

MINERAL PROPERTY PURCHASE AGREEMENT

THIS MINERAL PROPERTY PURCHASE AGREEMENT (this “**Agreement**”) is dated the 29th day of May, 2024 (the “**Effective Date**”)

BETWEEN:

GOLD HUNTER RESOURCES INC., a company incorporated under the laws of British Columbia and having an address for business at 75-8050 204th Street, Langley, British Columbia, V2Y 0X1, Canada

(info@seankingsley.ca)

(the “**Purchaser**”)

AND:

STEPHEN KEATS, an individual with an address at [REDACTED]

([REDACTED])

(the “**Vendor**”)

WHEREAS:

- A. The Vendor is the registered owner of certain mineral property located as further described in Schedule “A” hereto (the “**Property**”) and holds the Property in trust for the individuals set forth in Schedule “B” (the “**Beneficiaries**”);
- B. The Vendor wishes to sell all of its right, title and interest in and to the Property to the Purchaser; and
- C. Each of the Purchaser and the Vendor (each, a “**Party**”, and together, the “**Parties**”) wish to enter into this Agreement to set forth their respective rights and obligations in respect of the sale of the interest in the Property.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, mutual covenants and agreements hereinafter set forth and other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged by each Party), the Parties hereto covenant and agree each with the other as follows:

1. **Purchase and Sale of the Property**

The Vendor hereby agrees to sell, transfer, assign and convey to the Purchaser and the Purchaser agrees to purchase a 100% interest in and to the Property and all Property Rights associated with or to be derived from the Property, free and clear of all liens, security interests, mortgages, charges, encumbrances or other claims of any third party, whether registered or unregistered and whether arising by agreement, statute or otherwise (the "**Liens**"), other than the Permitted Liens and the NSR. For the purpose of this Agreement, "**Property Rights**" means all exploration, exploitation and mining claims, licenses, permits, leases, easements, rights-of-way, certificates and other mining interests and approvals obtained by any person before or after the date of this Agreement in respect of the Property and in which the Vendor holds an interest and which are necessary or desirable for the exploration and development of the Property, and all geological, geophysical, geochemical and engineering reports, charts, maps and other data and documentation relating to the Property and owned or controlled by the Vendor (in electronic format as well as paper format where available), including prior exploration and development results, proposed work programs and budgets, pre-feasibility or feasibility studies and reports, valuations, reserve estimates and the like), if any. "**Permitted Liens**" means (i) any inchoate right, lien or interest of a governmental authority, (ii) any inchoate Liens for taxes not yet due and payable, not in arrears and accrued in the ordinary course of the Vendor's activities on the Property, (iii) agreements in favour of municipalities or public utilities if they have been complied with and do not individually, or in aggregate, materially adversely affect or impair the use or operation of the Property as currently used or contemplated, (iv) undetermined or inchoate construction or repair or storage Liens arising in the ordinary course of business, a claim for which has not been filed or registered pursuant to law or which notice in writing has not been given to the Vendor and the debt for which is not in arrears, (v) any reservations or exceptions contained in the original grants from the Crown or arising pursuant to applicable law.

In consideration therefore, at the closing of the purchase of the Property and Property Rights (the "**Closing**") on the day that is mutually agreed to by both parties but, in any event is not less than six (6) business days after the execution of this Agreement (the "**Closing Date**") and subject to the Purchaser obtaining any necessary consents, the Purchaser will (collectively, the "**Purchase Price**"):

- (a) pay \$10,000 in cash as designated by the Vendor in Schedule "B" attached hereto;
- (b) issue 1,000,000 common shares in the capital of the Company (each, a "**Share**") as designated by the Vendor in Schedule "B" attached hereto, which Shares will be subject to resale restrictions under applicable securities laws and all certificates or DRS advices representing such Shares will bear such legends; and
- (c) grant the Vendor a 2% net smelter royalty (the "**NSR**") as designated by the Vendor in Schedule "B" hereto, on the terms set out in Schedule "C" attached hereto.

2. **Transfer of Property and Property Rights**

In exchange for the Purchase Price, the Vendor shall deliver to the Purchaser on the Closing Date:

- (a) registrable transfer documentation to transfer a 100% undivided, beneficial and legal interest in and to the Property and all associated Property Rights to the Purchaser or as directed by the Purchaser, in form and substance satisfactory to the Purchaser, acting reasonably, subject to the NSR; and
- (b) any and all available relevant technical data, geotechnical reports, environmental reports, maps, digital files and other data with respect to the Property in the Vendor's possession or control, including any and all records and files relating to such Property.

3. **Taxes**

The Purchaser is liable for and will pay, or cause to be paid, directly to the appropriate taxing authorities, all taxes payable directly or indirectly in connection with the conveyances of legal and beneficial title to the Property and Property Rights and the completion of the transactions contemplated herein.

4. **Vendor's Representations and Warranties**

The Vendor represents and warrants to the Purchaser that, as at the date of this Agreement and as at the Closing Date:

- (a) the Property is accurately described in Schedule "A" hereto;
- (b) the claims comprising the Property were properly staked, recorded and filed with appropriate governmental agencies and (i) the Property is in good standing under the laws of Newfoundland and Labrador; (ii) all assessment work required to hold the claims comprising the Property has been performed and all governmental fees have been paid and all filings required to maintain the claims comprising the Property in good standing have been properly and timely recorded or filed with appropriate governmental agencies; and (iii) the Vendor has no knowledge of conflicting mineral claims;
- (c) the Vendor is the owner of a 100% registered, and together with the Beneficiaries, the owner of a 100% beneficial, right, title and interest in and to the Property and the Property is free and clear of all Liens, other than the Permitted Liens and there is no adverse claim or challenge to ownership of the Property, and there are no outstanding rights or options to acquire or purchase the Property or any third party royalties, net profits interests or similar interests relating to any of the Property, except for the NSR;
- (d) there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the

Property and the conduct of the operations related thereto, and the Vendor has not received any notice of same and is not aware of any basis on which any such orders or direction could be made;

- (e) there has been no known spill, discharge, deposit, leak, emission or other release of any hazardous substance on, into, under or affecting any of the Property and no hazardous substance is stored in any type of container on, in or under any of the Property;
- (f) the Vendor has complied with all laws applicable to its activities on and in respect of the Property including all directives, rules, consents, permits, orders, guidelines, approvals and policies of all applicable governmental authorities, and without limiting the generality of the foregoing, the Vendor has not used any part of the Property, or permitted any part of the Property to be used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process hazardous substances, and, to the best of the Vendor's knowledge and belief, neither has any other person; and no claim comprising the Property is the subject of any investigation by any governmental authority evaluating whether any remedial action is needed to respond to a release of any hazardous substance into the environment;
- (g) the Vendor's ownership of the Property is in compliance with, is not in default or violation in any material respect under, and the Vendor has not been charged with or received any notice at any time of any material violation of any statute, law, ordinance, regulation, rule, decree or other applicable regulation in connection with the Vendor's ownership of the Property;
- (h) the Vendor has duly filed all reports and returns required to be filed with governmental authorities and has obtained all governmental permits and other governmental consents, except as may be required after the execution of this Agreement and all of such permits and consents are in full force and effect, and no proceedings for the suspension or cancellation of any of them, and no investigation relating to any of them, is pending or to the knowledge of the Vendor, threatened, and none of them will be adversely affected by the entry into this Agreement;
- (i) there is no adverse claim or challenge against or to the ownership of or title to any part of the Property and, to the knowledge of the Vendor, there is no basis for such adverse claim or challenge which may affect the Property;
- (j) the Vendor has the right to enter into this Agreement and to sell the Property in accordance with the terms of this Agreement, there are no disputes over the title to the Property, and no other party has any interest in the Property or the production therefrom or any right to acquire any such interest;
- (k) there are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Property or the conduct of the business related to the Property;

- (l) the Vendor does not have notice, or knowledge of, any proposal to terminate or vary the terms of, or rights attaching to the Property from any governmental authority;
- (m) the Vendor has all necessary rights to access the Property to conduct exploration activities thereon and there is no fact or condition which would result in the interference with or termination of such access;
- (n) to the knowledge of the Vendor, there are no aboriginal rights or interests that are currently asserted in respect of the Property or in respect of the access to or surface rights to the areas covered by the Property;
- (o) the Property does not lie in any protected, restricted, reservation area and no land use restriction exists in respect of the Property;
- (p) there are no claims, actions, suits, judgments, litigation or proceedings of any nature concerning the Property, nor to the best of the Vendor's knowledge, are there any claims, actions, suits, judgments, litigation or proceedings of any nature pending or threatened against the Vendor or any other person which may defeat, impair, detrimentally affect or reduce the right, title and interest of the Vendor in the Property or the interest therein to be acquired by the Purchaser under this Agreement and the Vendor is not aware of any existing ground on which any such claim, action, suit, judgment, litigation or proceeding might be commenced with any reasonable likelihood of success;
- (q) none of the Purchaser or its affiliates, including without limitation, any of its respective officers, directors or employees has taken, committed to take or been alleged to have taken any action which would cause the Purchaser or any of its affiliates, to be in violation of the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any applicable laws of similar effect of any other jurisdiction, and to the knowledge of the Purchaser no such action has been taken by any of its agents, representatives or other persons acting on behalf of the Purchaser or any of its affiliates;
- (r) the Vendor has the power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments. The execution and delivery of this Agreement and such other agreements and instruments to be executed by the Vendor and the completion of the transactions by the Vendor as contemplated by this Agreement and such other agreements and instruments have been duly authorized or will, at the Closing Date, be duly authorized, by all necessary action on the part of the Vendor;
- (s) the Vendor is not an insolvent person within the meaning of the Bankruptcy and Insolvency Act (Canada), has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof and or has not had any petition for a receiving order presented in respect of it. The Vendor has not initiated

proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of the Vendor or any of its assets and no execution or distress has been levied upon any of its assets;

- (t) the Vendor has duly obtained all authorizations of any governmental authority required for the execution, delivery and performance of this Agreement any agreement or instrument referred to or contemplated by this Agreement and the execution, delivery and performance of this Agreement and all other agreements and instruments to be executed by the Vendor and the performance of and completion of the transactions contemplated by this Agreement do not and will not result in or constitute a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of any applicable law;
- (u) there is no requirement for the Vendor to give any notice to, or to obtain any consent or approval of, any person under any contract to which the Vendor is a party to or by which it is bound or affected by in connection with the execution, delivery and performance of this Agreement or the sale of the Property hereunder; and
- (v) this Agreement has been, and all other agreements and instruments to be executed as contemplated by this Agreement will be duly executed by the Vendor, and constitute valid and binding obligations of the Vendor, enforceable against the Vendor, in accordance with their terms subject, however, to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.

5. **Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Vendor that, as at the date of this Agreement and as at the Closing Date:

- (a) the Purchaser has the power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments. The execution and delivery of this Agreement and such other agreements and instruments to be executed by the Purchaser and the completion of the transactions by the Purchaser as contemplated by this Agreement and such other agreements and instruments have been duly authorized or will, at the Closing Date, be duly authorized, by all necessary action on the part of the Purchaser;
- (b) the Purchaser is a valid and subsisting corporation, in good standing, under the laws of British Columbia and has all requisite corporate power and authority to carry on its business as now conducted or proposed to be conducted and to own or lease and operate the property and assets thereof;

- (c) the Purchaser is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada), has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof and or has not had any petition for a receiving order presented in respect of it. The Purchaser has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of the Purchaser or any of its assets and no execution or distress has been levied upon any of its assets;
- (d) this Agreement has been, and all other agreements and instruments to be executed as contemplated by this Agreement will be duly executed by the Purchaser, and constitute valid and binding obligations of the Purchaser, enforceable against the Purchaser, in accordance with their terms subject, however, to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought. There is no order, directive, instrument, decree, injunction, decision, ruling, award, or writ of any governmental authority outstanding against or affecting the Purchaser which affects adversely, or might affect adversely, the ability of the Purchaser to enter into this Agreement or perform its obligations hereunder; and
- (e) the execution, delivery and performance of this Agreement and all other agreements and instruments to be executed by the Purchaser and the performance of and completion of the transactions contemplated by this Agreement do not and will not result in or constitute a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of any applicable law, any directors' or shareholders' resolution of the Purchaser, or the constating documents of the Purchaser.

6. **Confidentiality**

Each of the Parties agrees that this Agreement and all information (whether in tangible or electronic form) exchanged between the Parties or their affiliates under this Agreement (the "**Confidential Information**"), is confidential, will be kept confidential, and will not be disclosed to any Person at any time or in any manner except: (a) with the prior written consent of the other Party; (b) to the extent that the Confidential Information was publicly available at the Closing Date or becomes publicly available subsequent to the Closing Date without breach of this Agreement; (c) as may be necessary in seeking approval of any governmental authority to maintain the Property; (d) by a Party to legal, financial and other professional advisers, auditors and other consultants, officers and employees of: (i) that Party, or (ii) that Party's affiliates, in any case requiring the information for the purposes of this Agreement (or any transactions contemplated by this Agreement), or for the purpose of advising that Party in relation to this Agreement; (e) to the extent required by law or by a lawful requirement of any governmental authority or stock exchange having jurisdiction over the Party or an affiliate thereof; (f) if required in connection with legal proceedings relating to this Agreement or for the purpose of advising a Party in relation to legal

proceedings; (g) to any bona fide enquirer contemplating the direct or indirect purchase of an interest of a Party under this Agreement or a business combination with or financing by a Party or to an affiliate thereof as long as the enquirer or the affiliate has first entered into an agreement in favour of the Parties to preserve confidentiality of information disclosed in a manner at least as onerous on the enquirer or affiliate as this Section 6 is onerous on the Parties; (h) to a banker or other financial institution considering the provision of financial accommodation to a Party or an affiliate thereof, or to a trustee, representative or agent of that banker or financial institution; or (i) to a stock exchange (including any regulator or securities commission having jurisdiction over a stock exchange) or similar public market for trading shares upon which securities of a Party or an affiliate thereof are quoted after the reasonable prior consultation, if practicable, with the other Party taking place as to the nature and form of the disclosure (which does not imply that the consent or approval, of the other Party will or need be obtained). Despite the foregoing, any compelled disclosure will be only to the minimum standards required by the applicable stock exchange, regulator, securities commission or law.

7. **Disclosure to Personnel**

If a Party discloses Confidential Information to its personnel, then that Party will ensure that any such personnel:

- (a) are informed of the confidential nature of the Confidential Information disclosed and the Party's obligations under Section 6 and Section 7; and
- (b) comply with the terms of Section 6 and Section 7 as if they were bound by it.

8. **Termination**

This Agreement may be terminated by: (a) mutual written agreement of the Parties; (b) either the Purchaser or the Vendor if either fails to deliver anything required to be delivered by each of them respectively at Closing (or the requirement to deliver it waived by the other Party); or, (c) either the Purchaser or the Vendor if there shall be passed any law or regulation that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited, or if any injunction, order or decree enjoining the Purchaser or the Vendor from consummating the transactions contemplated by this Agreement is entered and such injunction, order or decree shall become final and non-appealable (unless such injunction, order or decree has been withdrawn, reversed or otherwise made inapplicable).

9. **Notices**

Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be delivered or electronically mailed to such Party at the address for such Party specified above. The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered or, if given by electronic mail, shall be deemed conclusively to be the next business day. Either Party may at any time and from time to time notify the other Party in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

10. **All Further Acts**

Each of the Parties will do any and all such acts and will execute any and all such documents as may be reasonably necessary from time to time to give full force and effect to the provisions and intent of this Agreement. The Vendors further agree that they will, at any time and from time to time after the date hereof, upon the Purchaser's request, execute, acknowledge and deliver or cause to be executed and delivered, all further documents or instruments necessary to effect the transactions contemplated in this Agreement.

11. **Entire Agreement**

This Agreement constitutes the entire agreement between the parties and replaces and supersedes all agreements, memoranda, correspondence, communications, negotiations and representations, whether verbal or express or implied, statutory or otherwise, between the parties with respect to the subject matter herein.

12. **Assignment**

The Purchaser and Vendors will not assign any right, benefit or interest in this Agreement without the written consent of the other Party, which consent may not be unreasonably withheld.

13. **Gender**

Wherever the singular or neuter are used herein the same shall be deemed to include the plural, feminine or masculine.

14. **Enurement**

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

15. **Governing Law**

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties irrevocably submit to the exclusive jurisdiction of the courts of the Province of British Columbia with respect to any legal proceedings arising herefrom.

16. **Independent Legal Advice**

The Parties acknowledge that this Agreement is the product of arm's length negotiation among the Parties, each having obtained its own independent legal advice, and that this Agreement will be construed neither strictly for nor strictly against any Party, irrespective of which Party was responsible for drafting this Agreement.

Each of the Parties acknowledge and agree that Clark Wilson LLP ("**Clark Wilson**") has acted as legal counsel to the Purchaser only, not to any other Party, and that Clark Wilson has not been engaged to protect the rights and interests of the Vendor. The Vendor

acknowledges and agrees that Clark Wilson has given it adequate opportunity to seek, and have recommended that they seek and obtain, independent legal and taxation advice with respect to the subject matter of this Agreement and for the purpose of ensuring their rights and interests are protected. The Vendor represents and warrants to the Purchaser and Clark Wilson that he/she/it has sought independent legal and taxation advice or consciously chosen not to do so with full knowledge of the risks associated with not obtaining such independent legal and taxation advice.

17. **Counterparts and Electronic Means**

This Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which will together constitute one and the same instrument. Delivery of an executed copy of this Agreement by electronic facsimile transmission or other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Agreement as of the day and year first written above.

18. **Schedules**

The schedules referenced herein and attached to this Agreement are incorporated into and form part of this Agreement.

[SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE]

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the Effective Date.

EXECUTED by **GOLD HUNTER RESOURCES** **GOLD HUNTER RESOURCES INC.**
INC. in the presence of:

"Manveer Sall"
Notary Public or Commissioner of Oaths
(affix seal)

Per: *"Sean Kingsley"*
Name: Sean Kingsley
Title: CEO and President
I have authority to bind the Corporation

EXECUTED by **STEPHEN KEATS** in the
presence of:

"Jo-Anne Gillingham"
Notary Public or Commissioner of Oaths
(affix seal)

"Stephen Keats"
STEPHEN KEATS

SCHEDULE A

PROPERTY DESCRIPTION

License Number	Claim Name	Title Holder	Claim No.	Issue Date	License Expiry Date	Anniversary Date	Report Deadline	Tenure Status	Assessment Year	Annual Work Req's	NTS
032996M	Turners Ridge	Stephen Keats	21	2021-07-02	2026-07-02	2026/07/02	2024-09-02	Active	3	\$2640.00 by 2024/07/02	12H/10 & 12H/11
031989M	Turners Ridge	Stephen Keats	13	2021-02-04	2026-02-04	2026/02/04	2025-04-07	Active	3	\$4180.00 by 2025/02/04	12H/10 & 12H/11

SCHEDULE B
LIST OF BENEFICIARIES

Name and Address of Vendor and Beneficiaries	Portion of Cash Payment to be paid to the Vendor and Beneficiaries as of the Closing Date	Number of Shares to be issued to the Vendor and Beneficiaries as of the Closing Date	Percentage of NSR to be Allocated to the Vendor and Beneficiaries
Vendor			
Stephen Keats ████████████████████ ████████████████████	Nil	200,000	20%
Beneficiaries			
Kevin Daniel Keats ████████████████████ ████████████████████	\$10,000	200,000	20%
Allan Keats ████████████████████ ████████████████████	Nil	200,000	20%
Zachary Keats ████████████████████ ████████████████████	Nil	200,000	20%
Suley Keats ████████████████████ ████████████████████	Nil	200,000	20%
TOTAL	\$10,000	1,000,000	100%

ROYALTY AGREEMENT
[See attached]

ROYALTY AGREEMENT

THIS AGREEMENT dated as of the 10th day of June, 2024.

BETWEEN:

GOLD HUNTER RESOURCES INC., a company incorporated under the laws of British Columbia and having an address for business at 75-8050 204th Street, Langley, British Columbia, V2Y 0X1, Canada

(sean@goldhunterresources.com)

(the "Owner")

AND:

STEPHEN KEATS, an individual with an address [REDACTED]

([REDACTED])

(the "Royalty Holder")

WHEREAS in consideration of, among other things, the mutual promises contained in this Agreement, the Parties agree:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless the context otherwise requires, in the Agreement:

- (a) "**Affiliate**" means any person which directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, "control" means, in relation to any person, possession, directly or indirectly, of the power to direct or cause direction of management and policies of that person through ownership of voting securities, contract, voting trust or otherwise;
- (b) "**Agreement**" means this document including any schedule or appendix to it;
- (c) "**Allowable Deductions**" means:
 - (i) all costs, penalties, fees, expenses, charges, and deductions, including tolling charges or deductions, representation expenses, metal losses, umpire

charges, assaying and sampling charges, smelting costs, treatment charges and penalties for impurities, that are incurred by the Owner and its Affiliates relating to smelting or refining Mineral Products. In the case of leaching operations or other solution mining techniques, where the metal being treated is precipitated or otherwise directly derived from such leach solution, all processing and recovery costs incurred beyond the point at which the metal being treated is in solution will be considered as treatment charges (it being agreed and understood, however, that such processing and recovery costs will not include the cost of mining, crushing, preparation, distribution of leach solutions or other mining and preparation costs up to the point at which the metal goes into solution);

- (ii) all costs, expenses and charges that are incurred by the Owner and its Affiliates relating to transportation (including insurance, shipping, freight, handling, loading, port, demurrage, security, delay and forwarding expenses and transaction taxes) of the Mineral Products from the Property, a mill or other place of ore treatment to a smelter or refinery, including such costs, expenses, and charges related to transportation from any such facility to another, and from there to the place or places of storage and sale to the place where sold, and will include costs or charges of any nature for or in connection with insurance, storage or representation at a smelter or refinery for Mineral Products;
- (iii) all sales, production, extraction, net proceeds, use, gross receipts, severance, value-added tax, excise, export, import and other taxes, custom duties, governmental royalties and other governmental charges, if any, payable by the Owner or its Affiliates with respect to the severance, production, removal, sale, import, export or transportation of ore, concentrates, doré, refined gold, refined silver, or other Mineral Products produced from the Property or in respect of the NSR Royalty, but excluding taxes based on net or gross income and like taxes, the value of the Property and any value added or other taxes that are recoverable by the Owner or its Affiliates; and
- (iv) all marketing costs, including sales commissions, incurred in selling of any Mineral Products.

For the avoidance of doubt, Allowable Deductions will not, except as expressly stated otherwise in this Section 1.1(c), include any exploration or mining costs.

Where any Allowable Deductions are based upon costs incurred in respect of activities or services performed by the Owner or its Affiliates, the charges for such activities must not exceed the charges or deductions that would be made for such activities or services by an independent contractor providing the most competitive alternative. Allowable Deductions will not be duplicative of any deductions made by the purchaser of Mineral Products in determining the amount received by the Owner or its Affiliates from the sale of Mineral Products pursuant to the definition of Gross Proceeds in Section 1.1(p).

- (d) **“Average Spot Price”** for any expired Quarter means:
 - (i) in respect of gold, the arithmetic average of the London PM Fix Price for every day of the expired Quarter on which the London Bullion Dealers Association fixes a spot price for an ounce of gold in United States dollars;
 - (ii) in respect of other precious metals, the arithmetic average of the price of metal quoted on the London Metals Exchange in the Metals Bulletin, for every day of the expired Quarter on which the price of the metal is so quoted;
 - (iii) in respect to any other Mineral, the arithmetic average of the price of such Mineral on each Business Day of the expired Quarter, where such price is arrived at using the industry standard in Canada for establishing the average spot price of any other such Mineral;
- (e) **“Business Day”** means a day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place where an act is to be performed or a payment is to be made;
- (f) **“Buy-Back Right”** has the meaning given in Section 2.2;
- (g) **“Buy-Back Purchase Price”** has the meaning given in Section 2.2;
- (h) **“Control”** means, in relation to any person, possession, directly or indirectly, of the power to direct or cause direction of management and policies of that person through ownership of voting securities, contract, voting trust or otherwise;
- (i) **“Commercial Production”** means the operation of all or part of the Property as a producing mine, but does not include bulk sampling or milling for the purpose of testing or milling by a pilot plant, and will be deemed to have commenced on the first day of the month following the first 30 consecutive days during which Minerals have been produced from a mine at an average rate of not less than 65% of the initial rated capacity if a plant is located on the Property or if no plant is located on the Property, the last day of the first period of 30 consecutive days during which ore has been shipped from the Property on a reasonably regular basis for the purpose of earning revenues, whether to a plant or facility constructed for that purpose or to a plant or facility already in existence;
- (j) **“Dispute”** has the meaning given in Section 6.1;
- (k) **“Dispute Notice”** has the meaning given in Section 6.1;
- (l) **“Dispute Representative”** has the meaning given in Section 6.2(a);
- (m) **“Effective Date”** means the date first written above on page 1 of this Agreement;
- (n) **“Exercise Notice”** has the meaning given in Section 2.2;

- (o) **“Governmental Authority”** means any foreign, domestic, national, federal, provincial, territorial, state, regional, municipal or local government or authority, quasi-government authority, fiscal or judicial body, government or self-regulatory organization, commission, board, tribunal, organization, or any regulatory, administrative or other agency, or any political or other subdivision, department, or branch of any of the foregoing;
- (p) **“Gross Proceeds”** means, subject to the provisions of Section 4.6, in respect of an expired Quarter the aggregate of:
 - (i) the gross proceeds from the sale (whether immediate or for future delivery) during the expired Quarter of all Mineral Product extracted from the Property where the sale is effected on an arms-length basis on normal commercial terms;
 - (ii) if sales are effected on any other basis than on an arms-length basis on normal commercial terms, or if Product extracted from the Property is disposed of otherwise than by sale (whether immediate or for future delivery) during the expired Quarter, the Average Spot Price multiplied by the quantity of the Mineral Product extracted from the Property so sold or otherwise disposed of during the expired Quarter;
- (q) **“Interest Rate”** means the prime rate of the Royal Bank of Canada as announced by the Royal Bank of Canada at 9:00 a.m. (Pacific Standard Time) on the due date for payment or, if the prime rate is not published on that day, on the day before the due date for payment on which the prime rate was most recently published;
- (r) **“London PM Fix Price”** for a day means the spot price in United States dollars per troy ounce of gold fixed in the afternoon by the London Bullion Dealers Association on that day;
- (s) **“Metal”** means any metallic element in whatever form and however contained, including, by way of example, gold, silver, platinum, palladium, copper, zinc, nickel, iron, lead, cobalt, titanium, iridium and uranium;
- (t) **“Minerals”** means gold, all other Metals, coal and diamonds;
- (u) **“Mineral Product”** means all Metals or Minerals extracted for use or commercial sale which is produced or extracted by or on behalf of the Owner from the Property (whether in concentrate or otherwise) including Stockpiled Material;
- (v) **“Mineral Rights”** means:
 - (i) prospecting licences, exploration licences, mining leases, mining licences, mineral concessions and claims and other forms of mineral tenure or other rights to minerals, or to work upon lands for the purpose of searching for, developing or extracting minerals under any form of mineral title

recognized under applicable law in Newfoundland and Labrador, whether contractual, statutory or otherwise; or

- (ii) any interest in any Mineral Right;
- (w) **“Net Smelter Returns”** means the Gross Proceeds derived from the sale or disposition of Mineral Product less Allowable Deductions;
- (x) **“Notice”** or **“notice”** has the meaning given in Section 9.3;
- (y) **“NSR Royalty”** has the meaning given in Section 2.1;
- (z) **“Quarter”** means a period of 3 calendar months ending on 31 March, 30 June, 30 September, or 31 December and **“Quarterly”** has a corresponding meaning;
- (aa) **“Party”** means either the Owner or the Royalty Holder, as the context requires;
- (bb) **“Parties”** means the Owner and the Royalty Holder;
- (cc) **“Property”** means the Mineral Rights as described in Schedule A, together with any present or future renewal, extension, modification, substitution, amalgamation or variation of any of those Mineral Rights (whether granting or conferring the same, similar or any greater rights and whether extending over the same or a greater or lesser domain);
- (dd) **“Proposed Royalty Purchaser”**, as the context requires, means:
 - (i) the independent third party referred to in Section 5.2(a)(i); or
 - (ii) the person referred to in Section 5.2(a)(ii);
- (ee) **“Royalty Interest”** has the meaning given in Section 5.2(a)(i);
- (ff) **“Royalty Offer”** has the meaning given in Section 5.2(a);
- (gg) **“Royalty Statement”** has the meaning given in Section 4.2;
- (hh) **“Rules”** has the meaning given in Section 6.3;
- (ii) **“Stockpiled Material”** means Minerals or Mineral bearing material that has been extracted from the Property whether located on the Property or elsewhere; and
- (jj) **“Trading Activities”** has the meaning given in Section 4.6(a).

1.2 Interpretation

In the Agreement:

- (a) the singular includes the plural and conversely;

- (b) a gender includes all genders;
- (c) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) a reference to a person, corporation, trust, partnership, joint venture, unincorporated body or other entity includes any of them;
- (e) a reference to a Section, schedule or appendix is a reference to a Section of or a schedule or appendix to the Agreement;
- (f) a reference to an agreement or document (including a reference to the Agreement) is to the agreement or document as amended, varied, supplemented, novated or replaced except to the extent prohibited by the Agreement or that other agreement or document;
- (g) a reference to a party to an agreement (including the Agreement) or document includes the party's successors and permitted substitutes (including persons taking by novation) or assigns (and, where applicable, the party's legal personal representatives);
- (h) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation, code, by-law, ordinance or statutory instrument issued under it;
- (i) a reference to writing includes a facsimile or electronic mail transmission and any means of reproducing words in a tangible and permanently visible form;
- (j) the word "including" means "including without limitation" and "include" and, "includes" will be construed similarly;
- (k) reference to "\$" or "dollars" is to Canadian currency;
- (l) headings and any table of contents or index are for convenience only and do not form part of the Agreement or affect its interpretation;
- (m) a provision of the Agreement must not be construed to the disadvantage of a Party merely because that Party was responsible for the preparation of the Agreement or the inclusion of the provision in the Agreement;
- (n) if an act must be done on a specified day which is not a Business Day, it must be done instead on the next Business Day;
- (o) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter despite the absence of the words "covenants" or "agrees" or "promises";
- (p) all provisions requiring a Party to do something will be interpreted as including the covenant of that Party to cause that thing to be done when the Party cannot directly

perform the covenant but can indirectly cause that covenant to be performed, whether by an Affiliate under its control or otherwise;

- (q) reference to a body, other than an Party (including, without limitation, an institute, association or authority), whether statutory or not:
 - (i) which ceases to exist; or
 - (ii) whose powers or functions are transferred to another body, is a reference to the body which replaces it or which substantially succeeds to its powers or functions; and
- (r) a reference to anything (including a right, obligation or concept) includes a part of that thing, but nothing in this Section 1.2(r) implies that performance of part of an obligation constitutes performance of the obligation.

1.3 Parties

- (a) If a Party consists of more than one person, the Agreement binds them jointly and each of them separately.
- (b) An obligation, representation or warranty in favour of more than one person is for the benefit of them jointly and separately.
- (c) A Party which is a trustee is bound both personally and in its capacity as a trustee.

1.4 Consideration

The Owner and the Royalty Holder acknowledge that the Agreement is entered into for good and fair consideration and, to this end, will pay to each other the sum of \$10.00 as recognition of such consideration, which is deemed to be paid and received.

2. ROYALTY

2.1 NSR Royalty

The Owner must pay to the Royalty Holder a royalty, on the terms and conditions specific in this Agreement, equal to 2% of the Net Smelter Returns derived from the Property (the "NSR Royalty").

2.2 Buy-Back Right

The Owner shall have the option (the "**Buy-Back Right**"), at any time, to reduce the NSR Royalty from 2.0% to 1.0% for a purchase price of \$1,000,000 (the "**Buy-Back Purchase Price**"). The Owner may exercise its Buy-Back Right by providing the Royalty Holder with written notice of its intention to exercise the Buy-Back Right (the "**Exercise Notice**"). The Exercise Notice shall indicate the Owner's intention to exercise the Buy-Back Right and indicate a date within 10 days of the date of the Exercise Notice upon which the closing of the Buy-Back Right will be held. The Buy-Back Right shall be completed at such place and

time as mutually agreed upon by the Company and the Royalty Holder. At closing, the Owner shall deliver the Buy-Back Purchase Price to the Royalty Holder by wire transfer, certified cheque or bank draft, as directed by the Royalty Holder.

3. OPERATIONS ON THE PROPERTY

3.1 Owner to Determine Operations

The Owner:

- (a) may, but is not obliged to treat, mill, sort, concentrate, refine, or otherwise process, beneficiate or upgrade the ores, concentrates, and other products at sites located on or off the Property, prior to sale, transfer, or conveyance to a purchaser, user, or consumer; and
- (b) will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so. The Owner will owe the Royalty Holder no duty to explore, develop, maintain or mine the Property, or to do so at any rate or in any manner other than that which the Owner may determine in its sole and unfettered discretion.

3.2 Sales to Related Parties

The Owner will be permitted to sell Mineral Product in the form of raw ore or concentrates to an Affiliate of the Owner or to any shareholder of the Owner and those sales will be deemed, for the purposes of the Agreement, to have been sold at prices and on terms no less favourable to the Owner than those which would be extended by an unaffiliated third party in an arm's length transaction under similar circumstances.

3.3 Commingling

Commingling of Mineral Product from the Property with other ores, concentrates, mineral products, metals and minerals produced elsewhere is permitted as long as reasonable and customary procedures are established for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Mineral Product and in the other ores, concentrates, mineral products, metals and minerals.

3.4 Information and Reporting

The Owner must advise the Royalty Holder of the commencement of Commercial Production in respect of the Property by providing written notice to the Royalty Holder at least five Business Days before the start of Commercial Production.

4. PAYMENTS

4.1 Accrual of Payments Obligation

The obligation to pay the NSR Royalty will accrue upon the first receipt by the Owner of payment from the sale of Mineral Product after the commencement of Commercial Production.

4.2 Payments

The NSR Royalty will be due and payable Quarterly on the last Business Day of the month next following the end of the Quarter in which the same accrued. NSR Royalty payments will be accompanied by a statement (a “**Royalty Statement**”) showing in reasonable detail:

- (a) the quantities and grades of Mineral Product produced and sold or deemed sold by the Owner in the preceding Quarter;
- (b) the proceeds of sale for Mineral Product on which the NSR Royalty is due (as the case may be) in the preceding Quarter;
- (c) the applicable Allowable Deductions; and
- (d) other pertinent information in sufficient detail to explain the calculation of the NSR Royalty payment.

4.3 Late Payment

If any Party fails to pay any sum payable by it under or in accordance with the Agreement, that Party must pay simple interest on that sum from the due date for payment until that sum is paid in full at the rate per annum which is the Interest Rate on the date on which the payment was due calculated daily. The right to require payment of interest under this Section 4.3 is without prejudice to any other rights the non-defaulting Party may have against the defaulting Party under the Agreement, at law or in equity.

4.4 Adjustments

- (a) Each NSR Royalty payment will be considered final and in full satisfaction of all obligations of the Owner with respect to that payment unless the Royalty Holder gives the Owner written notice describing and setting out a specific objection to the determination of that NSR Royalty payment within 90 days after receipt by the Royalty Holder of the respective Royalty Statement that complies with Section 4.2.
- (b) If the Royalty Holder objects to a particular Royalty Statement, the Royalty Holder may, for a period of 30 days after the Owner’s receipt of notice of such objection, upon reasonable notice and at a reasonable time, have the Owner’s accounts and records (including mining and production records) relating to the calculation of the NSR Royalty payment in question audited by a chartered accountant selected by the Royalty Holder and who enters into a confidentiality undertaking with the Owner substantially in the terms of Section 8.

- (c) If an audit conducted in accordance with Section 4.4(b) determines that there has been a deficiency or an excess in the payment made to the Royalty Holder, such deficiency or excess will be resolved by adjusting the next Quarterly NSR Royalty payment due under the Agreement. If production has ceased, settlement will be made between the Parties by cash payment. The Royalty Holder will pay all costs of such audit unless a deficiency of 5% or more of the amount due to the Royalty Holder is determined to exist. The Owner will pay the costs of such audit if a deficiency of 5% or more of the amount due is determined to exist. Failure on the part of the Royalty Holder to make claim on the Owner for adjustment within the 90 days period specified in Section 4.4(a) will establish the correctness of the payment and preclude the making of claims for adjustment of the relevant NSR Royalty payment.

4.5 Manner of Payment

All payments under the Agreement must be in Canadian dollars and must be made without demand, notice, set-off, or reduction by wire transfer in good, immediately available funds, to such account or accounts as the Royalty Holder may designate pursuant to wire instructions provided by the Royalty Holder to the Owner not less than five Business Days prior to the dates upon which such payments are to be made.

4.6 Trading Activities of Owner

- (a) The Owner will have the right to market and sell the Mineral Product in any manner it may elect, and will have the right to engage in forward sales, futures trading or commodity options trading and other price hedging, price protection, and speculative arrangements (“**Trading Activities**”) which may involve the possible physical delivery of Mineral Product. The NSR Royalty will not apply to, and the Royalty Holder will not be entitled to participate in, the proceeds generated by the Owner, a shareholder of the Owner, or an Affiliate of either in Trading Activities or in the actual marketing or sales of Mineral Product.
- (b) In determining the Net Smelter Returns, the Owner will not be entitled to deduct from the Gross Proceeds any losses suffered by the Owner, a shareholder or an Affiliate in Trading Activities. If the Owner engages in Trading Activities in respect of Product, then the Gross Proceeds will be determined on the basis of the Average Spot Price of such Mineral Product.

4.7 Books and Records

- (a) All books and records used by the Owner to calculate the NSR Royalty must be kept according to International Financial Reporting Standards issued by the International Accounting Standards Board.
- (b) The Owner must maintain accurate and proper records of all operations (including mining and processing operations) carried out upon the Property and of all Mineral Product derived from those operations.

- (c) The Owner shall retain the books and records relating to the calculation of the NSR Royalty for the current year and for the three prior calendar years.

4.8 Currency

For the purpose of determining the Net Smelter Returns or the Gross Proceeds (as the case may be):

- (a) all receipts and major disbursements in a currency other than Canadian currency must be converted into Canadian currency on the day of receipt or disbursement, as the case may be; and
- (b) all other disbursements in a currency other than Canadian currency must be converted into Canadian currency at the average rate for the month of disbursement, all such conversions being determined using the Bank of Canada noon rates.

5. ASSIGNMENT

5.1 Assignment by the Royalty Holder

Subject to Sections 5.2 and 5.3 of the Agreement, the Royalty Holder may not, at any time, without the consent of the Owner transfer by way of assignment or novation all or any of its rights, benefits and obligations under the Agreement to any person or persons.

5.2 Right of First Refusal

- (a) If the Royalty Holder:
 - (i) receives a *bona fide* offer from an independent third party dealing at arm's length with the Royalty Holder to purchase all or any part of the Royalty Holder's interest under the Agreement ("**Royalty Interest**"), which offer the Royalty Holder desires to accept; or
 - (ii) if the Royalty Holder intends to transfer all or any part of the Royalty Interest under the Agreement to any person other than an Affiliate of the Royalty Holder,

then the Royalty Holder must first offer ("**Royalty Offer**") such interest in writing to the Owner upon terms no less favourable than those offered by the Proposed Royalty Purchaser or intended to be offered by the Royalty Holder, as the case may be.

- (b) The Royalty Offer must specify the price and terms and conditions of such sale, the name of the Proposed Royalty Purchaser (which will, in the case of an intended offer by the Royalty Holder, mean the person or persons to whom the Royalty Holder intends to offer the Royalty Interest) and, if the offer received by the Royalty Holder from the Proposed Royalty Purchaser provides for any consideration payable to the Royalty Holder otherwise than in cash, then the Royalty Offer must

include the Royalty Holder's reasonable estimate of the cash equivalent of the non-cash consideration.

- (c) If within a period of 30 days of the receipt of the Royalty Offer, the Owner notifies the Royalty Holder in writing that it will accept the same, then the Royalty Holder will be bound to sell the Royalty Interest to the Owner and the Owner will be bound to purchase the Royalty Interest on the terms and conditions of the Royalty Offer (as amended in the manner contemplated by Section 5.2(b)).
- (d) If the Owner fails to notify the Royalty Holder before the expiration of the period specified in Section 5.2(c) that it will purchase the Royalty Interest offered, then the Royalty Holder may sell and transfer that Royalty Interest to the Proposed Royalty Purchaser at the price and on the terms and conditions specified in the Royalty Offer for a period of 60 days.
- (e) The terms of this Section 5.2 will again apply to such Royalty Interest if the sale to the Proposed Royalty Purchaser is not completed within 60-day period specified in Section 5.2(d).
- (f) Any sale under this Section 5.2 will be conditional upon the Proposed Royalty Purchaser delivering a written undertaking to the Owner, in form and content satisfactory to the Owner, to be bound by the terms and conditions of the Agreement.

5.3 Transfers to Affiliates

Any transfer of all or any part of the Royalty Holder's interest under this Agreement to an Affiliate of the Royalty Holder will be conditional upon the Affiliate and the Royalty Holder entering into an agreement with the Owner, in form and substance satisfactory to the Owner, acting reasonably, by which:

- (a) the Affiliate agrees to be bound by the terms and conditions of the Agreement;
- (b) the Royalty Holder agrees that it will remain jointly and severally liable with the Affiliate for all obligations and liabilities of the Royalty Holder under the Agreement;
- (c) the Royalty Holder and its Affiliate agree that the Owner may at its sole option have recourse against either or both the Royalty Holder and the Affiliate for any and all obligations or liabilities of the Royalty Holder under the Agreement; and
- (d) the Affiliate agrees with the Owner in writing to re-assign its right, title and interest it holds in and under the Agreement to the Royalty Holder (as long as the Royalty Holder at the time of such re-assignment remains under the same Control as at the date of the Agreement and if not, then to another person which is so Controlled) before ceasing to be an Affiliate of the Royalty Holder.

5.4 Multiple Parties

- (a) Despite any assignment by the Royalty Holder, the Owner will not be or become liable to make payments in respect of the NSR Royalty to, or to otherwise deal in respect of the Agreement with, more than one person. If the interests of the Royalty Holder under the Agreement are at any time owned by more than one person, those owners must, as a condition of receiving payment under the Agreement, nominate one person to act as agent and common trustee for receipt of monies payable under the Agreement and to otherwise deal with the Owner in respect of such interests (including, without limitation, the giving of notice to take or cease taking in kind) and no royalty owner will be entitled to administer or enforce any provisions of the Agreement except through such agent and trustee.
- (b) After receipt of notice in accordance with Section 5.4(a) nominating an agent and trustee, the Owner will thereafter make and be entitled to make payments due under the Agreement in respect of the NSR Royalty to that agent and trustee and to otherwise deal with that agent and trustee as if it were the sole holder of the NSR Royalty.

5.5 Assignment by Owner

- (a) The Owner must not transfer all or any of its right, title and interest in and to the Property unless and until the intending transferee agrees in writing, in a form and content satisfactory to the Royalty Holder, acting reasonably, to be bound by the provisions of the Agreement as if it was an original party to the Agreement in place of the Owner, and upon delivery of the agreement to be bound to the Royalty Holder the Owner will be released from all its obligations under the Agreement.
- (b) Nothing in this Section 5.5 will prevent an amalgamation or corporate reorganization involving the Owner which has the effect at law of the amalgamated or surviving entity possessing all of the property, rights and interests and being subject to all of the debts, liabilities and obligations of each amalgamating or predecessor corporation.

5.6 Meaning of Transfer

For the purposes of this Section 5, to sell or transfer means to sell, transfer, assign or otherwise dispose of.

6. DISPUTE RESOLUTION

6.1 Disputes

- (a) In the event of any dispute, question or difference of opinion between the Parties concerning or arising out of or under the Agreement ("**Dispute**"), a Party may give to the other Party a notice ("**Dispute Notice**") specifying the Dispute and requiring its resolution under this Section 6.

- (b) Subject to Section 6.6, all Disputes must be resolved in accordance with the provisions of this Section 6.

6.2 Dispute Representatives to seek resolution

- (a) If the Dispute is not resolved within seven days after a Dispute Notice is given to the other Party, each Party must nominate one representative to resolve the Dispute (each, a “**Dispute Representative**”), who must negotiate in good faith using their respective commercially reasonable efforts to attain a resolution of the Dispute.
- (b) If the Dispute is not resolved within 14 days of the Dispute being referred to the respective Dispute Representatives, then either Party may agree to submit the Dispute to arbitration in accordance with Section 6.3.

6.3 Arbitration

Any Dispute which has not been resolved under Section 6.2 must be referred to and finally resolved by arbitration under the Rules of the British Columbia International Commercial Arbitration Centre (“**Rules**”), which Rules are deemed to be incorporated by reference into this Section. The number of arbitrators will be three. Each Party will be entitled to nominate one arbitrator and the Chairman will be selected in accordance with the Rules. The seat, or legal place of arbitration, will be Vancouver, British Columbia, Canada. The language used in the arbitral proceedings will be English. The interpretation and construction of this Section 6.3 will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in British Columbia.

6.4 Enforcement

The award rendered by an arbitrator may be enforced by judgment of any court having jurisdiction or an application may be made to such court for acceptance of the award and an order of enforcement, as the case may be.

6.5 Performance of obligations during Dispute

During the existence of any Dispute, the Parties must continue to perform all of their obligations under the Agreement without prejudice to their position in respect of such Dispute, unless the Parties otherwise agree.

6.6 Urgent interlocutory relief

If a Dispute is to be resolved in accordance with Section 6.3, then no Party may commence legal proceedings in respect of that Dispute in any court except for urgent interlocutory relief or to enforce an arbitration award.

7. OTHER INTERESTS

The Agreement and the rights and obligations of the Parties under it are limited to the Property. Each Party will have the free and unrestricted right to enter into, conduct and benefit from any and all business ventures of any kind whatsoever, whether or not

competitive with the activities undertaken under the Agreement, without disclosing such activities to the other Party or inviting or allowing the other to participate in those activities including activities involving Mineral Rights adjoining the Property.

8. CONFIDENTIALITY

8.1 **Obligations and Permitted Disclosure**

All information, data, reports, records, feasibility studies and test results relating to the Property (whether embodied in tangible or electronic form) and the activities of the Owner or any other person on the Property and the terms and conditions of the Agreement, all of which will, for the purposes of this Section 8.1 be referred to as "*confidential information*", will be treated by the Royalty Holder as confidential and must not be disclosed to any person not a Party to the Agreement, except in the following circumstances:

- (a) the Royalty Holder may disclose confidential information to its auditors, legal counsel, institutional lenders, brokers, underwriters and investment bankers, as long as such non-party users are advised of the confidential nature of the confidential information, undertake to maintain the confidentiality of it and are strictly limited in their use of the confidential information to those purposes necessary for such non-party users to perform the services for which they were retained by the Royalty Holder;
- (b) the Royalty Holder may disclose confidential information to a bona fide purchaser (whether actual or prospective) of the Royalty Holder's rights under the Agreement or the Owner's rights or title in or to the Property as long as such purchaser has first entered into a covenant in favour of the Parties to preserve confidentiality of the confidential information disclosed in a manner at least as onerous on the purchaser as this Section 8.1 is onerous on the Royalty Holder;
- (c) the Royalty Holder may disclose confidential information where that disclosure is necessary to comply with its disclosure obligations and requirements under any law, rules or regulations or stock exchange listing agreements, policies or requirements or in relation to proposed credit arrangements, as long as the proposed disclosure is limited to factual matters and that the Royalty Holder will have availed itself of the full benefits of any laws, rules, regulations or contractual rights as to disclosure on a confidential basis to which it may be entitled; or
- (d) with the prior written approval of the Owner.

Any confidential information that becomes part of the public domain by no act or omission in breach of this Section 8.1 will cease to be confidential information for the purposes of this Section 8.1.

8.2 Disclosure in connection with Enforcement

Section 8.1 does not restrict the disclosure or use of confidential information for the purposes of, and to the extent required in connection with, legal action to enforce rights under, or to seek remedies in connection with, the Agreement.

9. GENERAL

9.1 No Property Right and No Partnership

- (a) Nothing contained in the Agreement shall be construed as conferring upon the Royalty Holder any right to or interest in the Property. The right to receive a percentage of Net Smelter Returns from the Owners as and when due is and shall be deemed to be a contractual right only. Furthermore, the right to receive a percentage of Net Smelter Returns by the Royalty Holder from the Owner as and when due shall not be deemed to constitute the Owner, the partner, agent or legal representative of the Royalty Holder or to create any fiduciary relationship between them for any purpose whatsoever.
- (b) The Agreement is not intended to, and will not be deemed to, create any partnership between the Parties including a mining partnership or commercial partnership. The obligations and liabilities of the Parties will be several and not joint and neither Party will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of the other Party. Nothing in the Agreement will be deemed to constitute a Party the partner, agent or legal representative of the other Party or to create any fiduciary relationship between the Parties.

9.2 Time

- (a) Time is of the essence of the Agreement.
- (b) If the Parties agree to vary a time requirement, the time requirement so varied is of the essence of the Agreement.
- (c) An agreement to vary a time requirement must be in writing.

9.3 Notices

Any notice, demand, consent or other communication (“**Notice**”) given or made under the Agreement:

- (a) must be in writing and signed by a person duly authorized by the sender;
- (b) must be delivered to the intended recipient in person, facsimile or electronic mail to the address, facsimile number or electronic mail address below or the address, facsimile number or electronic mail address last notified by the intended recipient to the sender:

- (i) to the Owner:

Gold Hunter Resources Inc.
75-8050 204th Street
Langley, British Columbia, V2Y 0X1

Attention: Sean Kingsley
Email: sean@goldhunterresources.com

- (ii) to the Royalty Holder:

Stephen Keats
[REDACTED]

Email: [REDACTED]

- (c) will be taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
 - (ii) in the case of facsimile, on receipt by the sender of a transmission control report from the despatching machine showing the relevant number of pages and the correct destination facsimile machine number and indicating that the transmission has been made without error;
 - (iii) in the case of electronic mail, only when acknowledged by the addressee, but if the result is that a Notice would be taken to be given or made on a day which is not a Business Day in the place to which the Notice is sent or is later than 4:00 pm (local time) it will be taken to have been duly given or made at the commencement of business on the next Business Day in that place.

9.4 Governing Law

- (a) Except for matters of title to the Property or its assignment or transfer, which will be-governed by the law of its situs, the Agreement is governed by the law in force in the Province of British Columbia and, where applicable, Canada.
- (b) Subject to Section 6, the Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in British Columbia, and any court that may hear appeals from any of those courts, for any proceeding in connection with the Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

9.5 Severability

- (a) If anything in the Agreement is unenforceable, illegal or void then it is severed and the rest of the Agreement remains in force.
- (b) Where a provision of the Agreement is prohibited or unenforceable, the Parties must negotiate in good faith to replace the invalid provision by a provision which is in accordance with applicable law and which must be as close as possible to the Parties' original intent and appropriate consequential amendments (if any) will be made to the Agreement.

9.6 Violation of Law of another Jurisdiction

If the Agreement is intended to be performed in more than one jurisdiction, and its performance would be a violation of the applicable law of a jurisdiction where it is intended to be performed, the Agreement is binding in those jurisdictions in which it is valid and the Parties will use their reasonable efforts to re-negotiate and amend the Agreement so that its performance does not involve a violation of the applicable law of the jurisdiction where its performance would be a violation.

9.7 Entire Agreement

The Agreement:

- (a) is the entire agreement and understanding between the Parties on everything connected with the subject matter of the Agreement; and
- (b) supersedes any prior agreement or understanding on anything connected with that subject matter.

9.8 Recording of Agreement

The Agreement, or a memorandum of the Agreement, must, upon the written request of the Royalty Holder, be recorded in the office or register of any Governmental Authority identified in the written request of the Royalty Holder, in order to give notice to third persons of the Royalty Holder's interests that arise under the Agreement. The Owner agrees with the Royalty Holder to execute those documents that may be necessary to perfect such recording.

9.9 Further Assurances

Each Party must promptly at its own cost do all things (including executing and if necessary delivering all documents) necessary or desirable to give full effect to the Agreement.

9.10 Survival

Sections 7 and 8 will not merge on completion, but will continue in full force and effect after any termination or expiration of the Agreement as will any other provision of the

Agreement which expressly or by implication from its nature is intended to survive the termination or expiration of the Agreement.

9.11 Variation

An amendment or variation to the Agreement is not effective unless it is in writing and signed by the Parties.

9.12 Waiver

- (a) A Party's failure or delay to exercise a power or right does not operate as a waiver of that power or right.
- (b) The exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right.
- (c) A waiver is not effective unless it is in writing.
- (d) Waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

9.13 Counterparts

- (a) The Agreement may be executed in any number of counterparts. Each counterpart is an original but the counterparts together are one and the same agreement
- (b) The Agreement is binding on the Parties on the exchange of counterparts. A copy of a counterpart sent by facsimile machine or by electronic mail:
 - (i) must be treated as an original counterpart;
 - (ii) is sufficient evidence of the execution of the original; and
 - (iii) may be produced in evidence for all purposes in place of the original.

9.14 Execution - Authorized Officer to Sign

Each person signing the Agreement as an authorized officer of a Party hereby represents and warrants that he or she is duly authorized to sign the Agreement for that Party and that the Agreement will, upon having been so executed, be binding on that Party in accordance with its terms.

IN WITNESS WHEREOF the Parties have duly executed this Agreement as of the Effective Date.

EXECUTED by **GOLD HUNTER RESOURCES** **GOLD HUNTER RESOURCES INC.**
INC. in the presence of:

"Manveer Sall"
Notary Public or Commissioner of Oaths
(affix seal)

Per: "Sean Kingsley"
Name: Sean Kingsley
Title: CEO and President
I have authority to bind the Corporation

EXECUTED by **STEPHEN KEATS** in the
presence of:

"Jo-Anne Gillingham"
Notary Public or Commissioner of Oaths
(affix seal)

"Stephen Keats"
STEPHEN KEATS

SCHEDULE A

PROPERTY DESCRIPTION

License Number	Claim Name	Title Holder	Claim No.	Issue Date	License Expiry Date	Anniversary Date	Report Deadline	Tenure Status	Assessment Year	Annual Work Req's	NTS
032996M	Turners Ridge	Gold Hunter Resources Inc.	21	2021-07-02	2026-07-02	2026/07/02	2024-09-02	Active	3	\$2640.00 by 2024/07/02	12H/10 & 12H/11
031989M	Turners Ridge	Gold Hunter Resources Inc.	13	2021-02-04	2026-02-04	2026/02/04	2025-04-07	Active	3	\$4180.00 by 2025/02/04	12H/10 & 12H/11