reasonably practicable, unless prohibited by Applicable Law or legal process, provide the other parties with written notice of such requirement so that the other parties may, at their own option and expense, seek an appropriate protective order or other remedy to prevent or restrict the disclosure of the Confidential Information. In the event such protective order or other remedy is not obtained, the notifying party and/or its Representatives, as applicable, shall only disclose to the requesting Person that portion of the Confidential Information which it reasonably believes, based on the advice of outside legal counsel, it is required by Applicable Law or legal process to disclose.

6.5 Reclamation Bonds

(a) During the Interim Period, each of the Vendor Parties and the Purchaser Parties shall use their commercially reasonable efforts to cooperate with and assist in effecting the transfer or substitution of such guarantees, letters of credit, bonds, security deposits or other surety obligations and evidence of financial capacity, in each case acceptable to the relevant Governmental Authority, as may be necessary to transfer or substitute, as applicable, the Reclamation Bonds (the “**Replacement Bonds**”). Subject to Section 6.5(b), prior to Closing, the Purchaser Parties shall use reasonable best efforts to deliver to the applicable Governmental Authority duly executed Replacement Bonds, and the Purchaser Parties shall use commercially reasonable efforts to cause such agencies to fully and unconditionally release the Vendor Parties and their affiliates from all obligations relating to the Reclamation Bonds and any liabilities related thereto.

(b) In the event that the Replacement Bonds are not obtained prior to the Closing Time, the Purchaser Parties shall, following Closing, use commercially reasonable efforts to procure Replacement Bonds. Within 60 days after the Closing, the Purchaser Parties shall deliver to the applicable Governmental Authority duly executed Replacement Bonds, and the Purchaser Parties shall use commercially reasonable efforts to cause such agencies to fully and unconditionally release the Vendor Parties and their affiliates from all obligations relating to the Reclamation Bonds and any liabilities related thereto. If the Reclamation Bonds are not replaced within 60 days following Closing, then the Purchaser Parties will provide to the Vendor Parties cash, guarantees, letters of credit, bonds, security deposits, or other surety obligations acceptable to the Vendor Parties (in the Vendor Parties’ sole discretion), which the Vendor Parties shall hold until the Reclamation Bonds are fully and unconditionally released, and the Vendor Parties shall be able to call upon such obligations of the Purchaser Parties in the event the Reclamation Bonds are called upon by the relevant Governmental Authority, and shall be responsible for prompt reimbursement to the Vendor Parties of any amounts called in respect of a Reclamation Bond from and after the Closing and prior to the issuance of the Replacement Bonds.

6.6 Transfer Taxes

The Purchaser Parties shall pay in a timely manner all Transfer Taxes. The Purchaser Parties shall, at their own expense, prepare and file, or cause to be prepared and filed, all declarations of value or other documentation with respect to such Transfer Taxes and the Vendor Parties shall cooperate in the preparation and filing of such documents upon the Purchaser Parties’ reasonable request.

6.7 Exclusivity

Neither the Vendor Parties nor any of their Representatives shall, at any time during the Interim Period, solicit, encourage, discuss, negotiate or entertain any proposals from or provide non-public information to, any party other than the Purchaser Parties and their Representatives with respect to the sale to or purchase by any party other than the Purchaser Parties of the Purchased Assets, in whole or in part, whether directly or indirectly. The Vendor Parties shall notify the Purchaser Parties regarding any contact between the Vendor Parties or any of their Representatives and any Person regarding any such offer, proposal or inquiry.

ARTICLE 7 STOCK EXCHANGE LISTING

7.1 Stock Exchange Listing; Filings and Approvals

(a) Purchaser and Pubco (from and after the Pubco Acquisition) jointly and severally covenant and agree to take, in a timely manner, all commercially reasonable actions and steps necessary in order that Pubco shall have obtained all necessary shareholder approvals and listing approvals required to complete the transactions contemplated hereby.

(b) When received, the Purchaser Parties shall provide the Vendor Parties with copies of the conditional approval and final approval regarding the listing and posting for trading of the Payment Shares.

(c) The Vendor Parties will use their commercially reasonable efforts to support the Pubco Acquisition, including providing information required to be included in any listing application, management information or submission to the CSE in connection with approval of the transactions contemplated by this Agreement and the Purchaser Acquisition Agreement.

(d) The Purchaser Parties will provide the Vendor Parties and their legal counsel with: (i) reasonable advance notice and an opportunity to comment on the content thereof, and to participate in any communications or submissions to the CSE and other securities regulatory authorities, and (ii) a reasonable opportunity to comment on the content of any management information circular or other shareholder communication relating to the transactions contemplated hereby.

7.2 Preparation of Technical Reports and Financial Statements

(a) The Purchaser Parties shall be responsible for preparing at its sole expense any and all technical reports required under NI 43-101 in respect of the Maverick Springs Project and any and all financial statements required to be filed pursuant to Applicable Securities Laws in connection with the purchase of the Purchased Assets.

(b) The Vendor Parties will, at the expense of the Purchaser Parties, use reasonable commercial efforts to assist the Purchaser Parties with the preparation of the technical reports and financial statements described in this Section 7.2.

(c) MSMC will deliver to the Purchaser Parties all unaudited financial statements for MSMC that are in its possession. Clover Nevada will prepare and deliver to the Purchaser Parties stand-alone unaudited financial statements for the Battle Mountain Portfolio.

(d) The parties acknowledge and agree that neither of the Vendor Parties nor any of their affiliates: (i) is or will be the owner of or shall have responsibility for the content of such technical reports or financial statements or any disclosure therein, (ii) makes any representation or warranty with respect to such technical reports or financial statements or any data, information, statement, representation or conclusion contained therein, or (iii) shall have any liability or obligation related to such technical reports or financial statements or any disclosure therein, including, in each case, the financial statements delivered pursuant to Section 7.2(c).

7.3 Transaction Costs

Excepts as otherwise specifically contemplated by this Agreement, all costs and expenses of the transactions contemplated hereby shall be borne and paid by the party incurring the costs, whether or not such transactions are completed. For greater certainty, all costs and expenses in connection with the listing of the Payment Shares on the CSE shall be borne solely by Pubco.

ARTICLE 8 CONDITIONS

8.1 Mutual Conditions

The obligations of the parties to complete the transactions contemplated herein are subject to fulfillment of the following conditions on or before the Closing Date:

- (a) the Pubco Acquisition shall have occurred;
- (b) all required corporate, regulatory and shareholder approvals, consents, authorizations and waivers (collectively, the “**Authorizations**”) relating to (i) the consummation of the transactions contemplated by this Agreement and (ii) the listing of the Payment Shares on the CSE shall have been obtained on terms and conditions satisfactory to the parties, acting reasonably;
- (c) there shall not be in force any Applicable Law and no Governmental Authority shall have issued any Order or decree restraining or prohibiting the completion of the transactions contemplated herein; and
- (d) this Agreement shall not have been terminated pursuant to Article 9.

The foregoing conditions are for the mutual benefit of each of the parties and may be waived, in whole or in part, in writing by a party at any time.

8.2 Vendor Party Conditions

The obligation of the Vendor Parties to complete the transactions contemplated herein are subject to the fulfillment of the following conditions on or before the Closing Date or such other time as specified below:

- (a) the representations and warranties made by the Purchaser Parties in this Agreement that are qualified by materiality or Purchaser Party MAE shall be true and correct and the representations and warranties made by the Purchaser Parties in this Agreement that are not so qualified shall be true and correct in all material respects, in each case as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), and each of the Purchaser Parties shall have provided to the Vendor Parties the certificate of an officer certifying such accuracy on the Closing Date; and

- (b) the Purchaser Parties shall have complied in all material respects with their covenants herein, and each of the Purchaser Parties shall have provided to the Vendor Parties the certificate of an officer certifying that each of the Purchaser Parties have so complied with its covenants herein.

The foregoing conditions precedent are for the benefit of the Vendor Parties and may be waived, in whole or in part, by the Vendor Parties in writing at any time.

8.3 Purchaser Party Conditions

The obligation of the Purchaser Parties to complete the transactions contemplated herein are subject to the fulfillment of the following conditions on or before the Closing Date or such other time as specified below:

- (a) the representations and warranties made by the Vendor Parties in this Agreement that are qualified by materiality or Purchased Assets MAE shall be true and correct and the representations and warranties made by the Vendor Parties in this Agreement that are not so qualified shall be true and correct in all material respects, in each case as of the Closing Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), and the Vendor Parties shall have provided to the Purchaser Parties the certificate of an officer certifying such accuracy on the Closing Date; and
- (b) the Vendor Parties shall have complied in all material respects with its covenants herein, and the Vendor Parties shall have provided to the Purchaser Parties the certificate of an officer certifying that each of the Vendor Parties have so complied with its covenants herein.

The foregoing conditions precedent are for the benefit of the Purchaser Parties and may be waived, in whole or in part, by the Purchaser Parties in writing at any time.

ARTICLE 9 INDEMNIFICATION

9.1 Indemnification by the Vendor Parties

Subject to the limitations set out elsewhere in this Article 9, the Vendor Parties shall indemnify and save harmless the Purchaser Parties from and against all Losses suffered or incurred by the Purchaser Parties as a result of or arising directly or indirectly out of or in connection with (a) any inaccuracy or breach by the Vendor Parties of any Fundamental Representation or Maverick Springs Representation or (b) any breach or non-performance by the Vendor Parties of any covenant of the Vendor Parties contained in this Agreement.

9.2 Time Limits for Indemnification

The Vendor Parties shall not be required to indemnify or save harmless any Purchaser Party pursuant to Section 9.1 unless such Purchaser Party shall have provided to the Vendor Party a Notice of Claim not later than (a) in the case of a claim for indemnification under Section 9.1 for any inaccuracy or breach by the Vendor Parties of any Maverick Springs

Representation, the 18-month anniversary of the Closing Date, and (b) in the case of any other claim for indemnification under Section 9.1, the second anniversary of the Closing Date.

9.3 Limitation of Liability

(a) The Purchaser Parties shall not be entitled to require payment of any amount by the Vendor Parties on the indemnities contained in Section 9.1 until the aggregate of all such amounts for which the Purchaser Parties would otherwise be entitled to require payment under such Section exceeds \$25,000 (the “**Deductible**”). Once the Deductible has been exceeded, the Purchaser Parties shall be entitled to require payment on such indemnities only for Losses in excess of the Deductible.

(b) The Purchaser Parties shall not be entitled to require payment of amounts, in the aggregate, by the Vendor Parties on the indemnities contained in Section 9.1 in excess of \$300,000.

9.4 Exclusivity

No Purchaser Party may make any claim for damages in respect of any inaccuracy or breach by the Vendor Parties of any Fundamental Representation or Maverick Springs Representation or any breach or non-performance by the Vendor Parties of any covenant of the Vendor Parties contained in this Agreement except by making a claim for indemnification pursuant to and in accordance with this Article 9. The provisions of this Section 9.4 shall survive any termination of this Agreement.

ARTICLE 10 TERMINATION

10.1 Termination

(a) This Agreement may be terminated at any time prior to the Closing Date:

- (i) by mutual written agreement of the parties;
- (ii) by either the Vendor Parties or the Purchaser Parties, if any Governmental Authority shall have issued an Order, decree or ruling permanently restraining or enjoining or otherwise prohibiting any of the transactions contemplated herein (unless such Order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable) which Order, decree or ruling is final and non-appealable;
- (iii) by either the Vendor Parties or the Purchaser Parties, if:
 - (A) any representation or warranty of the Vendor Parties (in the case of termination by the Purchaser Parties) or the Purchaser Parties (in the case of termination by the Vendor Parties) under this Agreement is untrue or incorrect or shall have become untrue or incorrect such that, in either case, the condition contained in Section 8.2(a) or 8.3(a), as applicable, would be incapable of satisfaction; or

(B) the Vendor Parties (in the case of termination by the Purchaser Parties) or the Purchaser Parties (in the case of termination by the Vendor Parties) are in default of a covenant or obligation hereunder such that the condition contained in Section 8.2(b) or 8.3(b), as applicable, would be incapable of satisfaction,

except that the right to terminate this Agreement under this Section 10.1(a)(iii) shall not be available if the failure of such condition to be satisfied was caused by, contributed to, or resulted from the terminating party's failure (or, in the case of termination by the Purchaser, any Purchaser Party's failure) to fulfill any of its obligations or breach of any of its (or, in the case of termination by the Purchaser, any Purchaser Party's) representations and warranties in this Agreement;

- (iv) by the Vendor Parties, if any condition precedent in Section 8.2 or Sections 8.1(a), 8.1(b) or 8.1(c) has not been satisfied or waived by the Outside Date, provided, however, that the failure of such condition to be satisfied or waived on or before the Outside Date is not a result of or caused by the Vendor Parties' failure to fulfill any of their obligations or breach of any of their representations and warranties in this Agreement;
- (v) by the Vendor Parties, if there has occurred a Purchaser Party MAE on or after the date of this Agreement that is incapable of being cured on or prior to the Outside Date;
- (vi) by the Purchaser Parties, if there has occurred a Purchased Assets MAE on or after the date of this Agreement that is incapable of being cured on or prior to the Outside Date; or
- (vii) by the Purchaser Parties, if any condition precedent in Section 8.3 or Sections 8.1(a), 8.1(b) or 8.1(c) has not been satisfied or waived by the Outside Date, provided, however, that the failure of such condition to be satisfied or waived on or before the Outside Date is not a result of or caused by either of the Purchaser Parties' failure to fulfill any of its obligations or breach of any of their representations and warranties in this Agreement.

(b) The Vendor Parties shall have the right, but not the obligation, in their sole and absolute discretion, to extend the Outside Date for any period of time if the condition precedent in Section 8.1(a) has not been satisfied by the original Outside Date, by giving written notice to the Purchaser Parties to such effect no later than 5:00 p.m. (Toronto time) on the date that is not less than two Business Days prior to the original Outside Date (and any subsequent Outside Date).

10.2 Termination Procedure

- (a) If this Agreement is terminated pursuant to Section 10.1:
 - (i) any filings, applications and other submissions made pursuant to this Agreement shall, to the extent practicable, be withdrawn from the Governmental Authority or other Person to which made; and

- (ii) this Agreement shall be of no further force and effect, except that Sections 6.4 and 7.3 and this Section 10.2 and Article 11 shall survive the termination of this Agreement; provided, however, that nothing contained in this Section 10.2 shall relieve or have the effect of relieving any party in any way from liability for damages incurred or suffered by a party as a result of an intentional or wilful breach of this Agreement.

(b) For greater certainty, the parties acknowledge and agree the Deposit is non-refundable from and after the execution of this Agreement, irrespective of any termination or purported termination of this Agreement by any party for any reason whatsoever.

ARTICLE 11 GENERAL

11.1 Survival of Covenants

The covenants and obligations of the parties contained in this Agreement shall survive the Closing and shall not merge.

11.2 Notices

All notices, demands or other communications ("**Notices**") to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally to the recipient or by email or another electronic form addressed to the recipient. Such notices, demands and other communications shall be delivered or mailed or sent electronically to the parties at the respective addresses or email addresses indicated below:

- (a) in the case of a Notice to the Purchaser at:

1316524 B.C. Ltd.
800-885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: [REDACTED]
E-mail: [REDACTED]

with a copy (which shall not constitute notice) to:

Clark Wilson LLP
900-885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: Nafeesa Valli-Hasham
E-mail: [REDACTED]

- (b) in the cases of notice to Pubco, at the address for notice set forth in the Pubco Acquisition Agreement; and
- (c) in the case of a Notice to the Vendor Parties at:

Clover Nevada LLC
c/o Elko Mining Group LLC
9650 Gateway Drive, Suite 202
Reno, NV 89521

Attention: Kamal Toor and Aaron Wolochatiuk
E-mail: [REDACTED]

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Brett Seifred
E-mail: [REDACTED]

Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of emailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, emailed or sent before 5:00 p.m. (local time at the address of the party receiving such communication) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

11.3 Further Assurances

Each party shall act in good faith in performing its obligations and exercising its rights herein and shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use reasonable commercial efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

11.4 Specific Performance

The parties agree that irreparable harm may occur for which money damages would not be an adequate remedy at law in the event that any of the covenants of this Agreement were not performed in accordance with their specific terms. It is accordingly agreed

that the parties shall be entitled to injunctive, specific performance and other equitable relief to prevent breaches or threatened breaches of the covenants contained in this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the parties may be entitled at law or in equity.

11.5 Assignment

This Agreement is not assignable by any party except with the prior written consent of the other parties.

11.6 Consultation

The parties shall consult with each other before issuing any press release or making any other public announcement with respect to this Agreement or the transactions contemplated hereby and provided that the obligations herein will not prevent any party from making such disclosure as its counsel advises, acting reasonably, is required by Applicable Laws or the rules and policies of the CSE or as is required to carry out the transactions contemplated in this Agreement or the obligations of any of the parties, the parties shall not issue any such press release or make any such public announcement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. The parties shall in good faith consider any reasonable comments of the other on any such press release or public announcement.

11.7 Counterparts

This Agreement may be executed in separate counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement. Delivery of an executed signature page to this Agreement by a party by email or other electronic transmission shall be as effective as delivery of a manually executed copy of this Agreement by such party.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first above written.

CLOVER NEVADA LLC

by /s/ "Richard Wells"
Name: Richard Wells
Title: Authorized Signatory

**MAVERICK SPRINGS MINING
COMPANY, LLC**

by /s/ "Richard Wells"
Name: Richard Wells
Title: Authorized Signatory

1316524 B.C. LTD.

by /s/ "Authorized Signatory"
Name: [REDACTED]
Title: Director

SCHEDULE A
MINING CLAIMS
REDACTED

SCHEDULE B

REPRESENTATIONS AND WARRANTIES OF THE VENDOR PARTIES

1. Organization and Qualification of the Vendor Parties

Each of the Vendor Parties is a limited liability company duly formed and validly existing under the laws of the State of Nevada and has all necessary limited liability company power, authority and capacity to own its assets, including the Purchased Assets, and to carry on its business as presently conducted. Each of the Vendor Parties is duly qualified, licensed or registered to conduct business and is in good standing in each jurisdiction in which its assets are located or it conducts business.

2. Due Authorization and Enforceability of Obligations

Each of the Vendor Parties has all necessary limited liability company power, authority and capacity to enter into the Agreement and to carry out its obligations under the Agreement. The execution and delivery of the Agreement and the consummation of the transactions contemplated by the Agreement have been duly authorized by all necessary limited liability company action on the part of the Vendor Parties. This Agreement constitutes, and each other agreement to be executed by the Vendor Parties in connection with the Closing will constitute, a valid and binding obligation of the Vendor Parties enforceable against them in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization or other Applicable Laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) general principles of equity.

3. Absence of Conflicts

Except as disclosed in Section 3 of the Vendor Parties' Disclosure Letter, the execution, delivery and performance of this Agreement by the Vendor Parties and the consummation of the transactions contemplated hereby, do not: (a) conflict with or result in a violation or breach of, or default under, any provision of the constating documents of the Vendor Parties; (b) conflict with or result in a violation or breach of any provision of any Applicable Law or Order applicable to the Purchased Assets; (c) require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract or Permit to which any of the Purchased Assets are subject; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on the Purchased Assets.

4. Regulatory Approvals and Consents

No approval, Order, consent of or filing with any Governmental Authority is required on the part of the Vendor Parties in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement or the performance of the Vendor Parties' obligations under this Agreement or any other documents and agreements to be delivered under this Agreement. The Vendor Parties have the exclusive right to assign and transfer the Maverick Springs Project and, to the knowledge of the Vendor Parties, the Battle Mountain Portfolio to the Purchaser Parties as provided in this Agreement without the prior consent of, or any notice to, any Person, other than the approval of

the applicable Governmental Authority with respect to the Maverick Springs Permits and the Clover Exploration Project Permits. The Vendor Parties have not received any written notice of violation or notice of any other type of regulatory action related to the Purchased Assets.

5. Litigation

(a) There are no Claims, investigations or other proceedings, including appeals, in progress or, to the knowledge of the Vendor Parties, pending or threatened against or relating to the Vendor Parties, relating to or affecting the Purchased Assets, or that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement and the Vendor Parties have no knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success.

(b) There is no judgement, decree, injunction, rule or Order of any Governmental Authority or arbitrator relating to the Purchased Assets to which the Vendor Parties are party.

6. Assets

(a) The Vendor Parties have maintained the Purchased Assets since the Prior Acquisition Date in material compliance with Applicable Laws.

(b) Schedule A sets forth a true and complete list of the Mining Claims. The list of the Mining Claims set forth in Schedule A contains all of the mining claims forming part of the Nevada Properties.

(c) Except for any Permitted Encumbrances, the applicable Vendor Party owns or controls and possesses in compliance with all Applicable Laws, subject to the paramount title of the United States, all of the Maverick Springs Project, pursuant to valid, subsisting and enforceable title documents or other recognized and enforceable agreements, instruments or legal doctrines. Other than the Artemis Royalty and the Newmont Royalty, there are no back-in rights, earn-in rights, rights of first refusal or similar provisions that would affect the interest of the Purchaser Parties following the Closing in the Maverick Springs Project that have been granted by the Vendor Parties or by any previous owner of the Maverick Springs Project or any lessor thereof, and the Vendor Parties have not entered into any net smelter returns royalty, overriding royalty, net profit interest, gross proceeds royalty, production payment, streaming transaction, share of mineral production or other similar arrangement or agreement related to the Maverick Springs Project. The Vendor Parties have not received any written communication alleging that the applicable Vendor Party does not own or control and possess any of the Maverick Springs Project, and there is no ongoing or, to the knowledge of the Vendor Parties, pending or threatened adverse claim against or challenge to ownership of the Maverick Springs Project. Since the Prior Acquisition Date, the Vendor Parties have made all filings and payments required to be made or paid to maintain the Maverick Springs Project, including annual maintenance fee payments to the United States Bureau of Land Management and annual filings in county public records. The representations and warranties set forth in this Section 6(c) are the Vendor Parties' sole and exclusive representations and warranties in respect of title to and ownership of the Maverick Springs Project.

(d) The Vendor Parties do not make, and expressly disclaim, any representations or warranties in respect of title to and ownership and maintenance of the Battle Mountain Portfolio or the Exploration Information, and the Purchaser Parties acknowledge that the Battle Mountain

Portfolio and the Exploration Information are being sold and acquired on an as-is, where-is basis.

7. Compliance with Other Laws and Permits

The Maverick Springs Permits and the Clover Exploration Project Permits are the only Permits relating to the Mining Claims to which the Vendor Parties are a party as of the date hereof. To the knowledge of the Vendor Parties, each of the Maverick Springs Permits and the Clover Exploration Project Permits has been validly issued and is in full force and effect and all applicable appeal periods challenging any such issuance have expired.

8. Taxes

(a) The Vendor Parties have duly and timely made or prepared all Tax Returns required to be made or prepared by them and have duly and timely filed all Tax Returns required to be filed by them with the appropriate Governmental Authority. All such Tax Returns filed were correct and complete in all material respects.

(b) The Vendor Parties have duly paid all Taxes assessed against the Purchased Assets by any Governmental Authority that are due and payable by the Vendor Parties as of the date hereof.

(c) There are no ongoing Tax audits or examinations and no waivers of statutes of limitations have been given or requested with respect to the Vendor Parties with respect to any of the Purchased Assets.

(d) The Purchased Assets are not subject to any Tax liens, other than liens for Taxes not yet due and payable.

(e) No unresolved deficiencies or additions to Taxes have been proposed, asserted or assessed in writing against the Vendor Parties or any of the Purchased Assets by any Governmental Authority.

9. Environmental Matters

(a) Except as disclosed in Section 9 of the Vendor Parties Disclosure Letter and except as would not constitute a Purchased Assets MAE, since the Prior Acquisition Date, the Vendor Parties have been in compliance with all applicable Environmental Laws for the ownership, lease or use of the Purchased Assets as owned, leased or used as of the date hereof. No condition, event or circumstance has occurred or is continuing that would reasonably be expected to prevent or impede, after the Closing Date, the ownership, lease or use of the Purchased Assets under Environmental Law. To the knowledge of the Vendor Parties, the Maverick Springs Permits and the Clover Exploration Project Permits are in good standing.

(b) None of the Purchased Assets is listed on or, to the knowledge of the Vendor Parties, has been proposed for listing on, a List.

(c) Except as disclosed in Section 9 of the Vendor Parties Disclosure Letter, since the Prior Acquisition Date, there has been no Release of Hazardous Substances in contravention of Environmental Law with respect to the Purchased Assets.

(d) The Vendor Parties have not retained or assumed, by Contract or operation of law, any material liabilities or obligations of third parties under Environmental Law other than any disturbances covered by the Reclamation Bonds.

(e) The representations and warranties set forth in this Section 9 are the Vendor Parties' sole and exclusive representations and warranties in respect of environmental, Hazardous Substances, reclamation (except for the Reclamation Bonds under Section 10 below), remediation and closure matters.

10. Reclamation Bonds

Section 10 of the Vendor Parties Disclosure Letter sets forth a list of all surety bonds, financial assurances, reclamation bonds, guaranties, letters of credit, certificates of deposit, cash deposits and other similar instruments maintained by the Vendor Parties and any affiliate of the Vendor Parties with respect to the Purchased Assets (collectively, the "**Reclamation Bonds**"). No Governmental Authority has called on any of the Reclamation Bonds.

11. Securities Laws

Waterton Splitter Nevada LLC ("**Waterton Splitter**") is an "accredited investor" within the meaning of *National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators*. Waterton Splitter was not established, and is not being used, solely to hold securities in reliance on an exemption from prospectus requirements under Applicable Securities Laws. Waterton Splitter will be receiving the Payment Shares for investment purposes only and not with a view to resale or distribution of any of the Payment Shares, and not in a transaction or series of transactions involving a purchase and sale or a repurchase and resale in the course of or incidental to a distribution.

SCHEDULE C

REPRESENTATIONS AND WARRANTIES OF PUBCO

1. Organization and Qualification

Pubco is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to own its assets and to carry on its business as presently conducted. Pubco is duly qualified, licensed or registered to conduct business and is in good standing in each jurisdiction in which its assets are located or it conducts business.

2. Due Authorization and Enforceability of Obligations

Pubco has all necessary corporate power, authority and capacity to enter into the Agreement and to carry out its obligations under the Agreement. The execution and delivery of the Agreement and the consummation of the transactions contemplated by the Agreement have been duly authorized by all necessary corporate action on the part of Pubco. This Agreement constitutes, and each other agreement to be executed by Pubco in connection with the Closing will constitute, a valid and binding obligation of Pubco enforceable against it in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization or other Applicable Laws of general application relating to or affecting the enforcement of creditors' rights generally, and (b) general principles of equity. The Payment Shares will have been duly authorized for issuance and sale by Pubco pursuant to this Agreement.

3. Absence of Conflicts

Pubco is not a party to, bound or affected by or subject to any:

- (a) Contract;
- (b) charter or by-law; or
- (c) Applicable Laws or Governmental Authorizations;

that would be violated in any material respect, breached in any material respect by, or under which default would occur or an Encumbrance would, or with notice or the passage of time would, be created, or in respect of which the obligations of Pubco will materially increase or the rights or entitlements of Pubco will materially decrease or any obligation on the part of Pubco to give notice to any Governmental Authority will arise, as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

4. Regulatory Approvals

Except for the approval of the CSE and filing of any reports of exempt distribution and other continuous disclosure filings required by Applicable Securities Laws, no approval, Order, consent of or filing with any Governmental Authority is required on the part of Pubco in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement or the performance of

Pubco's obligations under this Agreement or any other documents and agreements to be delivered under this Agreement.

5. Capitalization

(a) The authorized share capital of Pubco includes an unlimited number of common shares. All outstanding Pubco shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights. Any Pubco shares issued in accordance with the terms of the Agreement will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Except as disclosed in the Continuous Disclosure Documents, there are no options, warrants or other rights, shareholder rights plans, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Pubco of any shares of Pubco or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Pubco.

(b) Except as disclosed in the Continuous Disclosure Documents, there are no outstanding contractual obligations of the Pubco to repurchase, redeem or otherwise acquire any Pubco shares.

(c) Upon the Closing, the Vendor Parties' designee will be issued that number of Payment Shares that is equal to 9.9% of the Pubco Shares on a basic, non-diluted, basis immediately following such issuance.

(d) The Payment Shares will not be "taxable Canadian property" for purposes of the *Income Tax Act* (Canada).

6. Subsidiaries

Other than as disclosed in the Continuous Disclosure Documents or any subsidiary created in connection with completion of the transactions contemplated by this Agreement, Pubco does not have any Subsidiaries.

7. Shareholder and Similar Agreements

Other than as disclosed in the Continuous Disclosure Documents, Pubco is not a party to any shareholder, pooling, voting trust or other similar agreement relating to the issued and outstanding shares in the capital of Pubco.

8. Reports

Pubco has filed with all applicable Governmental Authorities true and complete copies of all Continuous Disclosure Documents that Pubco is required to file therewith. The Pubco Continuous Disclosure Documents at the time filed: (a) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (b) complied in all material respects with the requirements of Applicable Securities Laws. Pubco has not filed any confidential material change report with any Governmental Authority which at the date hereof remains confidential.

9. Books and Records

(a) The Books and Records of Pubco fairly and correctly set out and disclose in all material respects the financial position of Pubco and all material financial transactions relating to its business have been accurately recorded in such Books and Records.

(b) The articles of incorporation and by-laws for Pubco, including any and all amendments, have been delivered or made available to the Vendor Parties and such articles and by-laws are in full force and effect and no amendments are being made to them.

(c) The corporate records and minute books for Pubco have been made available to the Vendor Parties. The minute books include complete and accurate minutes of all meetings of the directors or shareholders for Pubco, as applicable, held to date or resolutions passed by the directors or shareholders on consent. The registers of directors and shareholders for Pubco is complete and accurate.

10. Securities Law Matters

(a) No order ceasing or suspending trading in securities of Pubco or prohibiting the sale of such securities has been issued and is outstanding against Pubco or its directors, officers or promoters and, to the knowledge of Pubco, no proceedings for that purpose have been instituted or are pending, contemplated or threatened under any Applicable Securities Laws or by any other Governmental Authority.

(b) On the Closing Date, the Pubco shares (including the Payment Shares) will be conditionally approved by the CSE for listing and Pubco will be in compliance with the rules of the CSE.

(c) On the Closing Date, Pubco will not be subject to any delisting, suspension of trading in or cease trading or other Order that may operate to prevent or restrict trading in the Pubco shares (including the Payment Shares), and no proceedings will have been initiated or be pending or threatened by any Governmental Authority in relation thereto.

(d) On the Closing Date, the Pubco will have filed in a timely manner all documents and information required to be filed by it under Applicable Securities Laws with all applicable Governmental Authorities and the CSE and all such documents and information will have been, as of their respective dates of such filings, in compliance in all material respects with all Applicable Securities Laws and at the time filed did not contain any misrepresentations. Pubco will not have filed any confidential material change report with any Governmental Authority or the CSE which remains confidential as of the Closing Date.

11. Absence of Certain Changes or Events

Since August 31, 2020:

- (a) Pubco has conducted its business only in the ordinary course of business and consistent with past practice;
- (b) Pubco has not incurred any liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) which has had or is reasonably likely to give rise to a Purchaser Party MAE in respect of Pubco;

- (c) there has not been any event, circumstance or occurrence which has had or is reasonably likely to give rise to a Purchaser Party MAE in respect of Pubco;
- (d) there has not been any change in the accounting practices used by Pubco;
- (e) there has not been any material increase in the salary, bonus or other remuneration payable to any officer, director, employee or consultant of Pubco;
- (f) there has not been any redemption, repurchase or other acquisition of securities of Pubco by Pubco or any declaration, setting aside or payment of any dividend or other distribution (whether in cash, shares or property) with respect to shares in the capital of Pubco;
- (g) except as disclosed in the Continuous Disclosure Documents, Pubco has not entered into any material Contract other than this Agreement;
- (h) except as disclosed in the Continuous Disclosure Documents, Pubco has not hired any employees; and
- (i) except as disclosed in the Continuous Disclosure Documents, there has not been any satisfaction or settlement of any material Claims or material liabilities that were not reflected in Pubco's audited financial statements for the financial year ended August 31, 2020.

12. Financial Statements

(a) The audited financial statements for Pubco as at and for the financial year ended on August 31, 2020, including the notes thereto and the report by Pubco's auditors thereon and the condensed interim financial statements for Pubco as at and for the nine months ended May 31, 2021, including the notes thereto, have been prepared in accordance with GAAP applied on a basis consistent with prior periods and all Applicable Laws and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position and results of operations of Pubco as of the respective dates thereof and its results of operations and cash flows for the respective periods covered thereby. There are no outstanding loans made by Pubco to any officer or director of Pubco. There has been no material change in Pubco's accounting policies.

(b) Since August 31, 2020, neither Pubco, nor, to Pubco's knowledge, any director, officer, employee, consultant, auditor, accountant or representative of Pubco has received or otherwise had or obtained knowledge of any complaint, allegation, assertion or Claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Pubco or its internal accounting controls, including any complaint allegation, assertion or Claims that Pubco has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the board of directors of Pubco.

13. Absence of Undisclosed Liabilities

Pubco does not have any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise, except for: (a) liabilities and obligations that are specifically presented on the balance sheet of Pubco as of May 31, 2021 or disclosed in the notes thereto;

(b) liabilities and obligations incurred in the ordinary course of business consistent with past practice since May 31, 2021, including costs incurred in connection with the transactions contemplated by this Agreement, and that are not in the aggregate in excess of \$250,000; and (c) liabilities and obligations disclosed in the Continuous Disclosure Documents.

14. Compliance with Laws

The operations of Pubco have been and are now conducted in compliance in all material respects with all Applicable Laws which have been and are now applicable to the business of Pubco and Pubco has not received any notice of any alleged violation of any such Applicable Laws.

15. Litigation

(a) There are no Claims, investigations or other proceedings, including appeals, in progress, or, to the knowledge of Pubco, pending or threatened against or relating to Pubco before any Governmental Authority and Pubco has no knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success.

(b) There is no judgement, decree, injunction, rule or Order of any Governmental Authority or arbitrator against Pubco.

16. Material Contracts

Except as disclosed in the Continuous Disclosure Documents, Pubco has no material Contracts other than this Agreement and the Purchaser Acquisition Agreement.

17. Taxes

(a) Pubco has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Authority. All such Tax Returns filed were correct and complete in all material respects.

(b) Pubco has duly and timely paid all Taxes, including all instalments on account of Taxes for the current year, that are due and payable by it whether or not assessed by the appropriate Governmental Authority.

(c) There are no proceedings, investigations, audits or claims now pending or, to the knowledge of Pubco, threatened against Pubco in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes.

(d) No waivers of statutes of limitations have been given or requested with respect to Pubco.

(e) To the knowledge of Pubco, none of the assets of Pubco are subject to any Tax liens, other than liens for Taxes not yet due and payable or being contested in good faith through appropriate proceedings and for which adequate reserves are maintained in the appropriate financial statements.

(f) To the knowledge of Pubco, no unresolved deficiencies or additions to Taxes have been proposed, asserted or assessed in writing against Pubco by any Governmental Authority.

18. Non-Arm's Length Transactions

Except as disclosed in the Continuous Disclosure Documents, there are no current material Contracts, commitments, agreements, arrangements or other transactions (including relating to indebtedness by Pubco) between Pubco, on the one hand, and any (a) officer, director, employee (or former officer, director or employee) or any other person not dealing at arm's length with Pubco, (b) any holder of record or Person who, to the knowledge of Pubco, is the beneficial owner of ten percent or more of the voting securities of Pubco or (c) any affiliate or associate of any officer, employee, director or beneficial owner, on the other hand.

19. No Insolvency

Pubco is not insolvent nor has it committed an act of bankruptcy, proposed a compromise or arrangement to its creditors generally, had any petition for a receiving order in bankruptcy filed against it, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt, taken any proceeding to have a receiver appointed for any part of its assets, had an encumbrancer take possession of any of its property, or had any execution or distress become enforceable or become levied upon any of its property.

20. Business

Except as disclosed in the Continuous Disclosure Documents, Pubco has not in the past engaged, nor currently engages, in any other business other than identifying and evaluating opportunities to acquire an interest in assets or a business and does not have, and has not had, any active business operations. Other than this Agreement and the Purchaser Acquisition Agreement and except as disclosed in the Continuous Disclosure Documents, Pubco has not entered into any Contract for the acquisition of an asset or business.

21. No Guarantee

Except for any indemnification provided to directors and officers of Pubco or as disclosed in the Continuous Disclosure Documents, Pubco has not given or agreed to give, nor is it a party to or bound by or subject to, any Contract or commitment providing for the guarantee, indemnification, assumption or endorsement or any like commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any Person.

SCHEDULE D

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

1. Organization and Qualification

The Purchaser is a corporation validly existing under the laws of the Province of British Columbia and has all necessary corporate power, authority and capacity to own its assets and to carry on its business as presently conducted. The Purchaser is duly qualified, licensed or registered to conduct business and is in good standing in each jurisdiction in which its assets are located or it conducts business.

2. Due Authorization and Enforceability of Obligations

The Purchaser has all necessary corporate power, authority and capacity to enter into the Agreement and to carry out its obligations under the Agreement. The execution and delivery of the Agreement and the consummation of the transactions contemplated by the Agreement have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement constitutes a valid and binding obligation of Purchaser enforceable against it in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization or other Applicable Laws of general application relating to or affecting the enforcement of creditors' rights generally and (b) general principles of equity.

3. Absence of Conflicts

The Purchaser is not a party to, bound or affected by or subject to any:

- (a) Contract;
- (b) charter or by-law; or
- (c) Applicable Laws or Governmental Authorizations;

that would be violated in any material respect, breached in any material respect by, or under which default would occur or an Encumbrance would, or with notice or the passage of time would, be created, or in respect of which the obligations of the Purchaser will materially increase or the rights or entitlements of the Purchaser will materially decrease or any obligation on the part of the Purchaser to give notice to any Governmental Authority will arise, as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

4. Regulatory Approvals

No approval, Order, consent of or filing with any Governmental Authority is required on the part of the Purchaser in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement or the performance of the Purchaser's obligations under this Agreement or any other documents and agreements to be delivered under this Agreement.

5. Subsidiaries

The Purchaser does not have any Subsidiaries.

6. Shareholder and Similar Agreements

The Purchaser is not a party to any shareholder, pooling, voting trust or other similar agreement relating to the issued and outstanding shares in the capital of Purchaser.

7. Books and Records

(a) The Books and Records of the Purchaser fairly and correctly set out and disclose in all material respects the financial position of the Purchaser and all material financial transactions relating to its business have been accurately recorded in such Books and Records.

(b) The articles for the Purchaser, including any and all amendments, have been delivered or made available to the Vendor Parties and such articles are in full force and effect and no amendments are being made to them other than as contemplated herein.

8. Securities Law Matters

(a) None of the shares or other securities of the Purchaser are listed or quoted on any market.

(b) No order ceasing or suspending trading in securities of the Purchaser or prohibiting the sale of such securities has been issued and is outstanding against the Purchaser or its directors, officers or promoters and, to the knowledge of the Purchaser, no proceedings for that purpose have been instituted or are pending, contemplated or threatened under any Applicable Securities Laws or by any other Governmental Authority.

9. Absence of Certain Changes or Events

The Purchaser was incorporated on July 22, 2021. Since the date of its incorporation, the Purchaser has not carried on any business or undertaking other than the negotiation and entry into of this Agreement and matters necessarily incidental thereto.

10. Absence of Undisclosed Liabilities

The Purchaser has not incurred any liabilities or obligations (whether accrued, absolute, contingent or otherwise), which continue to be outstanding, other than liabilities or obligations incurred by professional advisors.

11. Compliance with Laws

The operations of the Purchaser have been and are now conducted in compliance in all material respects with all Applicable Laws which have been and are now applicable to the business the Purchaser, and the Purchaser has not received any notice of any alleged violation of any such Applicable Laws.

12. Litigation

(a) There are no Claims, investigations or other proceedings, including appeals, in progress, or, to the knowledge of the Purchaser, pending or threatened against or relating to the Purchaser before any Governmental Authority and the Purchaser has no knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success.

(b) There is no judgement, decree, injunction, rule or Order of any Governmental Authority or arbitrator against the Purchaser.

13. Material Contracts

As of the date hereof, the Purchaser has no material Contracts other than this Agreement.

14. Taxes

(a) The Purchaser has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Authority and has duly, completely and correctly reported all income and all other amounts and information required to be reported thereon.

(b) The Purchaser has duly and timely paid all Taxes, including all instalments on account of Taxes for the current year, that are due and payable by it whether or not assessed by the appropriate Governmental Authority.

SCHEDULE E
PREPAID EXPENSES

Expense	Date Paid (or Scheduled Payment Date)	Amount (or Estimated Amount)	Payment Period
BLM Maintenance Fees for the Mining Claims	Battle Mountain Portfolio – July 12, 2021 Maverick Springs Project – August 20, 2021	Battle Mountain Portfolio – \$363,495 Maverick Springs Project – \$40,755	September 1, 2021 – August 31, 2022
Annual Payment for Artemis Mining Lease dated October 1, 2001	September 20, 2021	\$100,000	October 1, 2021 – September 30, 2022
County Mining Claim Maintenance Fees	Early October (scheduled)	Battle Mountain Portfolio – \$26,496 (Estimated) Maverick Springs – \$3,168 (Estimated)	November 1, 2021 – October 31, 2022

EXHIBIT 1.1(A)

FORM OF CVR

See attached.

CONTINGENT VALUE RIGHTS AGREEMENT

THIS AGREEMENT made as of the ■ day of ■, 2021.

BETWEEN:

WATERTON NEVADA SPLITTER, LLC,
a limited liability company existing under
the laws of the State of Nevada,

(hereinafter referred to as the “**Splitter**”),

- and -

ELEMENT79 GOLD CORP.,
a corporation existing under
the laws of the Province of British Columbia,

(hereinafter referred to as the “**Purchaser**”).

WHEREAS Clover Nevada LLC (“**Clover Nevada**”), Maverick Springs Mining Company, LLC (together with Clover Nevada, the “**Vendors Parties**”) and 1316524 B.C. Ltd. (the “**Original Purchaser**”) entered into an asset purchase agreement dated October 1, 2021 (as it may be amended or supplemented from time to time pursuant to the terms thereof, the “**Purchase Agreement**”) for the purchase and sale of the Purchased Assets;

AND WHEREAS the Purchaser and the Original Purchaser entered into a securities exchange agreement dated October 1, 2021 pursuant to which the Purchaser agreed to acquire all of the issued and outstanding securities of the Original Purchaser and to assume and satisfy the obligations of the Original Purchaser under the Purchase Agreement;

AND WHEREAS the Splitter is an Affiliate of the Vendor Parties;

AND WHEREAS pursuant to the Purchase Agreement, the Purchaser is required to provide to the Vendor Parties or their designee the right to receive cash payments in certain circumstances as hereinafter described, and the Vendor Parties have named the Splitter as their designee;

AND WHEREAS pursuant to this Agreement, the CVR (as defined below) entitles the holder thereof to receive after the date hereof (a) \$2,000,000 (the “**First Payment**”) upon the occurrence of the First Milestone (as defined below), and (b) \$■ (the “**Second Payment**”) upon the occurrence of the Second Milestone (as defined below), in each case, without interest.¹

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good

¹ Note to Draft: The amount of the Second Payment will be known at Closing; it will be the shortfall (if any) between \$6,000,000 and the value of the Payment Shares issued at closing pursuant to section 2.3(a)(ii) of the Purchase Agreement. To the extent there is no shortfall, reference to the Second Payment will be deleted throughout this Agreement.

and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions.

As used in this Agreement, the following terms will have the following meanings:

“Affiliate” means as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person. For this purpose, “control” (including, with its correlative meanings, “controlled by” and “under common control with”) shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

“Assignee” has the meaning set forth in Section 3.3.

“Business Day” means any day other than a Saturday, Sunday or a day on which banking institutions in Toronto, Ontario or Vancouver, British Columbia are authorized or obligated by law or executive order to remain closed.

“Code” means the United States Internal Revenue Code of 1986, as amended.

“Commercial Production” means 30-day production at 65% of nameplate capacity related to a deposit on any portion of any of the Mining Claims.

“CVR” means the rights of the Holders (granted initially to the Splitter pursuant to the Purchase Agreement) to receive payments pursuant to this Agreement.

“CVR Register” has the meaning set forth in Section 2.3(b).

“Deed of Trust” means, subject to and until subordinated pursuant to Section 2.7, a first position deed of trust filed against the Mining Claims to secure the obligations of the Purchaser hereunder, in the form attached hereto as Schedule A.

“Entity” means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organization or entity.

“First Milestone” means the earlier of (a) the occurrence of Commercial Production and (b) the date that is 12 months following the date of this Agreement.

“First Milestone Amount” means, for a given Holder, the product of (a) the First Payment and (b) the percentage of the CVR held by such Holder as reflected on the CVR Register as of the close of business on the date of the occurrence of the First Milestone.

“Governmental Body” means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; or (c) governmental or quasi-governmental authority of any nature including any governmental division, department, agency, commission, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court, arbitrator or other tribunal.

“Holder” means a Person in whose name the CVR (or any part thereof) is registered in the CVR Register at the applicable time.

“Material Transaction” means any acquisition, financing or other transaction pursuant to which Purchaser Shares (or securities convertible into Purchaser Shares) are issued to any Person and which results in the dilution of the ownership proportion of the shareholders of the Purchaser immediately prior to such acquisition, financing or other transaction by more than 25% on a fully-diluted basis.

“Mining Claims” has the meaning given to that term in the Purchase Agreement.

“Ownership Threshold” has the meaning set forth in Section 2.4(d).

“Person” means any individual, Entity or Governmental Body.

“Purchased Assets” has the meaning given to that term in the Purchase Agreement.

“Purchaser Shares” means the common shares in the capital of the Purchaser.

“Second Milestone” means the date that is 18 months following the date of this Agreement.

“Second Milestone Amount” means, for a given Holder, the product of (a) the Second Payment and (b) the percentage of the CVR held by such Holder as reflected on the CVR Register as of the close of business on the date of the occurrence of the Second Milestone.

“Tax” shall mean any tax (including any income tax, franchise tax, capital gains tax, gross receipts tax, value-added tax, surtax, estimated tax, unemployment tax, national health insurance tax, excise tax, premium, alternative or minimum tax, ad valorem tax, transfer tax, stamp tax, sales tax, use tax, property tax, business tax, escheat or unclaimed property, withholding tax or payroll tax), levy, assessment, tariff, impost, imposition, duty (including any customs duty) or other tax or charge of any kind whatsoever, including any charge or amount (including any fine, penalty, interest or other additions thereto) related thereto, imposed, assessed or collected by or under the authority of any Governmental Body, including as a result of being or having been a member of an affiliated, consolidated, controlled, fiscal, combined, unitary or aggregate group or being a transferee of or successor to any Person or as a result of any express obligation to assume such Taxes or to indemnify any other Person.

“Transfer” has the meaning set forth in Section 2.2.

“VWAP” means the volume weighted average trading price of the Purchaser Shares, calculated by dividing the total value by the total volume of securities traded for the

relevant period on the relevant exchange on which the Purchaser Shares are listed at the relevant time.

1.2 Rules of Construction.

In this Agreement, unless otherwise specified:

(a) **Headings, etc.** The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.

(b) **Currency.** All references to dollars or to \$ are references to Canadian dollars.

(c) **Gender and Number.** Any reference to gender includes all genders, and words importing the singular number only include the plural and vice versa.

(d) **Certain Phrases and References, etc.** The words “including”, “includes” and “include” mean “including (or includes or include) without limitation,” and “the aggregate” means “the aggregate (or total or sum), without duplication, of.” Unless stated otherwise, “Article” and “Section” followed by a number or letter mean and refer to the specified Article or Section of this Agreement. The term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it.

(e) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(f) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day.

(g) **Time References.** References to time are to local time, Vancouver, British Columbia.

(h) **No Presumptions.** The parties acknowledge that they and their respective legal counsel have reviewed and participated in negotiating and settling the terms of this Agreement and agree that the *contra proferentem* principle of construction, or any similar rule or principle, shall not be applied in interpreting this Agreement, including to resolve any ambiguity in this Agreement.

ARTICLE 2 **CONTINGENT VALUE RIGHT**

2.1 CVR.

The CVR represents the rights of the Holders to receive cash or share payments, as applicable, pursuant to this Agreement, without any further act or formality or payment of additional consideration. The Purchaser hereby creates and issues one CVR to the Splitter.

2.2 Transfers.

The CVR may be transferred, sold, assigned or otherwise disposed of (each, a “**Transfer**”), in whole or in part, by the Splitter or any Holder at any time and from time to time to any Person, provided that:

- (a) the Splitter or such Holder provides written notice of the Transfer, together with the identity of the transferee(s), to the Purchaser no later than two Business Days following such Transfer; and
- (b) such Transfer is evidenced by a duly executed instrument of transfer reasonably satisfactory to the Purchaser.

As promptly as reasonably practicable following any Transfer, the Purchaser shall register the Transfer in the CVR Register and record thereon the identity of any new Holder or Holders. The duly Transferred CVR registered in the CVR Register will be the valid obligation of the Purchaser and will entitle the transferee(s) to the same benefits and rights under this Agreement as those held immediately prior to the Transfer by the Splitter or such Holder, as applicable.

2.3 No Certificate; Registration; Registration of Transfer; Change of Address.

- (a) The CVR will not be evidenced by a certificate or other instrument.
- (b) The Purchaser shall keep and maintain a register (the “**CVR Register**”) for the purpose of (i) identifying the Holders of CVR, and (ii) registering the CVR and any Transfers thereof. Any Holder may receive and inspect a copy of the CVR Register, from time to time, upon written request made to the Purchaser. Within two Business Days after receipt of such request, the Purchaser shall deliver a copy of the CVR Register, as then in effect, to the applicable Holder at the address requested by such Holder.
- (c) A Holder may make a written request to the Purchaser to change such Holder’s address of record in the CVR Register. The written request must be duly executed by the Holder. Upon receipt of such written notice, the Purchaser shall promptly record the change of address in the CVR Register.

2.4 Payment Procedures.

- (a) On or prior to the date that is five Business Days following the First Milestone or the Second Milestone, the Purchaser shall:
 - (i) deliver a notice to each Holder at its address indicating that the First Milestone or the Second Milestone, as applicable, has been achieved or occurred (as applicable); and
 - (ii) pay to each Holder such Holder’s First Milestone Amount or Second Milestone Amount, as applicable, by way of wire transfer of immediately available funds as directed by each such Holder.
- (b) Prior to the occurrence of a Material Transaction, the Purchaser shall, subject to Section 2.4(d), have the right to pay to each Holder such Holder’s First Milestone Amount in cash or Second Milestone Amount in cash and/or, at the option of the Splitter, Purchaser

Shares (at a price per Purchaser Share equal to the greater of (i) the 20-day VWAP and (ii) the minimum price permitted by the stock exchange on which the Purchaser Shares are listed for trading at such time), as applicable, prior to the First Milestone or the Second Milestone, as applicable.

(c) Following the occurrence of a Material Transaction, with the prior written consent of the Splitter, the Purchaser may pay to each Holder such Holder's First Milestone Amount and Second Milestone Amount (but not one or the other, unless only one such payment still remains outstanding) prior to the First Milestone and the Second Milestone. If the First Milestone Amount and the Second Milestone Amount are accelerated in accordance with this Section 2.4(c), the Purchaser shall, subject to Section 2.4(d), have the option to pay all or any portion of the First Milestone Amount and the Second Milestone Amount by issuing Purchaser Shares to each Holder (or its designee) at a price per Purchaser Share equal to the price at which Purchaser Shares were issued in the most recent Material Transaction.

(d) Notwithstanding Sections 2.4(b) and 2.4(c), if, as a result of the issuance of Purchaser Shares to the Holders (or their designees), the Vendor Parties, together with their Affiliates, would own more than 19.9% of the issued and outstanding Purchaser Shares on a basic basis (the "**Ownership Threshold**"), the Purchaser shall only be permitted to pay that portion of the First Milestone Amount (in the case of acceleration under Section 2.4(c)) or the Second Milestone Amount, as applicable, in Purchaser Shares such that the Ownership Threshold is not exceeded and shall be required to pay and satisfy the remainder of the First Milestone Amount or Second Milestone Amount, as applicable, in cash. In the event that the Purchaser has accelerated the payment of the First Milestone Amount and the Second Milestone Amount pursuant to Section 2.4(c), any Purchaser Shares issued as payment of such amounts shall be deemed to first be paid in satisfaction of the Second Milestone Amount, and the Purchaser shall be permitted to pay the remainder of the First Milestone Amount in cash and the Second Milestone Amount in cash or, at the Splitter's election, in Purchaser Shares, at the 20-day VWAP (subject to the Ownership Threshold) upon the occurrence of the First Milestone and the Second Milestone, respectively.

(e) Except to the extent any portion of the First Milestone Amount or the Second Milestone Amount is required to be treated as imputed interest and except as otherwise required pursuant to applicable law, the parties hereto intend to treat the First Milestone Amount and the Second Milestone Amount for all Tax purposes as consideration for the Purchased Assets (which, for the avoidance of doubt, shall be treated as Purchase Price (as such term is defined in the Purchase Agreement)) pursuant to the Purchase Agreement. The Purchaser shall report imputed interest on the CVR as required by applicable law.

(f) The Purchaser or its Affiliate shall be entitled to deduct and withhold from the First Milestone Amount, the Second Milestone Amount or any other amounts otherwise payable pursuant to this Agreement such amounts as may be required to be deducted and withheld therefrom under applicable Tax law. The Purchaser shall promptly remit, or cause to be remitted, any amounts withheld in respect of Taxes to the appropriate Governmental Body. To the extent any amounts are so deducted and withheld and properly remitted to the appropriate Governmental Body, such amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made, and as required by applicable law, the Purchaser shall deliver to the Person to whom such amounts would otherwise have been paid an original IRS Form 1099 or other reasonably acceptable evidence of such withholding. Notwithstanding the foregoing, the Purchaser and its Affiliates agree that no such deduction or withholding is intended on any payment hereunder, provided

that the Splitter has delivered a certificate prepared in accordance with Treasury Regulations section 1.1445-2(b)(2) and section 1445 of the Code certifying that the Splitter is not a foreign person and the Splitter (or, as applicable, the Person to whom such amounts are paid) has delivered a completed and signed IRS Form W-9 to the Purchaser. The Purchaser or its Affiliate shall inform the Splitter at least five Business Days in advance of any such deduction or withholding and the Purchaser and its Affiliates shall cooperate to take commercially reasonable steps to reduce or eliminate such deduction or withholding.

2.5 No Equity or Ownership Interest.

(a) The CVR will not have any voting or dividend rights, and interest will not accrue on any amounts payable on the CVR to any Holder.

(b) The CVR will not represent any equity or ownership interest in the Purchaser or any of its Affiliates or in the Mining Claims.

2.6 Books and Records.

The Purchaser shall, and shall cause its Affiliates to, keep records in sufficient detail to enable the Holders to determine the amounts payable hereunder.

2.7 Security and Subordination.

The obligations of the Purchaser under this Agreement will be secured by a Deed of Trust executed and delivered in connection herewith by the Purchaser, as trustor, in favor of the Splitter, as beneficiary, constituting a charge and security interest in the Trust Estate (as defined in the Deed of Trust). The Purchaser's CVR and payment obligations hereunder shall be fully subordinated to all indebtedness, liabilities and obligations of the Purchaser to banks, commercial finance lenders, insurance companies, leasing or equipment financing institutions or other lending institutions regularly engaged in the business of lending money which is for money borrowed or advanced (including any prepay, streaming or offtake agreements), or the purchase or leasing of equipment used solely on or for the Mining Claims in the case of lease or other equipment financing, whether or not secured. The Holders (and any Assignees or successors) agree to execute and deliver customary forms of subordination agreement requested from time to time by holders of senior indebtedness, provided that any such subordination agreement is not inconsistent with the terms of this Agreement, and as a condition to the Holders' rights hereunder, the Purchaser may require that the Holders execute such forms of subordination agreement.

ARTICLE 3 GENERAL

3.1 Amendments and Waivers.

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

3.2 Notices.

Any notice or other communication required or permitted hereunder shall be in writing and shall be deemed given when delivered in person, by overnight courier, or by electronic mail, or two Business Days after being sent by registered or certified mail (postage prepaid, return receipt requested), as follows:

If to the Purchaser:

Element79 Gold Corp.
230-997 Seymour Street
Vancouver, BC V6B 3M1

Attention: James Tworek
Email: [REDACTED]

with a copy to (which shall not constitute notice):

Forooghian + Company Law Corporation
Suite 401, 353 Water Street
Vancouver, BC V6B 1B8

Attention: Farzad Forooghian
Email: [REDACTED]

If to the Splitter:

Waterton Nevada Splitter, LLC
199 Bay Street, Suite 5050
Toronto, ON M5L 1E2

Attention: Kamal Toor / Richard Wells
Email : [REDACTED]

with a copy to (which shall not constitute notice):

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Brett Seifred
Email: [REDACTED]

Any party may specify a different address or email address by giving notice in accordance with this Section 3.2.

3.3 Successors and Assigns.

The Purchaser may assign any or all of its rights, interests and obligations hereunder to (a) in its sole discretion and without the consent of any other party, any controlled Affiliate of the Purchaser, but only for so long as it remains a controlled Affiliate of the Purchaser, or (b) with the prior written consent of each of the Holders (which consent may not

be unreasonably withheld), any other Person (any permitted assignee under clause (a) or (b), an “Assignee”), in each case provided that the Assignee expressly agrees in writing to assume and be bound by all of the terms of this Agreement. Any Assignee may thereafter assign any or all of its rights, interests and obligations hereunder in the same manner as the Purchaser pursuant to the prior sentence. In connection with any assignment to an Assignee described in clause (a) above, the Purchaser (and the other assignor) shall agree to remain liable for the performance by each Assignee (and such other assignor, if applicable) of all obligations of the Purchaser hereunder, with such Assignee substituted for the Purchaser under this Agreement. This Agreement will be binding upon, enure to the benefit of and be enforceable by the Purchaser’s successors and each Assignee. Each of the Purchaser’s successors and Assignees shall expressly assume, by an instrument supplemental hereto, the due and punctual payment of the CVR and the due and punctual performance and observance of all of the covenants and obligations of this Agreement to be performed or observed by the Purchaser. Any attempted assignment of this Agreement or any such rights in violation of this Section 3.3 shall be void and of no effect.

3.4 Release of Security.

Upon the payment in full of both the First Milestone Amount and the Second Milestone Amount to the Holders in accordance with the terms of this Agreement, the parties shall promptly, and in any event within 15 Business Days, enter into such agreements and other instruments as may be necessary to release, reassign, reconvey and discharge the security contemplated by the Deed of Trust.

3.5 Benefits of Agreement.

Nothing in this Agreement, express or implied, will give to any Person (other than the Purchaser or the Purchaser’s successors and Assignees, the Holders and the Holders’ successors and assigns pursuant to a Transfer) any benefit or any legal or equitable right, remedy or claim under this Agreement or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the foregoing.

3.6 Governing Law; Jurisdiction.

(a) This Agreement (but not, for the avoidance of doubt, the Deed of Trust) shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

(b) Each of the parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia over any action or proceeding arising out of or relating to this Agreement (other than the Deed of Trust), (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

3.7 Severability.

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal

substance of the transactions contemplated hereby is not affected in a manner materially adverse to a party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

3.8 Rule Against Perpetuities.

The parties do not intend for this Agreement to violate the common law rule against perpetuities or any analogous statutory provision or any other constitutional, statutory or common law rule imposing time limits on the vesting or termination of rights or estates in land. If any provision of this Agreement would violate any such rule, then this Agreement shall not be deemed void or voidable or terminated, but shall be interpreted in such a way as to effect the parties' objectives to the fullest extent permitted by law.

3.9 Further Assurances.

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement, including as may be reasonably requested in order to more effectively carry out the matters contemplated in Section 3.4.

3.10 Counterparts.

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document.

3.11 Termination.

This Agreement will be terminated and of no force or effect, the parties hereto will have no liability hereunder, and no payments will be required to be made, upon the payment in full of both the First Milestone Amount and the Second Milestone Amount to the Holders in accordance with the terms of this Agreement.

3.12 Entire Agreement.

This Agreement, the Deed of Trust and the Purchase Agreement constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, including the bid letter dated August 4, 2021 between the Original Purchaser and Clover Nevada. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein.

[Signature Page Follows.]

IN WITNESS WHEREOF this Agreement has been executed by the parties on the date first above written.

WATERTON NEVADA SPLITTER, LLC

by _____
Name: Isser Elishis
Title: Authorized Signatory

ELEMENT79 GOLD CORP.

by _____
Name:
Title:

SCHEDULE A
FORM OF DEED OF TRUST

See attached.

RECORDED AT THE REQUEST OF, AND
AFTER RECORDING PLEASE RETURN TO:
Daniel A. Jensen
Parr Brown Gee & Loveless
101 South 200 East, Suite 700
Salt Lake City, UT 84111

APN: N/A (unpatented mining claims)

*The undersigned affirms that this document does not
contain the personal information of any person*

**DEED OF TRUST, ASSIGNMENT OF LEASES,
RENTS AND CONTRACTS, SECURITY AGREEMENT
AND FIXTURE FILING**

[REDACTED], as Trustor

to

MATTHEW E. JENSEN, ESQ., as Trustee

for the benefit of

WATERTON NEVADA SPLITTER, LLC, as Beneficiary

THIS DEED OF TRUST, ASSIGNMENT OF LEASES, RENTS AND CONTRACTS, SECURITY AGREEMENT AND FIXTURE FILING (“**Deed of Trust**”) is made as of _____, 2021, by _____, a _____ existing under the laws of _____,¹ as trustor, whose mailing address is _____ (“**Trustor**”), to **MATTHEW E. JENSEN, ESQ.**, as trustee, whose mailing address is 101 South 200 East, Suite 700, Salt Lake City, Utah 84111 (“**Trustee**”), for the benefit of **WATERTON NEVADA SPLITTER, LLC**, a Nevada limited liability company, as beneficiary (“**Beneficiary**”).

RECITALS

A. Clover Nevada LLC, a Nevada limited liability company, Maverick Springs Mining Company, LLC, a Nevada limited liability company, and 1316524 B.C. Ltd., a British Columbia corporation, are parties to that certain Asset Purchase Agreement dated October 1, 2021 (the “**Purchase Agreement**”).

B. In connection with the Purchase Agreement, Beneficiary and Element79 Gold Corp., a British Columbia corporation (“**Element79**”), entered into that certain Contingent Value Rights Agreement dated as of the date hereof (the “**CVR Agreement**”).

C. Pursuant to Section 2.7 of the CVR Agreement, the obligations of Element79 under the CVR Agreement are to be secured by Trustor, which is an entity wholly-owned by Element79.

D. It is a requirement under the CVR Agreement that Trustor execute and deliver this Deed of Trust and Trustor acknowledges that it will benefit from and receive adequate consideration for the granting of this Deed of Trust.

E. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the CVR Agreement, and if any capitalized term is not defined herein or in the CVR Agreement, then such term shall have the meaning ascribed to it in the Purchase Agreement.

AGREEMENT

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, conveys and assigns to Trustee, in trust, with power of sale and right of entry and possession, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter in, all of Trustor’s present and future right, title, interest and claims of Trustor in and to all of the following described property whether now owned or hereafter acquired (all of Trustor’s present and future right, title, interest and claims in the property described in the following clauses (a) through (m) severally and collectively, the “**Trust Estate**”):

¹ **NTD**: The trustor must be a U.S. subsidiary of Element79, because only U.S. entities can hold title to unpatented mining claims.

(a) [Reserved];

(b) The unpatented mining claims located in Elko, Eureka, Humboldt, Lander, Nye and White Pine Counties, Nevada described on Exhibit A attached hereto and incorporated herein by this reference (collectively, the “**Mining Claims**”) and all minerals thereon and therein, all proceeds, royalties and income from all minerals or soil components (whether in-ground or extracted therefrom), all mineral (whether in-ground or extracted) and mining rights relating thereto, and all rights and claims to minerals thereon or therein, whether owned or leased by Trustor² (collectively with the Mining Claims, the “**Real Property**”), together with all rights appurtenant thereto, including the easements and rights of way over any other adjoining land granted by any legal entitlements, easement agreements, covenant or restrictive agreements and all air rights, minerals, mineral rights and interests, resources, reserves, land positions, stockpiled ore and minerals, overburden piles, tailings, byproducts, oil and gas rights, geothermal rights and resources, timber and development rights, if any, relating thereto, and also together with all of the other easements, rights, privileges, interests, hereditaments and appurtenances thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim or demand whatsoever of Trustor therein, either in law or in equity, in possession or expectancy, now or hereafter acquired and including the Real Property and all of Trustor’s rights and interest in and to streets, roads, ways, railways and public places, opened or postponed, and all rights of way, public or private, now or hereafter used in connection with, or belonging or appertaining to or being adjacent to the Real Property;

(c) Any and all buildings and other improvements now or hereafter erected on the Real Property including fixtures, attachments, appliances, equipment, machinery, and other personal property attached or affixed to, installed in, or used in connection with such buildings and other improvements (the “**Improvements**”), all of which shall be deemed and construed to be a part of the Real Property;

(d) All rents, issues, profits, claims, royalties, income, accounts and other benefits now or hereafter derived from the Real Property and the Improvements (collectively the “**Rents**”), subject to the terms and provisions of Article 2 of this Deed of Trust with respect to all leases and subleases of the Real Property or Improvements now or hereafter existing or entered into, or portions thereof, granted by Trustor, and further subject to the right, power and authority hereinafter given to Trustor to collect and apply such Rents;

(e) All surface and ground water rights, both existing and hereafter acquired, whether appurtenant, severed or leased, of all legal dispositions or status (including temporary, adjudicated, vested, decreed, certificated, permitted, changed or modified water rights), appurtenant to or used or usable in connection with the Real Property, including any and all shares of stock (whether certificated or uncertificated), contracts, agreements, entitlements and authorizations evidencing the same, similar, or associated right or interest in any ditch, irrigation, or canal company, whether presently existing or hereafter created, recognized, obtained or acquired (including entitlements,

² The parties acknowledge that, as of the date hereof, Trustor owns the Battle Mountain Portfolio (as defined in the Purchase Agreement), which consists of the mining claims listed under the heading of “Battle Mountain Portfolio” in Exhibit A hereto, but holds only a leasehold interest in the Maverick Springs Project (as defined in the Purchase Agreement), which consists of the mining claims listed under the heading of “Maverick Springs Project” in Exhibit A hereto.

connection credits and other authorizations of any kind from any public or private water supplier or entity), and including all easements, rights of way, wells, pumps, casing, downhole equipment, meters, utilities and utility lines, diversion structures, canals, ditches, pipelines, headgates, weirs and other entitlements, improvements, fixtures and facilities used to withdraw, pump, divert, store, transport and use said water and water rights (collectively the “**Water Rights**”);

(f) All easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, utility reservations and capacity rights, and other rights now owned or hereafter acquired by Trustor used in connection with the Real Property or the Improvements or as a means of access thereto (including all rights pursuant to any trackage agreement and all rights to the nonexclusive use of common drive entries, and all and powers, estates, rights, titles, interests, minerals, royalties, privileges, liberties, tenements, hereditaments and appurtenances thereof and thereto);

(g) All grazing and range rights relating or pertaining to the Real Property; all oil, gas, minerals (including, but not limited to, all gold, silver, copper and other precious and base metals) and their intermediate products such as mineral bearing products, mineral bearing ores and concentrates, coal, and other substances of any kind or character on or within the Real Property; all electrical users rights, in or hereafter relating to or used in connection with the Real Property; all shares of stock evidencing any such rights; all fixtures and equipment (whether or not annexed thereto) now or hereafter used for the production or distribution of minerals, water or electricity in connection with the use or occupancy of the Real Property or for the drainage or supply thereof; and all appendages, appurtenances, covenants, easements, hereditaments, liberties, privileges, rights of way, tenements, and other rights benefiting, or otherwise relating to the Real Property and/or the Improvements or any owner, occupier, or user thereof;

(h) All now or hereafter existing leases or licenses (under which Trustor is landlord) and subleases (under which Trustor is sublandlord), concession, management, mineral or other agreements of a similar kind that permit the use or occupancy of all or any portion of the Trust Estate for any purpose in return for any payment, or the extraction or taking of any gas, water, geothermal resources, or other minerals from the Trust Estate in return for payment of any fee, rent or royalty, including Trustor’s right, title and interest as lessor in the same (collectively, “**Leases**”);

(i) All right, title, and interest of Trustor in (i) the property and interests in property described on Exhibit B attached hereto and incorporated herein by reference, (ii) all other personal property now or hereafter owned or acquired by Trustor that is now or hereafter located on or used in connection with or related to the Real Property or the Improvements, (iii) all other rights and interests of Trustor now or hereafter held in personal property that is now or hereafter located on or used in connection with the Real Property or the Improvements, and (iv) all proceeds thereof (such personal property and proceeds are referred to herein collectively as the “**Personal Property**”);

(j) All rights of Trustor under any covenants, conditions, and restrictions affecting the Real Property or the Improvements whether now existing or hereafter arising, including all voting rights, declarant’s rights, developer rights, and similar rights arising under any such covenants, conditions, and restrictions (collectively, the “**CC&Rs**”), provided, Trustor shall retain the right

to exercise its privileges under the CC&Rs (subject in all respects to the terms of the CVR Agreement) before any Event of Default hereunder and thereafter subject to Trustee's and Beneficiary's rights hereunder and under the CVR Agreement;

(k) All rights (but none of the obligations) of Trustor under any contracts, agreements, licenses or other documents affecting, relating to, executed in connection with, or used in the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management, or ownership of the Real Property or Improvements or the sale of goods or services produced in or relating to the Real Property or the Improvements, (collectively, the "**Other Agreements**"), provided, Trustor shall retain the right to exercise its privileges under the Other Agreements (subject in all respects to the terms of the CVR Agreement) before any Event of Default and thereafter subject to Trustee's and Beneficiary's rights hereunder and under the CVR Agreement;

(l) All the estate, interest, right, title, other claim or demand, both in law and in equity (including claims or demands with respect to the proceeds of insurance in effect with respect thereto) that Trustor now has or may hereafter acquire in the Real Property, the Improvements, the Personal Property, or any other part of the Trust Estate (as defined below), and any and all awards made for the taking by eminent domain, or by any proceeding of purchase in lieu thereof, of the whole or any part of the Trust Estate (including any awards resulting from a change of grade of streets and awards for severance damages); and

(m) All proceeds, products, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements, minerals and mineral rights (including the Mining Claims), whether in-ground or extracted, and accessions of, and to, any of the foregoing.

Notwithstanding the foregoing, the Trust Estate shall not include any of the Other Agreements or other permit or license to the extent that the Trustor is expressly prohibited from granting a security interest in such instrument pursuant to the terms thereof, but only to the extent such prohibition is not invalidated under the Uniform Commercial Code or any Excluded Assets (as defined in Exhibit B). The foregoing descriptions of items constituting the Trust Estate shall be construed as cumulative and not limiting, and the terms "include" and "including", when used in those descriptions, shall mean without limitation by reason of enumeration. Unless the context clearly indicates otherwise, the terms "equipment," "inventory," "accounts," "instruments," "promissory notes," "investment property," "commercial tort claims," "deposit accounts," "letter-of-credit rights," "supporting obligations," "chattel paper," "general intangibles," "proceeds" and "products" shall have the meanings provided for those terms in the Uniform Commercial Code as adopted and enacted by the State of Nevada (as amended or replaced from time to time, the "**Nevada Uniform Commercial Code**") in effect on the date of this Deed of Trust.

For the purpose of securing the payment of all amounts payable arising under the CVR Agreement, and performance of its obligations under the CVR Agreement, and all other indebtedness, obligations and liabilities, direct or indirect, absolute or contingent, matured or not, of Trustor to Beneficiary under the CVR Agreement or hereunder, whether incurred before, at the time of, or subsequent to the execution hereof, whether incurred alone or with another or others, including extensions and renewals, thereof (together, the "**Secured Obligations**"), which shall

include interest accruing subsequent to the filing of, or which would have accrued but for the filing of, a petition for bankruptcy, in accordance with and at the Interest Rate (including any rate applicable upon any default or event of default under the CVR Agreement, to the extent lawful), whether or not such interest is an allowable claim in such bankruptcy proceeding.

TRUSTOR HEREBY COVENANTS AND FURTHER AGREES AS FOLLOWS:

**ARTICLE 1
COVENANTS AND AGREEMENTS OF TRUSTOR**

1.01 Payment and Performance of Obligations; Protection of Lien.

(a) Trustor shall not sell, transfer, convey, lease, let, mortgage, pledge, encumber, create, or permit a lien on or security interest in, or otherwise hypothecate all or any part of the Property except for liens, encumbrances, and transfers expressly permitted under the CVR Agreement.

(b) This Deed of Trust provides a first position security interest and lien against the Property, subject to the terms and conditions of the CVR Agreement. Trustor shall forever warrant and defend the title to the Property and priority of the lien of this Deed of Trust unto Beneficiary against the claims of all persons whomsoever.

(c) Trustor shall pay, or cause to be paid, when due and/or perform, or cause to be performed, each of the Secured Obligations. All covenants contained in the CVR Agreement are hereby incorporated into this Deed of Trust by reference.

1.02 Maintenance, Repair, Alterations. Trustor shall keep, maintain, preserve and protect the Trust Estate in good repair, working order, and condition, ordinary wear and tear excepted. Trustor shall: (a) complete any Improvement that may now be or hereafter constructed in good and workmanlike manner; and (b) restore any Improvements that may be damaged or destroyed to substantially the same condition as existing immediately before such damage or destruction and pay when due all claims for labor performed and materials furnished therefore, in either case excepting any Improvements that Trustor does not reasonably consider to be material to the business of Trustor. Trustor shall comply in all material respects with all Requirements (as defined below) and shall not suffer to occur or exist any violation in any material respect of any Requirement. Trustor shall not commit or permit any waste or deterioration of the Trust Estate, and, to the extent permitted by law or required by the CVR Agreement, shall keep and maintain abutting grounds, roads, parking, etc. in good and neat order and repair. Trustor shall perform in all material respects its obligations under each Lease the CC&Rs, if any. “**Requirement**” and “**Requirements**” mean, respectively, each and all obligations and requirements now or hereafter in effect by which Trustor or the Trust Estate are bound or which are otherwise applicable to the Trust Estate, any work or activity necessary to preserve and maintain the Trust Estate, preserve or maintain mining or other rights in the Trust Estate, any construction of any Improvements on the Trust Estate, or operation, occupancy or use of the Trust Estate (including, without limitation (i) such obligations and requirements imposed by common law or any law, statute, ordinance, regulation, or rule (federal, state, or local), including, without limitation, any mining reports, filings, verifications of mining activity, etc. and (ii) such obligations and requirements of, in, or in

respect of (A) any consent, authorization, license, permit, or approval relating to the Trust Estate, (B) any condition, covenant, restriction, easement, or right-of-way reservation applicable to the Trust Estate, (C) any lien or encumbrance, (D) any other agreement, document, or instrument to which Trustor is a party or by which Trustor or the Trust Estate is bound or affected (including, without limitation, the CC&Rs, if any, and the Other Agreements), and (E) any order, writ, judgment, injunction, or award of any arbitrator, other private adjudicator, court, government, or governmental authority (federal, state, or local) to which Trustor is a party or by which Trustor or the Trust Estate is bound or affected).

1.03 Required Insurance. Trustor shall at all times provide, maintain and keep in force or cause to be provided, maintained and kept in force with respect to the Trust Estate, at no expense to Trustee or Beneficiary, policies of insurance in accordance with prudent mining practices or as required by the Purchase Agreement or CVR Agreement. All such policies of insurance required by this Deed of Trust shall contain endorsements or agreements by the insurer that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Trustor or any party holding under Trustor that might otherwise result in forfeiture of said insurance and the further agreement of the insurer waiving all rights to set off, counterclaims, and deductions against Trustor. Prior to the expiration of each required policy, Trustor shall deliver to Beneficiary evidence reasonably satisfactory to Beneficiary of the payment of the premium and the renewal or replacement of such policy continuing insurance in form as required by this Deed of Trust, the Purchase Agreement, or the CVR Agreement.

1.04 Payment of Premiums. In the event Trustor fails to obtain, maintain, or deliver to Beneficiary the policies of insurance with respect to the Trust Estate required under the CVR Agreement and this Deed of Trust, Beneficiary may but without any obligation to do so, obtain such policies or take other action that it deems appropriate to remedy the failure and pursue its rights and remedies in the CVR Agreement. All sums, including reasonable attorneys' fees, so expended by or on behalf of Beneficiary will be a lien on the Trust Estate, will be secured by this Deed of Trust, and will be paid by Trustor on demand, together with interest at twelve percent (the "**Interest Rate**"). No payment or other action by Beneficiary under this Deed of Trust, including this section, will impair any other right or remedy available to Beneficiary or constitute a waiver of any default.

1.05 Casualties; Insurance Proceeds. After the happening of any material casualty to or in connection with the Trust Estate or any part thereof, whether or not covered by insurance, Trustor shall give prompt written notice thereof to Beneficiary. All proceeds of property casualty insurance with respect to the Trust Estate shall be payable to Beneficiary if, but only if, there are any amounts unpaid and owing by Trustor under the CVR Agreement. If, in that situation, Trustor receives any proceeds of insurance resulting from such casualty, Trustor shall promptly pay over such proceeds to Beneficiary.

1.06 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Deed of Trust as a mortgage, a sale under the power of sale, or any other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the Secured Obligations, all right, title and interest of Trustor in and to all policies of insurance required by Section 1.03 shall inure to the

benefit of and pass to the successor in interest to Trustor or the purchaser or grantee of the Trust Estate, to the extent such policies are assignable pursuant to the terms thereof.

1.07 Waiver of Offset. Except for such notice as may be expressly required hereunder or under the CVR Agreement, all sums payable by Trustor pursuant to the CVR Agreement or this Deed of Trust shall be paid without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Trustor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Trust Estate or any part thereof; (ii) any restriction or prevention of or interference by any Person with any use of the Trust Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Real Property or the Improvements or any part thereof by title paramount or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Beneficiary, or any action taken with respect to this Deed of Trust by any trustee or receiver of Beneficiary, or by any court, in any such proceeding; or (v) any other occurrence whatsoever, whether similar or dissimilar to the foregoing; whether or not Trustor shall have notice or knowledge of any of the foregoing.

1.08 Impositions.

(a) Trustor shall pay, or cause to be paid, before the date due, and in any event before delinquency, all real and personal property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever (including, without limitation, nongovernmental levies or assessments such as property owners' association assessments, fee and dues, maintenance charges, water charges, water toll charges, irrigation fees and assessments, levies, or charges resulting from covenants, conditions and restrictions affecting the Trust Estate), that are assessed or imposed upon the Trust Estate or become due and payable and that create or may create if not paid a lien upon the Trust Estate (the above are sometimes referred to herein individually as an "**Imposition**" and collectively as "**Impositions**"), provided, however, that if by law any Imposition is payable, or may at the option of the taxpayer be paid, in installments, Trustor may pay the same or cause it to be paid, together with any accrued interest on the unpaid balance of such Imposition, in installments as the same becomes due and before any fine, penalty, interest, or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If at any time after the date hereof there shall be assessed or imposed a fee, tax, or assessment on Beneficiary (other than income taxes) and measured by or based in whole or in part upon this Deed of Trust or the outstanding amount of the Secured Obligations, then all such taxes, assessments or fees shall be deemed to be included within the term "**Impositions**" as defined in Section 1.08(a) and Trustor shall, subject to Section 1.08(c), pay and discharge the same as herein provided with respect to the payment of Impositions. Subject to Section 1.08(c), if Trustor fails to pay such Impositions before delinquency, Beneficiary may, at its option, pay such Imposition or take other action that it deems appropriate to remedy the failure and pursue any and all rights and remedies hereunder or under the CVR Agreement as for an Event of Default, and such remedies may be pursued individually, singly or concurrently. All sums, including reasonable attorneys' fees, so expended by or on behalf of Beneficiary will be a lien on the Trust Estate, will be secured

by this Deed of Trust, and will be paid by Trustor on demand, together with interest at the Interest Rate.

(c) Trustor shall have the right before and after any delinquency occurs to contest or object to the amount or validity of any Imposition by appropriate proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending Trustor's covenant to pay any such Imposition at the time and in the manner provided in this Section 1.08, unless Trustor has given prior written notice to Beneficiary of Trustor's intent to so contest or object to an Imposition, and unless, in Beneficiary's absolute and sole discretion, (i) Trustor shall demonstrate to Beneficiary's satisfaction that the proceedings to be initiated by Trustor shall conclusively operate to prevent the sale of the Trust Estate or any part thereof or interest therein to satisfy such Imposition before final determination of such proceedings, (ii) Trustor shall furnish a good and sufficient bond or surety as requested by and satisfactory to Beneficiary, or (iii) Trustor shall demonstrate to Beneficiary's satisfaction that Trustor has provided a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale.

1.09 Utilities. Trustor shall pay when due all charges that are incurred by Trustor for the benefit of the Trust Estate or that may become a charge or lien against the Trust Estate for gas, electricity, water, sewer, or other services furnished to the Trust Estate.

1.10 Actions Affecting Trust Estate. Trustor shall notify Beneficiary promptly upon obtaining written notice of any condemnation proceeding, against the Trust Estate. Trustor shall appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee hereunder; and shall pay all reasonable and documented costs and expenses (including, without limitation, costs of evidence of title, litigation, and attorneys' fees) in any such action or proceeding in which Beneficiary or Trustee may appear. Notwithstanding the foregoing, Beneficiary may, but shall not be required to, participate in any such proceedings or contest, at Trustor's sole cost and expense.

1.11 Appointment of Successor Trustee. Beneficiary may, from time to time, by a written instrument executed and acknowledged by Beneficiary, mailed to Trustor and recorded in the county in which the Trust Estate is located and by otherwise complying with the provisions of applicable law, substitute a successor or successors to any Trustee named herein or acting hereunder, and such successor(s) shall, without conveyance from the Trustee predecessor, succeed to all title, estate, rights, powers and duties of such predecessor.

1.12 Trustee's Powers. At any time, or from time to time, without liability therefor and without notice, upon written request of Beneficiary and without affecting the personal liability of any person for payment of the Secured Obligations or the effect of this Deed of Trust upon the remainder of said Trust Estate, Trustee may: (a) reconvey any part of said Trust Estate, (b) consent in writing to the making of any map or plat thereof, (c) join granting any easement thereon, or (d) join any extension agreement or any agreement subordinating the lien or charge hereof.

1.13 Beneficiary's Powers. Without affecting the liability of any Person liable for the payment of the Secured Obligations herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Trust Estate not then or theretofore released as security for the Secured Obligations, Beneficiary may, from time to time and without notice: (a) release

any person so liable, (b) extend the Secured Obligations, (c) release or reconvey, or cause to be released or reconveyed, at any time at Beneficiary's option any parcel, portion or all of the Trust Estate, (d) take or release any other or additional security or any guaranty for any Secured Obligations herein mentioned, or (e) make compositions or other arrangements with debtors in relation thereto.

1.14 Compliance with Law. Trustor shall comply in all material respects with all laws, rules, ordinances, regulations, covenants, conditions, restrictions, easements and agreements pertaining to the Trust Estate. Trustor shall not permit, commit, or suffer any act to be done in or upon the Trust Estate in violation of law. Trustor shall not initiate or acquiesce in any change in any zoning or other land use classification now or hereafter in effect and affecting the Trust Estate or any part thereof nor shall Trustor otherwise change or attempt to change the use of the Trust Estate or any portion thereof without in each case obtaining Beneficiary's prior written consent thereto.

1.15 Mining Claims. Except as otherwise expressly permitted under the CVR Agreement, Trustor agrees not to amend, modify, sell, transfer, convey, lease, sublease or terminate any of the Mining Claims which comprise a portion of the Trust Estate without the express written consent of Beneficiary, which consent may be given or withheld, conditioned or delayed in Beneficiary's sole and absolute discretion. Consent to one amendment, modification, or termination shall not be deemed to be a waiver of the right to require consent to other, future or successive amendments, modifications, or terminations. Trustor agrees to and shall perform all obligations and agreements necessary to maintain all of the Mining Claims and shall not take any action or omit to take any action which would affect or permit the termination of any Mining Claim. Trustor agrees to notify Beneficiary in writing with respect to any claim made or threatened against the validity of any portion of the Trust Estate constituting the Mining Claims, or any portion thereof. Trustor shall perform any required assessment work and timely prepare, record and file appropriate evidence of such work, together with the payment of all applicable fees as may be required from time to time under federal or state law. Trustor shall timely pay all annual mining claim maintenance or rental fees and make all federal and state filings with respect to the Mining Claims as are necessary or beneficial to maintain the Mining Claims in full effect as valid unpatented mining claims under federal and state law. Without limiting the foregoing, by no later than August 15th of each year, Trustor shall deliver to Beneficiary documentation of acknowledgment by the United States Bureau of Land Management ("BLM") that the annual unpatented mining claim maintenance fees for all Mining Claims have been paid. Trustor shall provide to Beneficiary a copy of all material correspondence received from, or sent to, the BLM, the Elko, Eureka, Humboldt, Lander, Nye and White Pine County Recorders, the State of Nevada or any third party, concerning the Mining Claims within three (3) business days following receipt or transmittal by Trustor.

1.16 Water Rights. Trustor shall cause all Water Rights to be maintained in good standing. Trustor shall cause all equipment and facilities used in connection with the Water Rights to be maintained in a safe and properly operable condition. Trustor shall consistently place the Water Rights to beneficial use in a manner sufficient to prevent any possible forfeiture or partial forfeiture of any Water Right; provided, however, that Trustor, acting reasonably, may instead seek and obtain appropriate regulatory authorizations for nonuse of water prior to the time that any

Water Right becomes subject to forfeiture or partial forfeiture. Trustor shall comply with all applicable statutes and rules pertaining to use of the Water Rights.

1.17 Indemnification. Trustor will protect, indemnify, save harmless and defend Beneficiary and Trustee and their respective officers, directors, shareholders, employees, successors and assigns from and against any and all liability, loss, costs, charges, penalties, obligations, expenses, attorneys' fees, litigation, judgments, damages, claims and demands imposed upon or incurred by or asserted against Beneficiary or Trustee by reason of (a) ownership by Trustee or Beneficiary of its interest in any portion of the Trust Estate pursuant to this Deed of Trust, (b) any accident or injury to or death of persons or loss of or damage to or loss of the use of property occurring on or about the Trust Estate or any part thereof, (c) any use, non-use or condition of the Trust Estate or any part thereof, (d) any failure on the part of Trustor to perform or comply with any of the terms of this Deed of Trust or any instrument or agreement secured hereby, (e) performance of any labor or services or the furnishing of any materials or other property in respect of the Trust Estate or any part thereof made or suffered to be made by or on behalf of Trustor, (f) any negligence or tortious act on the part of Trustor or any of its agents, contractors, lessees, licensees or invitees, (g) any work in connection with any alterations, changes, new construction or demolition of the Trust Estate, whether or not permitted hereunder or (h) the exercise by Beneficiary of any of its rights and remedies, or the performance of any of its obligations, under this Deed of Trust, except, in each case of the foregoing, to the extent such liability, loss, costs, charges, penalties, obligations, expenses, attorneys' fees, litigation, judgments, damages, claims or demands results from the gross negligence, bad faith or willful misconduct (as determined pursuant to a non-appealable judgement by a court of competent jurisdiction) of such Trustee, Beneficiary or any of their respective officers, directors, shareholders, employees, successors or assigns which are seeking indemnification hereunder. All amounts payable to Beneficiary or Trustee, as the case may be, under this Section 1.17 shall be payable on demand and shall be deemed indebtedness secured by this Deed of Trust.

ARTICLE 2 ASSIGNMENT OF RENTS

2.01 Assignment of Rents. Trustor hereby irrevocably, absolutely, presently and unconditionally assigns, transfers and grants to Beneficiary (i) all present and future right and interest in and to the Rents, and hereby gives to and confers upon Beneficiary the right, power and authority to collect the Rents, at any time, with or without notice, and (ii) all of Trustor's estate, right, title, interest, claim and demand, as landlord, under any and all of the Leases. The assignment of the Rents and Leases in this Article 2 is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest. Trustor irrevocably appoints Beneficiary, effective upon and during the continuation of an Event of Default, its true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, to demand, receive and enforce payment, to give receipts, releases and satisfactions, and to sue, in the name of Trustor or Beneficiary, for all Rents and apply the same to the payment of the Secured Obligations in such order as Beneficiary shall determine. Trustor hereby authorizes and directs the lessees, occupants and tenants under Leases to make all payments under the Leases directly to

Beneficiary upon written demand by Beneficiary (which may be made at any time on and after an Event of Default), without further consent of Trustor.

2.02 License to Collect Rents. Beneficiary hereby confers upon Trustor a revocable license (“**License**”) to collect and retain the Rents as they become due and payable (but not more than one (1) month in advance unless the written approval of Beneficiary is first obtained), and to retain and enjoy same, so long as no revocation of the License by Beneficiary has occurred after the occurrence and during the continuance of an Event of Default. For the avoidance of doubt, Beneficiary may not revoke the License unless and until an Event of Default has occurred and is continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its sole discretion, to terminate this License with or without notice to or demand upon Trustor, and without regard to the adequacy of Beneficiary’s security under this Deed of Trust.

2.03 Collection Upon an Event of Default. After the occurrence and during the continuance of an Event of Default and Beneficiary’s subsequent revocation of the License, Beneficiary may, at any time with or without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Secured Obligations, enter upon and take possession of the Trust Estate, or any part thereof, and, with or without such entry or taking possession, in its own name sue for or otherwise enforce the Leases and collect the Rents (including, without limitation, those past due and unpaid) and apply the same, less costs and expenses of operation and collection (including, without limitation, reasonable attorneys’ fees) upon payment of the Secured Obligations in such order as Beneficiary may determine. The collection of such Rents, or the entering upon and taking possession of the Trust Estate, or the application of the Rents as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default. Trustor also hereby authorizes Beneficiary upon such entry, at its option, to take over and assume the management, operation and maintenance of the Trust Estate and to perform all acts Beneficiary in its sole discretion deems necessary and proper and to expend such sums out of Rents as may be needed in connection therewith, in the same manner and to the same extent as Trustor theretofore could do (including, without limitation, the right to enter into new Leases, to cancel, surrender, alter or amend the terms of, and/or renew existing Leases and/or to make concessions to tenants).

2.04 Application of Rents. Upon receipt, Beneficiary shall, after payment of all property charges and expenses (including, without limitation, reasonable compensation to any receiver or managing agent) and after the accumulation of a reasonable reserve to meet requisite amounts, credit the net amount of the Rents received by it to the Secured Obligations, but the manner of the application of such net income and which items shall be credited shall be determined by Beneficiary pursuant to the applicable provisions of the CVR Agreement, but in all cases subject to applicable law. Beneficiary shall not be accountable for more monies than it actually receives from the Trust Estate; nor shall it be liable for failure to collect Rents. Beneficiary shall make reasonable efforts to collect Rents, reserving, however, within its own absolute and sole discretion, the right to determine the method of collection and the extent to which enforcement of collection

of Rents shall be prosecuted and Beneficiary's judgment shall be deemed conclusive and reasonable.

2.05 Mortgagee in Possession. It is not the intention of the parties hereto that an entry by Beneficiary upon the Real Property under the terms of this instrument shall make Beneficiary a party in possession in contemplation of the law, except at the option of Beneficiary.

2.06 Indemnity. Trustor hereby agrees to indemnify and hold harmless Beneficiary for, from and against any and all losses, liabilities, obligations, claims, demands, damages, penalties, judgments, costs, and expenses, including legal fees and expenses, howsoever and by whomsoever asserted, arising out of or in any way connected with this assignment, except, in each case to the extent resulting from the gross negligence, bad faith or willful misconduct (as determined pursuant to a non-appealable judgement by a court of competent jurisdiction) of Beneficiary; and all such losses, liabilities, obligations, claims, demands, damages, penalties, judgments, costs and expenses shall be deemed added to the indebtedness secured hereby and shall be secured by any and all other instruments securing said indebtedness.

2.07 No Obligation to Perform. Nothing contained herein shall operate or be construed to obligate Beneficiary to perform any obligations of Trustor under any Lease (including, without limitation, any obligation arising out of any covenant of quiet enjoyment therein contained in the event the lessee under any such Lease shall have been joined as a party defendant in any action to foreclose and the estate of such lessee shall have been thereby terminated). This Deed of Trust shall not operate to place upon Beneficiary any responsibility for the operation, control, care, management or repair of the Trust Estate or any portion thereof, and the execution of this Deed of Trust by Trustor shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Trust Estate is and shall be that of Trustor.

ARTICLE 3 SECURITY AGREEMENT

3.01 Creation of Security Interest. Trustor hereby grants to Beneficiary, as secured party, a security interest in and to all the Personal Property as security for the prompt payment and performance when due of the Secured Obligations, whether now existing or hereafter arising.

3.02 Representations, Warranties and Covenants of Trustor. Trustor hereby represents, warrants and covenants (which representations, warranties and covenants shall survive the creation and expiration or satisfaction of any Secured Obligations) as of the date of this Deed of Trust, as follows and acknowledges and confirms that Beneficiary is relying upon such representations warranties and covenants in entering into this Deed of Trust and in extending credit to the Trustor:

(a) The Personal Property is not used or bought for personal, family or household purposes;

(b) Except as permitted under the CVR Agreement, the tangible portion of the Personal Property will be kept on or at the Real Property or Improvements and Trustor will not, without the prior written consent of Beneficiary (not to be unreasonably withheld, but subject to any rights of Beneficiary to approve pursuant to the CVR Agreement), remove the Personal Property or any portion thereof therefrom;

(c) Trustor hereby authorizes Beneficiary (in Beneficiary's sole discretion) to file one or more financing statements and continuations and/or execute one or more fixture filings and continuations pursuant to the Nevada Uniform Commercial Code as in effect from time to time in the State of Nevada, in form satisfactory to Beneficiary, and will pay the cost of recording and filing the same in all public offices wherever recording or filing is deemed by Beneficiary to be necessary or desirable;

(d) Trustor is duly qualified to conduct business in the State of Nevada. Trustor does not do business under any trade name except as previously disclosed in writing to Beneficiary. Trustor will promptly (but in any event at least 30 days before such change occurs) notify Beneficiary in writing of any change in its principal place of business or the adoption or change of its legal name, and will upon request of Beneficiary, authorize any additional financing statements or execute any other certificates necessary to reflect the adoption or change in legal name. Trustor will also notify Beneficiary of any change of Trustor's organizational identification number within 30 days after such change occurs;

(e) Trustor currently has, and shall continue to hold until this Deed of Trust is terminated and released in full, full right, power and authority to convey and mortgage the same and to execute this Deed of Trust;

(f) Trustor's exact legal name is correct in the introductory paragraph of this Deed of Trust;

(g) Trustor's organizational identification number assigned by the jurisdiction of formation is ; and

(h) This Deed of Trust provides a first position security interest against the Personal Property, subject to the terms and conditions of the CVR Agreement.

3.03 Use of Personal Property by Trustor. Until the occurrence of an Event of Default (and thereafter, subject to the rights and remedies of the Trustor and Beneficiary hereunder and under the CVR Agreement), Trustor may have possession of the Personal Property and use it in any lawful manner not inconsistent with this Deed of Trust or the CVR Agreement and not inconsistent with any policy of insurance thereon.

3.04 Remedies.

(a) In addition to the remedies provided in Section 4.02 hereof, upon the occurrence and during the continuance of an Event of Default, Beneficiary may, at its option, and subject to applicable law, do any one or more of the following:

(i) Either personally, or by means of a court appointed receiver, take possession of all or any of the Personal Property and exclude therefrom Trustor and all others claiming under Trustor, and thereafter hold, store, use, operate, manage, maintain and control, make repairs, replacements, alterations, additions and improvements to and exercise all rights and powers of Trustor with respect to the Personal Property or any part thereof. In the event Beneficiary demands, or attempts to take, possession of the Personal Property in the

exercise of any rights under this Deed of Trust, Trustor agrees to promptly turn over and deliver possession thereof to Beneficiary;

(ii) Without notice to or demand upon Trustor, make such payments and do such acts as Beneficiary may deem necessary to protect its security interest in the Personal Property (including, without limitation, paying, purchasing, contesting or compromising any lien or encumbrance, whether superior or inferior to such security interest) and in exercising any such powers or authority to pay all expenses (including, without limitation, litigation costs and reasonable attorneys' fees) incurred in connection therewith;

(iii) Require Trustor from time to time to assemble the Personal Property, or any portion thereof, at a place designated by Beneficiary and reasonably convenient to both parties, and deliver promptly such Personal Property to Beneficiary, or an agent or representative designated by Beneficiary. Beneficiary, and its agents and representatives, shall have the right to enter upon any or all of Trustor's premises and property to exercise Beneficiary's rights hereunder;

(iv) Realize upon the Personal Property or any part thereof as herein provided or in any manner permitted by law and exercise any and all of the other rights and remedies conferred upon Beneficiary by this Deed of Trust and the CVR Agreement, or by law, either concurrently or in such order as Beneficiary may determine;

(v) Sell or cause to be sold in such order as Beneficiary may determine, as a whole or in such parcels as Beneficiary may determine, the Personal Property;

(vi) Sell, lease, or otherwise dispose of the Personal Property at public or private sale, upon terms and in such manner as Beneficiary may determine. Beneficiary may be a purchaser at any public sale; and

(vii) Exercise any other remedies of a secured party under the Nevada Uniform Commercial Code or any other applicable law.

(b) Unless the Personal Property is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Beneficiary shall give Trustor at least ten (10) days', or such longer time as may be required by applicable law, prior written notice of the time and place of any public sale of the Personal Property or other intended disposition thereof to be made under Section 3.04(a). Such notice may be mailed to Trustor at the address in Section 5.04. If Beneficiary fails to comply with this Section 3.04 in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the Nevada Uniform Commercial Code (or under the Uniform Commercial Code, enforced from time to time, in any other state to the extent the same is the applicable law).

(c) The proceeds of any sale under Section 3.04(a) shall be applied in Beneficiary's sole discretion to the extent not inconsistent with Nevada law.

(d) After the occurrence and during the continuance of an Event of Default, Beneficiary shall have the right to enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent Beneficiary from pursuing any further remedy

that it may have. Any repossession or retaking or sale of the Personal Property pursuant to the terms hereof shall not operate to release Trustor until full payment of the Secured Obligations and any deficiency has been indefeasibly made to Beneficiary in cash.

(e) Beneficiary may comply with any applicable state or federal law or regulatory requirements in connection with a disposition of the Personal Property and such compliance will not be considered to affect adversely the commercial reasonableness of any sale of the Personal Property.

(f) After the occurrence and during the continuance of an Event of Default, Beneficiary may sell the Personal Property without giving any warranties as to such property, and may specifically disclaim any warranties of title, merchantability, fitness for a particular purpose or the like, and this procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Personal Property. Trustor acknowledges that a private sale of the Personal Property may result in less proceeds than a public sale.

(g) Trustor acknowledges that the Personal Property may be sold under Section 3.04(a) at a loss to Trustor and that, in such event, Beneficiary shall have no liability or responsibility to Trustor for such loss.

(h) Beneficiary shall have the right to enforce one or more remedies hereunder, successively or concurrently, and such action shall not operate to estop or prevent Beneficiary from pursuing any further remedy that it may have.

3.05 Security Agreement. This Deed of Trust constitutes and shall be deemed to be a “**security agreement**” for all purposes of the Nevada Uniform Commercial Code and Beneficiary shall be entitled to all the rights and remedies of a “**secured party**” under the Nevada Uniform Commercial Code.

3.06 Fixture Filing. Upon its recording in the real property records, this Deed of Trust shall be effective as a financing statement filed as a fixture filing under the Nevada Uniform Commercial Code. As a fixture filing this Deed of Trust covers all assets of Trustor located upon or within the Real Property and meeting the definition of “fixtures” under the Nevada Uniform Commercial Code, whether now owned or hereafter acquired or arising. In addition, a photographic or other reproduced copy of this Deed of Trust and/or any financing statement relating hereto shall be sufficient for filing and/or recording as a financing statement. The filing of any other financing statement relating to any personal property, rights or interests described herein shall not be construed to diminish any right or priority hereunder. For this purpose, the following information is given:

(a) Name and address of Debtor:

[REDACTED]
[REDACTED]
[REDACTED]
Attention: [REDACTED]

(b) Type of Organization: [REDACTED]

- (c) Organizational Number:
- (d) Name and address of Secured Party:
 Waterton Nevada Splitter, LLC
 c/o Waterton Global Resource Management, Inc.
 Commerce Court West
 199 Bay Street, Suite 5050
 Toronto, ON M5L 1E2 Canada
 Attention: Richard Wells
- (e) Description of property covered by this fixture filing: “All assets”
- (f) Description of real estate to which the collateral is attached or upon which it is or will be located: See Exhibit A.

3.07 Authorization to File Financing Statements: Power of Attorney. Trustor hereby authorizes Beneficiary at any time and from time to time to file any initial financing statements, amendments thereto, and continuation statements with respect to the Trust Estate with or without signature of Trustor as authorized by applicable law. For purposes of such filing, Trustor agrees to furnish any information reasonably requested by Beneficiary promptly upon request by Beneficiary. Trustor also ratifies its authorization for Beneficiary to have filed any like initial financing statements, amendments thereto, or continuation statements if filed before the date of this Deed of Trust. Trustor hereby irrevocably constitutes and appoints Beneficiary and any officer or agent of Beneficiary, with full power of substitution, as its true and lawful attorneys-in-fact with full irrevocable power and authority in the place and stead of Trustor or in Trustor’s own name to execute in Trustor’s name any such documents and to otherwise carry out the purposes of this Section 3.07, to the extent that Trustor’s authorization above is not sufficient. To the extent permitted by law, Trustor hereby ratifies and affirms all acts said attorneys-in-fact shall lawfully do, have done in the past, or cause to be done in the future by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

ARTICLE 4 REMEDIES UPON DEFAULT

4.01 Events of Default. The occurrence of any default or event of default under the CVR Agreement or this Deed of Trust shall be an event of default under this Deed of Trust (each an “**Event of Default**”).

4.02 Remedies Upon Event of Default. Upon the occurrence of an Event of Default, Beneficiary may, at its option, declare all or any part of the Secured Obligations immediately due and payable without any presentment, demand, protest or notice of any kind, subject to Nevada Revised Statutes Section 107.080. In addition, upon the occurrence of any Event of Default,

Trustee and Beneficiary shall have the following rights and remedies in Sections 4.03 through 4.10.

Notwithstanding the foregoing, Trustee and Beneficiary shall have all powers, rights and remedies under applicable law whether or not specifically or generally granted or described in this Deed of Trust, including, without limitation, all rights and remedies of an assignee of rents under the Uniform Assignment of Rents Act, Nevada Revised Statutes Chapter 107A. Nothing contained herein shall be construed to impair or to restrict such powers, rights and remedies or to preclude any procedures or process otherwise available to trustees or beneficiaries under deeds of trust in the State of Nevada. Trustee and Beneficiary, and each of them, shall be entitled to enforce the payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Deed of Trust or the CVR Agreement or under any other agreement or any laws now or hereafter in force, notwithstanding the fact that some or all of the indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement, whether by court action or pursuant to the power of sale or other powers contained herein, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other rights or security now or hereafter held by Trustee or Beneficiary. Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other rights or security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy contained herein or by law provided or permitted, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. Every power or remedy given by the CVR Agreement and this Deed of Trust, to Trustee or Beneficiary, or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary, and either of them may pursue inconsistent remedies. By exercising or by failing to exercise any right, option or election hereunder, Beneficiary shall not be deemed to have waived any provision hereof or to have released Trustor from any of the obligations secured hereby unless such waiver or release is in writing and signed by Beneficiary.

4.03 Entry; Appointment of Receiver. After the occurrence and during the continuance of an Event of Default, Beneficiary in person or by agent or by court-appointed receiver may, at its option, without any action on its part being required, without in any way waiving such Event of Default, with or without the appointment of a receiver, or an application therefore:

(a) Take possession of the Trust Estate or any part thereof and conduct tests of, manage or hire a manager to manage, lease, operate and sell or convey all or any part of the Trust Estate, on such terms and for such period of time as Beneficiary or a court-appointed receiver may deem proper, with full power to make, from time to time, all alterations, renovations, repairs or replacements thereto as may seem proper to Beneficiary;

(b) With or without taking possession of the Trust Estate, collect and receive all Rents, notify tenants under the Leases or any other parties in possession of the Trust Estate to pay Rents directly to Beneficiary, its agent or a court-appointed receiver and apply such Rents to the payment of:

(i) all costs and expenses incident to taking and retaining possession of the Trust Estate (including the cost of any receivership), management and operation of the Trust Estate, keeping the Trust Estate properly insured and all alterations, renovations, repairs and replacements to the Trust Estate;

(ii) all taxes, charges, fees, claims, assessments, and any other liens which may be prior in lien or payment to this Deed of Trust and the CVR Agreement and premiums for insurance, with interest on all such items; and

(iii) the indebtedness secured hereby together with all costs and attorneys' fees, in such order or priority as to any of such items as Beneficiary in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding;

(c) Exclude Trustor, its agents and servants, wholly from the Trust Estate;

(d) Take possession of all the books, papers and accounts of Trustor relating to the Trust Estate, at the expense of Trustor;

(e) Commence, appear in and/or defend any action or proceedings purporting to affect the interests, rights, powers or duties of Beneficiary hereunder, whether brought by or against Trustor or Beneficiary; and

(f) Pay, purchase, contest or compromise any claim, debt, lien, charge or encumbrance which in the judgment of Beneficiary may affect or appear to affect the interest of Beneficiary or the rights, powers and/or duties of Beneficiary hereunder.

Trustee or Beneficiary, as a matter of right with or without notice to Trustor or anyone claiming under it and without regard to the then value of the Trust Estate or the interest of Trustor therein or the solvency of Trustor or any other person or entity liable for the Secured Obligations, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers to take charge of the Trust Estate or any portion thereof. Any such receiver or receivers shall have all of the usual and customary powers and duties of receivers in like or similar cases and all of the powers and duties of Beneficiary in case of entry as provided hereinabove, including without limitation, the right to collect and receive Rents, and shall serve without posting a bond. All such Rents paid to Trustee or Beneficiary or collected by such receiver shall be applied as provided for in Section 4.03(b) above. Trustor for itself and any subsequent owner of the Trust Estate hereby waives any and all defenses to the application for such receiver and hereby irrevocably consents to such appointment without notice of any application therefor.

The receipt by Beneficiary of any Rents pursuant to this Deed of Trust after the institution of foreclosure or other proceedings under this Deed of Trust (other than payment constituting payment in full of the outstanding Secured Obligations) shall not cure any such Event of Default or affect such proceedings or any sale pursuant thereto. After deducting the expenses and amounts stated above in this Section 4.03, as well as just and reasonable compensation for all Beneficiary's employees and other agents (including, without limitation, reasonable and actual attorneys' fees and management and rental commissions) engaged and employed, the moneys remaining, at the option of Beneficiary, may be applied to the Secured Obligations. Whenever all amounts due under the CVR Agreement and under this Deed of Trust shall have been indefeasibly paid in full

to Beneficiary and all Events of Default have been cured and any such cure has been accepted by Beneficiary, Beneficiary shall surrender possession to Trustor. The same right of entry, however, shall exist if any subsequent Event of Default shall occur; provided, however, neither Trustee nor Beneficiary shall be under any obligation to make any of the payments or do any of the acts referred to in this Section 4.03.

4.04 Judicial Action. Beneficiary may bring an action in any court of competent jurisdiction to foreclose this instrument or to enforce any of the covenants and agreements hereof. The Trust Estate may be foreclosed in parts or as an entirety to the extent permitted by law.

4.05 Power of Sale. After the occurrence and during the continuance of an Event of Default, Beneficiary may elect to cause the Trust Estate or any part thereof to be sold under the power of sale herein granted in any manner permitted by applicable law. If Beneficiary should elect to foreclose by exercise of the power of sale herein contained, Beneficiary will notify Trustee.

Upon receipt of such notice from Beneficiary, Trustee will cause to be recorded, mailed or delivered to Trustor such notice of default and election to sell as is then required by law and by this Deed of Trust. Trustee will, without demand on Trustor, after lapse of such time as may then be required by law and after recordation of such notice of default and after notice of sale has been given as required by law, sell the Trust Estate at time and place of sale, in the County in which the Trust Estate is located, fixed by it in such notice of sale, either as a whole, or in separate lots or parcels, and in such order as it may determine, at public auction, to the highest bidder for cash in lawful money of the United States payable at the time of sale. If the Trust Estate consists of more than one lot or parcel, the lots or parcels may be sold separately, together or in any combination, and in such order as Beneficiary determines, at the sole discretion of Beneficiary. Trustor waives the right to direct the order in which the Trust Estate may be sold when it consists of more than one lot or parcel. Trustee will deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts will be conclusive proof of the truthfulness thereof. Any person, including without limitation Trustor or Beneficiary, may purchase at such sale. Beneficiary may credit bid the amount of the Secured Obligations toward payment of the purchase price.

To the extent permitted by law, Trustee may postpone the sale of all or any portion of the Trust Estate by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement or by subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement; or Trustee may, in its discretion, give a new notice of sale. Beneficiary may rescind any such notice of default at any time before Trustee's sale by executing a notice of rescission and recording the same. The exercise by Beneficiary of the right of rescission will not constitute a waiver of any Event of Default, nor otherwise affect this Deed of Trust or the CVR Agreement, or any of the rights, obligations or remedies of Beneficiary or Trustee hereunder.

4.06 Rescission of Notice of Default. Beneficiary, from time to time before Trustee's sale, public sale or deed in lieu of foreclosure, may rescind any such notice of breach or default and of election to cause the Trust Estate to be sold by executing and delivering to Trustee a written notice of such rescission, which notice, when recorded, shall also constitute a cancellation of any

prior declaration of default and demand for sale or such documents as may be required by the laws of the state in which the Real Property is located to effect such rescission. The exercise by Beneficiary of such right of rescission shall not constitute a waiver of any breach or Event of Default then existing or subsequently occurring, or impair the right of Beneficiary to execute and deliver to Trustee, as above provided, other declarations of default and demand for sale, and notices of breach or default, and of election to cause the Trust Estate, including the Real Property, to be sold to satisfy the obligations hereof, nor otherwise affect any provision, agreement, covenant or condition of the CVR Agreement or of this Deed of Trust or any of the rights, obligations or remedies of the parties hereunder.

4.07 Beneficiary's Remedies Respecting Trust Estate. After the occurrence and during the continuance of an Event of Default, Beneficiary may realize upon the Trust Estate, enforce and exercise all of Trustor's rights, powers, privileges and remedies in respect of the Trust Estate, dispose of or otherwise deal with the Trust Estate in such order as Beneficiary may in its discretion determine, and exercise any and all other rights, powers, privileges and remedies afforded to a secured party under the laws of the state in which the Real Property is located as well as all other rights and remedies available at law or in equity.

4.08 Proceeds of Sales. The proceeds of any sale(s) made under or by virtue of this Article 4, together with all other sums which then may be held by Trustee or Beneficiary under this Deed of Trust, whether under the provisions of this Article 4 or otherwise, shall be applied, subject to applicable law, as follows:

(a) To the payment of the costs, fees and expenses of sale and of any judicial proceedings wherein the same may be made, including the cost of evidence of title in connection with the sale, compensation to Trustee and Beneficiary, and to the payment of all expenses, liabilities and advances made or incurred by Trustee under this Deed of Trust, together with interest on all advances made by Trustee at the Interest Rate, but limited to any maximum rate permitted by law to be charged by Trustee;

(b) To the payment of any and all sums expended by Beneficiary under the terms hereof, not then repaid, with accrued interest at the Interest Rate, as determined by Beneficiary, and all other Secured Obligations required to be paid by Trustor pursuant to any provisions of this Deed of Trust or the CVR Agreement, including, without limitation, all expenses, liabilities and advances made or incurred by Beneficiary under this Deed of Trust or in connection with the enforcement thereof, together with interest thereon as herein provided;

(c) To the payment of the entire amount of then due, owing or unpaid Secured Obligations, and any other obligation secured hereby; and then

(d) The remainder, if any, to the person or persons, including Trustor, legally entitled thereto.

4.09 Waiver of Marshaling, Rights of Redemption, Homestead and Valuation.

(a) Trustor, for itself and for all persons hereafter claiming through or under it or who may at any time hereafter become holders of liens junior to the lien of this Deed of Trust, hereby expressly waives and releases all rights to direct the order in which any of the Trust Estate shall

be sold in the event of any sale or sales pursuant hereto and to have any of the Trust Estate and/or any other property now or hereafter constituting security for any of the indebtedness secured hereby marshaled upon any foreclosure of this Deed of Trust or of any other security for any of said indebtedness.

(b) To the fullest extent permitted by law, Trustor, for itself and all who may at any time claim through or under it, hereby expressly waives, releases and renounces all rights of redemption from any foreclosure sale, all rights of homestead, exception, monitoring reinstatements, forbearance, appraisalment, valuation, stay and all rights under any other laws which may be enacted extending the time for or otherwise affecting enforcement or collection of any instrument under the CVR Agreement or this Deed of Trust.

(c) To the fullest extent permitted by law, Trustor, for itself and all who may at any time claim through or under it, hereby expressly waives, releases and renounces all rights to assert any statutory or common law right of partition with respect to the Trust Estate and agrees not to assert any such right so long as this Deed of Trust is a lien on the Trust Estate.

4.10 Remedies Cumulative. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of Trustee or Beneficiary to exercise any right or power accruing upon any Event of Default shall impair any right or power or shall be construed to be a waiver of any Event of Default or any acquiescence therein. Every power and remedy given by this Deed of Trust to Trustee or Beneficiary may be exercised separately, successively or concurrently from time to time as often as may be deemed expedient by Trustee or Beneficiary. If there exists additional security for the performance of the obligations secured hereby, Beneficiary, at its sole option, and without limiting or affecting any of its rights or remedies hereunder, may exercise any of the rights and remedies to which it may be entitled hereunder either concurrently with whatever rights and remedies it may have in connection with such other security or in such order as it may determine. Any application of any amounts or any portion thereof held by Beneficiary at any time as additional security or otherwise, to any indebtedness secured hereby shall not extend or postpone the due dates of any payments due from Trustor to Beneficiary hereunder or under the CVR Agreement, or change the amounts of any such payments or otherwise be construed to cure or waive any default or notice of default hereunder or invalidate any act done pursuant to any such default or notice.

ARTICLE 5 MISCELLANEOUS

5.01 Change, Discharge, Termination, or Waiver. No provision of this Deed of Trust may be changed, discharged, terminated, or waived except in a writing signed by the party against whom enforcement of the change, discharge, termination, or waiver is sought. No failure on the part of Beneficiary to exercise and no delay by Beneficiary in exercising any right or remedy under this Deed of Trust or the CVR Agreement or under applicable law shall operate as a waiver thereof.

5.02 Trustor Waiver of Rights. Without limiting any other waivers herein and in addition to such waivers, Trustor waives, to the extent permitted by law, (a) the benefit of all laws

now existing or that may hereafter be enacted providing for any appraisal before sale of any portion of the Trust Estate, (b) all rights of redemption, valuation, appraisal, stay of execution, notice of election to mature or declare due the Secured Obligations and marshaling in the event of foreclosure of the liens hereby created, (c) all rights and remedies that Trustor may have or be able to assert by reason of the laws of the State of Nevada, and (d) all surety and other defenses Trustor may have or be able to assert by reason of the laws of the State of Nevada or otherwise.

5.03 Reconveyance by Trustee. Upon written request of Beneficiary stating that all Secured Obligations have been satisfied in full, and upon surrender of this Deed of Trust to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees, Trustee shall reconvey to the Person or Persons, including Trustor, legally entitled thereto, without warranty, any portion of the Trust Estate then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto".

5.04 Notices. All notices, requests, demands or other communications pursuant hereunder shall be made at the addresses, in the manner and with the effect provided in Section 3.2 of the CVR Agreement or at such other address as shall have been furnished in writing by any party hereto to the party required to give notice hereunder.

5.05 Subordination. Trustor's obligations hereunder shall be fully subordinated to all indebtedness, liabilities and obligations of Trustor to banks, commercial finance lenders, insurance companies, leasing or equipment financing institutions or other lending institutions regularly engaged in the business of lending money which is for money borrowed or advanced (including any prepay, streaming or offtake agreements), or the purchase or leasing of equipment used solely on or for the Real Property in the case of lease or other equipment financing, whether or not secured. Beneficiary and its Affiliates (and any assignees or successors) agree to execute and deliver customary forms of subordination agreement requested from time to time by holders of senior indebtedness, provided that any such subordination agreement is not inconsistent with the terms of the CVR Agreement or this Deed of Trust, and as a condition to Beneficiary's rights hereunder, Trustor may require that Beneficiary execute such forms of subordination agreement.

5.06 Captions and References. The headings at the beginning of each article and section of this Deed of Trust are solely for convenience and are not part of this Deed of Trust. Unless otherwise indicated, each reference in this Deed of Trust to an article, a section or an exhibit is a reference to the respective article or section herein or exhibit hereto.

5.07 Invalidity of Certain Provisions. If any provision of this Deed of Trust is unenforceable, the enforceability of the other provisions shall not be affected and they shall remain in full force and effect. If the lien of this Deed of Trust is invalid or unenforceable as to any part of the debt, or if the lien is invalid or unenforceable as to any part of the Trust Estate, the unsecured or partially secured portion of the debt shall be completely paid before the payment of the remaining and secured or partially secured portion of the debt, and all payments made on the debt, whether voluntary or under foreclosure or other enforcement action or procedure, shall be

considered to have been first paid on and applied to the full payment of that portion of the debt which is not secured or fully secured by the lien of this Deed of Trust.

5.08 Subrogation. To the extent that proceeds of the Secured Obligations are used to pay any outstanding lien, charge or prior encumbrance against the Trust Estate, such proceeds have been or will be advanced by Beneficiary at Trustor's request and Beneficiary shall be subrogated to any and all rights and liens held by any owner or holder of such outstanding liens, charges and prior encumbrances, irrespective of whether said liens, charges or encumbrances are released.

5.09 Attorneys' Fees. If any or all of the Secured Obligations are not paid when due or if an Event of Default occurs, Trustor agrees to pay all costs of enforcement and collection and preparation therefore (including, without limitation, reasonable attorneys' fees and expenses) whether or not any action or proceeding is brought (including, without limitation, all such costs incurred in connection with any bankruptcy, receivership, or other court proceedings (whether at the trial or appellate level)), together with interest therein from the date of demand at the Interest Rate.

5.10 Governing Law. The laws of the State of Nevada shall govern the validity, construction, performance, effect and enforcement of this Deed of Trust without giving effect to conflict of law principles. Any procedures provided herein for remedies shall be modified and replaced with, where inconsistent with or required by, any procedures or requirements of the laws of the state in which the Real Property is located.

5.11 Joint and Several Obligations. If this Deed of Trust is signed by more than one party as Trustor, all obligations of Trustor herein shall be the joint and several obligations of each party executing this Deed of Trust as Trustor.

5.12 Number and Gender. In this Deed of Trust the singular shall include the plural and the masculine shall include the feminine and neuter gender and vice versa, if the context so requires.

5.13 Counterparts. If this Deed of Trust is signed by more than one party as Trustor, this document may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to form physically one document, which may be recorded.

5.14 No Merger of Lease. If both the lessor's and lessee's estate under any lease or any portion thereof which constitutes a part of the Trust Estate shall at any time become vested in one owner, this Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger unless Beneficiary so elects as evidenced by recording a written declaration executed by Beneficiary so stating, and, unless and until Beneficiary so elects, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this Deed of Trust on the Trust Estate pursuant to the provisions hereof, any leases or subleases then existing and affecting all or any portion of the Trust Estate shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Beneficiary or

any purchaser at such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

5.15 Integration. This Deed of Trust contains the complete understanding and agreement of Trustor and Beneficiary with regard to the Secured Obligations and, subject to Section 5.19, supersedes all prior representations, warranties, agreements, arrangements, understandings, and negotiations regarding the Secured Obligations.

5.16 Binding Effect. This Deed of Trust will be binding upon, and inure to the benefit of, Trustor, Trustee and Beneficiary and their respective successors and assigns. Trustor may not delegate its obligations under this Deed of Trust.

5.17 Time of the Essence. Time is of the essence with regard to each provision of this Deed of Trust as to which time is a factor.

5.18 Survival. The representations, warranties, and covenants of the Trustor under this Deed of Trust shall survive the execution and delivery of the Deed of Trust and the grant of the rights to Beneficiary pursuant to the CVR Agreement.

5.19 CVR Agreement Controls. This Deed of Trust and the CVR Agreement are intended to supplement and complement each other and shall, where possible, be thus interpreted. If, however, any provision of this Deed of Trust irreconcilably conflicts with a provision of the CVR Agreement, the terms of the CVR Agreement shall govern and control.

5.20 Intended Agreement. This Deed of Trust is the result of arms-length negotiations between parties of roughly equivalent bargaining power and expresses the complete, actual and intended agreement of the parties. This Deed of Trust shall not be construed for or against either party as a result of its participation, or the participation of its counsel, in the preparation and/or drafting of this Deed of Trust or any exhibit thereto.

5.21 Performance of Work. In the event of a failure of the Trustor to perform any annual labor or improvement or timely provide evidence of the payment any annual maintenance fee or filing that may be required by law to prevent the forfeiture of any or all of the Mining Claims, including complying with the obligations of Section 1.15, Beneficiary may, without waiving any of Beneficiary's rights or remedies hereunder or under the CVR Agreement, perform such obligations, including the annual labor or improvement or pay such annual maintenance fee and make such annual filings, and the amount expended for such purposes shall be secured by this Deed of Trust as part of the Secured Obligations.

5.22 Trustee Provisions. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged is made a public record as provided by law. The trust created hereby is irrevocable by Trustor. Trustee, upon presentation to it of an affidavit signed by or on behalf of Beneficiary, setting forth any facts showing a default by Trustor under any of the terms or conditions of this Deed of Trust, is authorized to accept as true and conclusive all facts and statements in such affidavit and to act hereunder in complete reliance thereon. Except as may be required by applicable law, Trustee shall be under no obligation to notify any party hereof of any action or proceeding of any kind in which Trustor, Beneficiary and/or Trustee shall be a party,

unless brought by Trustee, or of any pending sale under any other deed of trust. The necessity of Trustee's making oath, filing inventory or giving bond as security for the execution of this Deed of Trust, as may now be or hereafter required by the laws of the state in which the Real Property is located, is hereby expressly waived.

5.23 Waiver of Jury Trial. TRUSTOR, TO THE FULL EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVES, RELINQUISHES AND FOREVER FORGOES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THIS DEED OF TRUST OR ANY CONDUCT, ACT OR OMISSION OF ANY PARTY HERETO OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, PARTNERS, MEMBERS, MANAGERS, EMPLOYEES, AGENTS OR ATTORNEYS, OR ANY OTHER PERSONS AFFILIATED WITH ANY OF THE PARTIES, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

5.24 Statutory Incorporation. Where not inconsistent with the above, the following covenants, Nos. 1, 2 (full replacement value); 3; 4 (Interest Rate); 5; 6; 7 (a reasonable percentage); 8; and 9 (other than the second sentence of such Covenant No. 9) of Nevada Revised Statutes Section 107.030 are hereby adopted and made part of this Deed of Trust.

5.25 Multiple Counties. The properties constituting the Trust Estate are located in several different counties within Nevada and, in recording this Deed of Trust in those various counties, geographically irrelevant portions of Exhibit A may be omitted from any given counterpart of this Deed of Trust.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned has executed this Deed of Trust as of the day and year first hereinabove written.

_____, a _____

By _____
Name: _____
Title: _____

STATE/PROVINCE OF _____)
) ss.
COUNTY/MUNICIPALITY OF _____)

On this _____ day of _____, 2021, personally appeared before me, a Notary Public, _____, the _____ of _____, a _____ existing under the laws of _____, who acknowledged that he or she executed this instrument on behalf of said entity.

[seal]

NOTARY PUBLIC, residing in

My commission expires:

EXHIBIT A

MINING CLAIMS

REDACTED

EXHIBIT B

DESCRIPTION OF PERSONAL PROPERTY

(a) All Personal Property (including, without limitation, all goods, supplies, equipment, furniture, furnishings, fixtures, machinery, inventory, construction materials and software embedded in any of the foregoing) in which Trustor now has or hereafter acquires an interest or right, which is now or hereafter located on or affixed to the Real Property or the Improvements or used or useful in or related to the operation, use, or occupancy thereof or the construction of any Improvements thereon, together with any interest of Trustor in and to personal property which is leased or subject to any superior security interest, and all books, records, leases and other agreements, documents, and instruments of whatever kind or character, relating to the Real Property, Improvements, or such personal property;

(b) All fees, income, rents, issues, profits, earnings, receipts, royalties, and revenues which, after the date hereof and while any portion of the Secured Obligations remains unpaid or unperformed, may accrue to Trustor from such personal property or any part thereof or from the Real Property, the Improvements or any other part of the Trust Estate, or which may be received or receivable by Trustor from any hiring, using, letting, leasing, subhiring, subletting, subleasing, occupancy, operation, or use thereof;

(c) All of Trustor's present and future rights to receive payments of money, services, or property, including, without limitation, rights to all deposits from tenants of the Real Property or Improvements, rights to receive capital contributions or subscriptions from Trustor's partners, members, or shareholders, amounts payable on account of the sale of the capital stock of Trustor, accounts and other accounts receivable, deposit accounts maintained with Beneficiary and its affiliates, chattel paper (whether tangible or electronic), notes, drafts, contract rights, instruments, and general intangibles, all as defined in the Nevada Uniform Commercial Code, as presently or hereafter in effect, and principal, interest and payments due on account of goods sold or leased, services rendered, loans made or credit extended, together with title to or interest in all agreements, documents, and instruments, evidencing, securing or guarantying the same;

(d) All other intangible property (and related software) and rights relating to the Real Property, the Improvements, the personal property described in Paragraph (a) above or the operation, occupancy, or use thereof, including, without limitation, all governmental and non-governmental permits, licenses, and approvals relating to construction on or operation, occupancy, or use of the Real Property or Improvements, all names under or by which the Real Property or Improvements may at any time be operated or known, all rights to carry on business under any such names, or any variant thereof, all trade names and trademarks relating in any way to the Real Property or the Improvements, and all good will and software in any way relating to the Real Property or the Improvements;

(e) Trustor's rights under all insurance policies covering the Real Property, the Improvements, the Personal Property, and the other parts of the Trust Estate and any and all proceeds, loss payments, and premium refunds payable regarding the same;

(f) All reserves, deferred payments, deposits, refunds, cost savings, and payments of any kind relating to the construction of any Improvements on the Real Property;

(g) All water rights and water shares relating to the Real Property;

(h) All causes of action, claims, compensation, and recoveries for any damage to, destruction of, or condemnation or taking of the Real Property, the Improvements, the Personal Property, or any other part of the Trust Estate, or for any conveyance in lieu thereof, whether direct or consequential, or for any damage or injury to the Real Property, the Improvements, the Personal Property, or any other part of the Trust Estate, or for any loss or diminution in value of the Real Property, the Improvements, the Personal Property, or any other part of the Trust Estate;

(i) All architectural, structural, mechanical, and engineering plans and specifications prepared for construction of Improvements or extraction of minerals or gravel from the Real Property and all studies, data, and drawings related thereto; and also all contracts and agreements of the Trustor relating to the aforesaid plans and specifications or to the aforesaid studies, data, and drawings or to the construction of Improvements on or extraction of minerals or gravel from the Real Property;

(j) All commercial tort claims Trustor now has or hereafter acquires relating to the properties, rights, titles, and interests referred to in this Exhibit B or elsewhere in the Deed of Trust;

(k) All letter of credit rights (whether or not the letter of credit is evidenced by a writing) Trustor now has or hereafter requires relating to the properties, rights, titles and interests referred to in this Deed of Trust;

(l) All proceeds from any of the aforesaid collateral and all supporting obligations ancillary thereto or arising in any way in connection therewith;

(m) All of Trustor's rights in any and all warranties and guaranties with respect to any goods, materials, supplies, chattels, fixtures, equipment, machinery, building materials, and work in progress attached to or placed in or on any part of the Real Property, or used in connection with any construction on the Real Property; and

(n) All of Trustor's rights in all plans, specifications, plats, agreements, assessments, reports, and surveys related to the Real Property.

Notwithstanding the foregoing, the Personal Property shall not include any of the following

(i) any Other Agreements or other permit or license to the extent that the Trustor is expressly prohibited from granting a security interest in such instrument pursuant to the terms thereof, but only to the extent such prohibition is not invalidated under the Nevada Uniform Commercial Code,

(ii) governmental licenses, state or local franchises, charters and authorizations and any other property and assets to the extent that the Trustee or Beneficiary may not validly possess a security interest therein under applicable laws (including rules and regulations of any governmental authority or agency) or the pledge or creation of a security interest in which would require governmental consent, approval, license or authorization, other than to the extent such prohibition or limitation is rendered ineffective under the Nevada Uniform Commercial Code or other

applicable law notwithstanding such prohibition, including any governmental licenses or state or local franchises, charters and authorizations to the extent a security interest is prohibited or restricted thereby; (iii) any lease, license, permit or agreement (A) to the extent that a grant of a security interest therein (1) is prohibited by applicable law other than to the extent such prohibition is rendered ineffective under Section 9-406, 9-407, 9-408 or 9-409 (or any successor provisions thereof) of the Nevada Uniform Commercial Code or other applicable law notwithstanding such prohibition, or (2) would violate the terms thereof or would give rise to a termination right thereunder (except to the extent such provision is rendered ineffective under Section 9-406, 9-407, 9-408 or 9-409 (or any successor provisions thereof) of the Nevada Uniform Commercial Code or other applicable law notwithstanding such prohibition), or (B) which by their express terms are not assignable or would become void, voidable, terminable or revocable if pledged or assigned hereunder without written consent of the other party(ies) thereto (except to the extent such provision is rendered ineffective under Section 9-406, 9-407, 9-408 or 9-409 (or any successor provisions thereof) of the Nevada Uniform Commercial Code or other applicable law notwithstanding such prohibition), provided, the Trustor shall have no obligations to obtain any such consent; (iv) any property or asset for which the creation or perfection of pledges or security interests therein could reasonably be expected to result in material adverse tax consequences or adverse regulatory consequences to any Trustor or any of its Subsidiaries, as reasonably determined by the Trustor; (v) any deposit accounts that are used exclusively for tax accounts, withholding accounts, payroll accounts or trust accounts, and in each case, any funds on deposit therein; and (vi) any United States intent-to-use trademark application to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark application under the applicable federal law (the assets described in the immediately preceding clauses (i) through (vi) collectively, the “**Excluded Assets**”); provided further, however, that “Excluded Assets” shall not include any proceeds, substitutions or replacements of any Excluded Assets referred to in clauses (i) through (vi) unless such proceeds, substitutions or replacements would independently constitute Excluded Assets referred to in clauses (i) through (vi). Notwithstanding the foregoing, if and when any property that would otherwise constitute Personal Property shall cease to be Excluded Assets, a lien on and security in such property shall be deemed granted therein.

As used in this Exhibit B the terms “Secured Obligations”, “Trust Estate”, “Real Property”, “Improvements”, “Personal Property”, and “Other Agreements” shall have the meanings in the Deed of Trust to which this Exhibit B is attached.

EXHIBIT 1.1(B)

FORM OF VOTING SUPPORT AND LOCK-UP AGREEMENT

See attached.

VOTING SUPPORT AND LOCK-UP AGREEMENT

WATERTON NEVADA SPLITTER, LLC

- and -

ELEMENT79 GOLD CORP.

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VOTING SUPPORT AND LOCK-UP AGREEMENT

THIS AGREEMENT made the ■ day of ■, 2021,

BETWEEN:

WATERTON NEVADA SPLITTER, LLC,
a limited liability company existing under the laws of
the State of Nevada,

(hereinafter referred to as the “**Investor**”),

- and -

ELEMENT79 GOLD CORP.,
a corporation existing under the laws of the
Province of British Columbia,

(hereinafter referred to as the “**Company**”).

WHEREAS Clover Nevada LLC and Maverick Springs Mining Company, LLC (together, the “**Vendor Parties**”), affiliates of the Investor, and 1316524 B.C. Ltd. (the “**Original Purchaser**”) entered into an asset purchase agreement dated October 1, 2021 (as it may be amended or supplemented from time to time pursuant to the terms thereof, the “**Purchase Agreement**”) providing for the sale by the Vendor Parties to the Original Purchaser of their right, title and interest in and to the Purchased Assets (as defined in the Purchase Agreement);

AND WHEREAS the Company and the Original Purchaser entered into a securities exchange agreement dated October 1, 2021 pursuant to which the Company agreed to acquire all of the issued and outstanding securities of the Original Purchaser and to assume and satisfy the obligations of the Original Purchaser under the Purchase Agreement;

AND WHEREAS the Purchase Agreement provides that as part of the consideration payable for the Purchased Assets, the Company will issue common shares to the Vendor Parties’ designee (the “**Payment Shares**”), and the Vendor Parties’ have designated the Investor as the holder of the Payment Shares;

AND WHEREAS as a condition to the completion of the transactions contemplated in the Purchase Agreement, the Investor has agreed to make certain covenants in favour of the Company on the terms and subject to the conditions set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Purchase Agreement, otherwise, the following terms have the following meanings:

“affiliate” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly;

“Applicable Laws” means applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, or other requirements of any Regulatory Authority having the force of law;

“Applicable Securities Laws” means the securities legislation in each province and territory of Canada where the Company is a “reporting issuer” or the equivalent from time to time, including all rules, regulations, published policy statements and blanket orders thereunder or issued by one or more of the Canadian Securities Regulatory Authorities;

“Board of Directors” means the board of directors of the Company;

“Business Day” means any day, other than a Saturday or Sunday, on which chartered banks in Toronto, Ontario and Vancouver, British Columbia are open for commercial banking business during normal banking hours;

“Canadian Securities Regulatory Authorities” means, collectively, the securities regulatory authority in each province and territory of Canada where the Company is a “reporting issuer” or the equivalent from time to time;

“Change of Control Transaction” means a merger, amalgamation, reorganization, business combination, tender offer, exchange offer, take-over bid, statutory arrangement or similar transaction involving the Company or its securities resulting in a change of control of the Company or a sale, transfer, lease or other disposition of all or substantially all of its assets;

“Common Shares” means the common shares in the capital of the Company;

“Company” has the meaning set out in the recitals;

“Company Offer” has the meaning set out in Section 3.1(a)(ii);

“Company Offer Notice” has the meaning set out in Section 3.1(a)(ii);

“Company Offer Notice Period” has the meaning set out in Section 3.1(a)(ii);

“control” means, in respect of:

- (a) a corporation, the ability of a Person or group of Persons acting in concert to influence the manner in which the business of such corporation is carried on, whether as a result of ownership of sufficient voting shares of such corporation to entitle that Person or group of Persons to elect a majority of the directors of such corporation or by contract or otherwise; or
- (b) a partnership, trust, syndicate or other entity, actual power or authority to manage and direct the affairs of, or ownership of more than fifty percent (50%) of the transferable beneficial interests in, such entity,

and the term “**controlled**” has a corresponding meaning;

“**Exchange**” means such stock exchange(s) and quotation service(s), if any, as the Common Shares may be listed or quoted on, as applicable, from time to time;

“**Investor**” has the meaning set out in the recitals;

“**Notices**” has the meaning set out in Section 4.1;

“**Payment Shares**” has the meaning set out in the recitals;

“**Person**” means any individual, sole proprietorship, partnership, firm, entity, joint venture, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“**Proposed Sale**” has the meaning set out in Section 3.1(a);

“**Proposed Sale Notice**” has the meaning set out in Section 3.1(a)(i);

“**Proposed Sale Price**” has the meaning set out in Section 3.1(a)(i);

“**Purchase Agreement**” has the meaning set out in the recitals; and

“**Regulatory Authority**” means:

- (a) any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing;
- (b) any self-regulatory organization or stock exchange, including the Exchange;
- (c) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and
- (d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing.

1.2 Rules of Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an “Article” or “Section” followed by a number or letter refer to the specified Article or Section of this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) the word “including” is deemed to mean “including without limitation”;
- (f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;
- (g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;
- (h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (i) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (j) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 Entire Agreement

This Agreement and the Purchase Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in this Agreement and the Purchase Agreement.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Governing Law and Submission to Jurisdiction

(a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

(b) Each of the parties irrevocably and unconditionally (i) submits to the exclusive jurisdiction of the courts of the Province of British Columbia over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.7 Waiver

No waiver of any provision of this Agreement shall be binding unless it is in writing. No indulgence or forbearance by a party shall constitute a waiver of such party's right to insist on performance in full and in a timely manner of all covenants in this Agreement. Waiver of any provision shall not be deemed to waive the same provision thereafter, or any other provision of this Agreement at any time.

1.8 Amendments

This Agreement may be amended or supplemented only by a written agreement signed by each of the parties.

1.9 Binding Effect

This Agreement shall be binding upon the parties hereto, their heirs and legal personal representatives and their respective permitted successors and permitted assigns.

ARTICLE 2

VOTING AND RESALE RESTRICTIONS

2.1 Voting

(a) From the Closing Date until the date that is two years following the Closing Date, the Investor agrees that it will vote the Common Shares then held by it at any meeting of shareholders of the Company held during such two-year period in favour of the election of the Company's nominees for the Board of Directors.

(b) Section 2.1(a) shall not apply if, at the relevant time, the Company is in material default with respect to the surviving covenants of the Purchase Agreement or if, in the reasonable opinion of the Investor, the Company or the Board of Directors is not in material compliance with all Applicable Laws (including Applicable Securities Laws and Exchange rules).

(c) Section 2.1(a) shall cease to apply upon the occurrence of a Change of Control Transaction.

2.2 Resale Restrictions

(a) The Investor agrees that it shall be restricted from disposing of the Payment Shares as follows:

- (i) it shall not be permitted to dispose of any Payment Shares until the date that is six months following the Closing Date, at which point forward it shall be permitted to dispose of 50% of the Payment Shares; and
- (ii) it shall not be permitted to dispose of the remaining 50% of the Payment Shares until the date that is one year following the Closing Date, at which point forward it shall be permitted to, without restriction of any kind (other than as may be imposed by Applicable Laws), dispose of all remaining Payment Shares.

(b) Notwithstanding Section 2.2(a), the Investor shall not be restricted from:

- (i) tendering Common Shares to a formal take-over bid for the Common Shares or any similar transaction by an arm's length third party; or
- (ii) disposing of Common Shares by operation of a statutory amalgamation, merger, arrangement or other statutory procedure involving the Company or the Common Shares.

(c) Section 2.2(a) shall cease to apply upon the occurrence of a Change of Control Transaction.

ARTICLE 3

RIGHT OF FIRST OFFER

3.1 Right of First Offer

(a) If the Investor desires to sell more than 2.5% of the then outstanding Common Shares to a person or persons that are not affiliates of the Investor (a **"Proposed Sale"**), then:

- (i) the Investor shall give written notice thereof by email (the **"Proposed Sale Notice"**) to the Company, which Proposed Sale Notice shall specify the total number of Common Shares proposed to be sold pursuant to the Proposed Sale and the price per Common Share at which the Investor wishes to sell such Common Shares (the **"Proposed Sale Price"**); and
- (ii) the Company shall have the right to purchase or to privately place all, but not less than all, of the Common Shares subject to the Proposed Sale at a price per Common Share no less than the Proposed Sale Price (the **"Company Offer"**), by delivering a written notice thereof (the **"Company Offer Notice"**) no later than five Business Days (the **"Company Offer Notice Period"**) following receipt of the Proposed Sale Notice by the Company.

(b) If the Company delivers a Company Offer Notice within the Company Offer Notice Period, the Company shall complete the purchase or private placement of the Common Shares subject to the Company Offer no later than five Business Days following delivery of the Company Offer Notice by the Company and the Investor shall sell such Common Shares to the Company or to one or more third parties identified by the Company in accordance with the Company Offer. The Investor shall not be permitted to abandon the Proposed Sale and retain all of the Common Shares that are the subject of the Proposed Sale Notice. In the event that the Company fails to complete the purchase or private placement of Common Shares subject to the Company Offer as aforesaid, then the Investor may sell or transfer the Common Shares that were the subject of the applicable Proposed Sale Notice without any restriction or limitation provided the price per Common Share being sold by the Investor is at least equal to 90% of the Proposed Sale Price.

(c) If the Company fails to deliver a Company Offer Notice within the Company Offer Notice Period, the Company shall be deemed not to have made a Company Offer and the Investor may proceed with the Proposed Sale without any restriction or limitation provided the price per Common Share being sold by the Investor is at least equal to 90% of the Proposed Sale Price.

(d) If the Investor does not complete the Proposed Sale within 60 days of the date of the Proposed Sale Notice, the provisions of this Section 3.1 shall again apply.

(e) For greater certainty, nothing in this Section 3.1 shall restrict the Investor from proceeding with and closing a Proposed Sale, provided that the Investor has complied with this Section 3.1 .

ARTICLE 4

GENERAL

4.1 Notices

All notices, demands or other communications ("**Notices**") to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when delivered personally to the recipient or by email addressed to the recipient. Such notices, demands and other communications shall be delivered, mailed or sent electronically to the parties at the respective addresses or email addresses indicated below:

- (a) in the case of a Notice to the Company at:

Element79 Gold Corp.
230-997 Seymour Street
Vancouver, BC V6B 3M1

Attention: James Tworek
Email: [REDACTED]

with a copy, in the case of notice to the Company, to:

Forooghian + Company Law Corporation
Suite 401, 353 Water Street
Vancouver, BC V6B 1B8

Attention: Farzad Forooghian
Email: [REDACTED]

- (b) in the case of a Notice to the Investor at:

Clover Nevada LLC
c/o Elko Mining Group LLC
9650 Gateway Drive, Suite 202
Reno, NV 89521

Attention: Kamal Toor
Email: [REDACTED]

with a copy, in the case of notice to the Investor, to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Brett Seifred
Email: [REDACTED]

Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of emailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, emailed or sent before 5:00 p.m. (local time at the address of the party receiving such communication) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

4.2 Further Assurances

Each party shall act in good faith in performing its obligations and exercising its rights herein and shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use reasonable commercial efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

4.3 Assignment

This Agreement is not assignable by any party except with the prior written consent of the other party.

4.4 Termination

This Agreement shall terminate and be of no further force and effect upon the earlier to occur of (a) the mutual written agreement of the Investor and the Company and (b) the two-year anniversary of the Closing Date.

4.5 Counterparts

This Agreement may be executed in separate counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same agreement. Delivery of an executed signature page to this Agreement by a party by electronic transmission shall be as effective as delivery of a manually executed copy of this Agreement by such party.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first above written.

ELEMENT79 GOLD CORP.

by _____
Name:
Title:

WATERTON NEVADA SPLITTER, LLC

by _____
Name: Isser Elishis
Title: Authorized Signatory