

PROPERTY ACQUISITION AGREEMENT dated the 15th Day of April, 2018, and effective as of this date.

BETWEEN:

Talisker Gold Corp., a corporation incorporated under the laws of the Province of Ontario, Suite 222, 157 Adelaide Street W. Toronto, ON M5H 4E7

(the “**Purchaser**”)

- and -

JD Exploration Inc., a corporation incorporated under the laws of Ontario, 4149 Watson Road S. Puslinch ON, N0B 2J0.

(the “**Vendor**”)

WHEREAS the Vendor has agreed to sell, assign and transfer to the Purchaser a 100% interest in certain mining claims located in the Province of Ontario, more particularly described in Schedule “A” annexed hereto (the “**Properties**”), on the various terms and conditions set forth below;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, conditions and premises herein contained, the sum of TWO DOLLARS (\$2.00) now paid by each of the Parties (as hereinafter defined) to the other and for other good and valuable consideration (the receipt and sufficiency whereof being hereby acknowledged), the Parties do hereby covenant and agree as follows:

1. **DEFINITIONS**

1.1 **Definitions.** In this Agreement:

“**this Agreement**”, “**herein**”, “**hereby**”, “**hereof**”, “**hereunder**” and similar expressions shall mean or refer to this Agreement and any and all agreements or instruments supplemental or ancillary hereto and the expression “**section**” followed by a number means and refers to the specified section of this Agreement.

“**Affiliate**” shall mean any person, partnership, joint venture, corporation or other form of enterprise which directly or indirectly Controls, is controlled by or is under common Control with a Party.

“**Agents**” shall mean servants, employees, agents, workmen and contractors.

“**Closing Date**” shall mean 15th Day of April, 2018, or such other date as the Vendor and the Purchaser may agree upon.

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

“**Consideration Shares**” shall have the meaning ascribed thereto in section 4.2.

“**Control**” shall mean possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise.

“**Encumbrances**” shall mean any and all mortgages, pledges, security interests, liens, charges, encumbrances, contractual obligations and claims of others, recorded or registered.

“**Exchange**” shall mean a recognized exchange or quotation and trade reporting system in Canada.

“**Expenditures**” shall mean all direct and reasonable indirect expenses, of or incidental, to the exploration of the Properties, including, but not limited to, any and all costs, fees and expenses which may be paid to obtain feasibility, engineering or other studies or reports on or with respect to the Properties or any part of it. For greater certainty, “Expenditures” include (i) the costs, fees and expenses of recording work for assessment credit under applicable legislation, and (ii) reasonable charges for services provided in connection with work carried out on the Properties by geologists or others in the employment of the Purchaser, and (iii) reasonable charges for machinery, tools, equipment and camp facilities owned by the Purchaser and used or employed in work carried out on the Properties.

“**Going Public Transaction**” means the completion by the Purchaser of either of (A) or (B) as set forth below:

(A) (i) an initial public offering by the Purchaser in Canada of its Common Shares (the “**Public Offering**”) whereby the Corporation becomes a reporting issuer in any province of Canada and takes all necessary steps and proceedings (including, if necessary, the clearing with all applicable securities regulatory authorities of a prospectus to ensure that, subject to regulatory approval, the Common Shares will be freely tradeable securities without restriction); and

(ii) obtaining a listing of the Common Shares on an Exchange; or

(B) (i) a transaction which provides holders of the Common Shares with comparable liquidity (including freely tradeable securities) that such holders would have received if the Public Offering occurred, whether by means of a reverse takeover, merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or similar transaction or other combination with a public corporation; and

(ii) obtain a listing of the Common Shares (or securities for which Common Shares are exchanged for) on an Exchange.

“Laws” means collectively, all federal, provincial, territorial, municipal or local statutes, regulations and by-laws applicable to the Parties or the Property, or to any activities thereon, including without limitation, all orders, notices, rules, decrees, decisions, codes, guidelines, policies, directions, permits, approvals, licenses and similar authorizations issued, rendered or imposed by any level of government including any ministry, department or administrative or regulatory agency or authority.

“Losses” shall mean actual losses, liabilities, damages, injuries, costs or expenses.

“Purchaser” shall mean Talisker Gold Corp.

“Parties” shall mean collectively, the Vendor and the Purchaser.

“Party” shall mean the Vendor or the Purchaser.

“Person” shall mean any individual, partnership, company, corporation, unincorporated association, person, government or governmental agency, authority or entity howsoever designated or constituted.

“Private Company Period” means the period from the Closing Date until completion of the Going Public Transaction.

“Properties” shall mean the properties set out in Schedule “A” to this Agreement.

“Purchase Price” shall have the meaning set forth in section 4.2.

“Royalty” shall have the meaning set forth in section 4.2.

“Royalty Agreement” shall mean the royalty agreement in the form attached hereto as Schedule “B” and forming a part hereof.

“Termination Notice” shall have the meaning set forth in section 10.1.

“Transfer” when used as a verb, shall mean to sell, grant, assign, encumber, pledge or otherwise commit or dispose of, directly or indirectly, including through mergers, consolidations or asset purchases. When used as noun, **“Transfer”** shall mean a sale, grant, assignment, pledge or disposal or the commitment to do any of the foregoing, directly or indirectly, including through mergers, consolidations or asset purchases.

“Vendor” shall mean JD Exploration Inc.

2. SCHEDULES, GENDER AND CANADIAN DOLLARS

2.1 **Schedules.** The following are the exhibits attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule “A” – Description of Properties

Schedule “B” – Royalty Agreement

2.2 **Gender and Extended Meanings.** In this Agreement all words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and pronoun. In this Agreement words importing the singular number include the plural and vice versa.

2.3 **Canadian Dollars.** All dollar amounts or “\$” referred to in this Agreement are in Canadian funds.

2.4 **Business Days.** All references in this Agreement to business days are to days excluding Saturdays, Sundays and banking holidays in Toronto, Ontario.

2.5 **Period of Time.** When calculating the period of time within which or following which any act is to be done or step is to be taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is a non-business day, the period in question shall end on the next business day.

2.6 **Section Headings.** The section and other headings contained in this Agreement or in the Exhibit are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

3. REPRESENTATIONS AND WARRANTIES

3.1 **Representation and Warranties of the Vendor.** The Vendor hereby represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in entering into this Agreement:

- (a) **Approvals.** The execution, delivery and performance of this Agreement by the Vendor and the consummation of the transactions herein contemplated will not conflict with or result in a breach of any covenants or agreements contained in or constitute a default under any indenture, agreement or other instrument whatsoever to which the Vendor is a party or by which the Vendor is bound and does not contravene any applicable laws.
- (b) **No Acts of Bankruptcy.** The Vendor has not committed an act of bankruptcy, is not insolvent, has not proposed a compromising arrangement to its creditors generally, has not had any petition for a receiving order in bankruptcy filed

against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceeding to have itself declared bankrupt, has not taken any proceeding to have a receiver appointed of any part of its assets, has not had any encumbrancer take possession of the Property and has not had any execution or distress become enforceable or become levied upon the Property.

- (c) **Brokerage or Finder's Fee.** There is no Person acting or purporting to act at their request who is entitled to any brokerage or finder's fee in connection with the transactions contemplated herein.
- (d) **Interest.** The Vendor is the registered owner of a 100% undivided interest in the Property, free and clear of any and all Encumbrances save that the Buck Lake Property is subject to a 0.5% royalty in favor of the Ontario Exploration Corporation due to an exploration grant. The Vendor has the full power to hold its respective interest in the Property and hold recorded or registered title to the Property. The Property is duly recorded in the respective names as set out in Schedule "A" and are in good standing pursuant to all applicable Laws.
- (e) **Property in Good Standing.** The mining claims forming part of the Property are in good standing and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under such mining claims.
- (h) **Taxes, Charges and Assessments.** All taxes and charges with respect to the Property have been paid in full as of the date hereof. All requisite minimum assessment work has been performed and reported or payments in lieu made on the Property pursuant applicable Laws. Save and except as set out in Schedule "A" and Section 3.1(d), no Person has any proprietary or possessory interest in the Property and no Person is entitled to any royalty or other payment in the nature of rent or royalty on any minerals, metals or concentrates or any other such products removed or produced from the Property.
- (i) **Adverse Claims.** To the best knowledge of the Vendor, there are no existing, pending or threatened adverse claims or challenges against or to the ownership of, possession, or title to the Properties or substances thereon or therefrom nor, is there any basis therefore.
- (j) **Compliance with Laws.** Except as disclosed in Section 11 in respect of environmental matters, the Vendor has fully complied with all Laws with respect to the Property and the Vendor has not received notice of any breach, violation or default with respect to the Property.
- (k) **Litigation.** To the best of its knowledge, there is no legal, administrative, arbitration or other proceeding, claim or action of any nature or investigation pending or, to the knowledge of the Vendor, threatened against or involving the Properties or which questions or challenges the validity of this Agreement, or any

action taken or to be taken by the Vendor pursuant to this Agreement or any other agreement or instrument to be executed and delivered by the Vendor in connection with the transactions contemplated hereby and the Vendor does not know or have any reason to know of any valid basis for any such legal, administrative, arbitration or other proceeding, claim, action of any nature or investigation. The Vendor is not subject to any judgment, order or decree entered in any lawsuit or proceeding which has had or may be expected to have an adverse effect on the Properties.

- (l) **Non-Resident.** The Vendor is not a non-resident of Canada for the purposes of section 116 of the *Income Tax Act* (Canada) as amended.
- (m) **All Material Information.** The Vendor has made or will make available to the Purchaser all material information in its possession or control relating to the Property.

3.2 **Representations and Warranties of the Purchaser.** The Purchaser hereby represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement:

- (a) **Due Incorporation.** It is a company duly incorporated under the laws of Ontario and it is duly organized and validly subsisting under such laws and is duly licensed and qualified as necessary to carry on its business as currently conducted or as proposed to be conducted.
- (b) **Corporate Power.** It has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement and to carry out and perform all of its obligations and duties hereunder, including without limitation, the issuance of the Consideration Shares.
- (c) **Corporate Approvals.** It has duly obtained all corporate and all regulatory authorizations for the execution, delivery and performance of this Agreement and such execution, delivery and performance and the consummation of the transactions herein contemplated, including without limitation, the issuance of the Consideration Shares, will not conflict with or result in a breach of any covenants or agreements contained in or constitute a default under or result in the creation of any Encumbrance under the provisions of its corporate documents or any shareholders' or directors' resolution or any indenture, agreement or other instrument whatsoever to which it is a party or by which it is bound and does not contravene any applicable Laws.
- (d) **Due Execution and Delivery.** This Agreement has been duly executed and delivered by it and is valid, binding and enforceable against it in accordance with its terms.

- (e) **No Acts of Bankruptcy.** It has not committed an act of bankruptcy, is not insolvent, has not proposed a compromising arrangement to its creditors generally, has not had any petition for a receiving order in bankruptcy filed against it, has not made a voluntary assignment in bankruptcy, has not taken any proceedings with respect to a compromise or arrangement, has not taken any proceeding to have itself declared bankrupt or wound-up, has not taken any proceeding to have a receiver appointed of any part of its assets, has not had any encumbrancer take possession of any of the Property and has not had any execution or distress become enforceable or become levied upon the Property.
- (f) **Brokerage or Finder's Fee.** There is no Person acting or purporting to act at its request who is entitled to any brokerage or finder's fee in connection with the transactions contemplated herein.
- (g) **Authorized Capital.** The authorized capital of the Purchaser consists of an unlimited number of common shares which as at the date of this Agreement, 32,000,000 common shares are currently issued and outstanding, all of which shares are fully paid and non-assessable.
- (j) **Consideration Shares.** Upon issuance, the Consideration Shares shall be fully paid and non-assessable.
- (k) **Litigation.** There is no legal, administrative or other proceeding, claim or action of any nature or investigation pending or, to the knowledge of the Purchaser, threatened against or involving the Purchaser or which questions or challenges the validity of this Agreement, or any action taken or to be taken by the Purchaser pursuant to this Agreement or any other agreement or instrument to be executed and delivered by the Purchaser in connection with the transactions contemplated hereby and the Purchaser does not know or have any reason to know of any valid basis for any such legal, administrative, arbitration or other proceeding, claim, action of any nature or investigation.
- (l) **Interest of Directors and Officers.** The directors and officers of the Purchaser do not have any undisclosed relationships or agreements with any other group or company that may be interested in acquiring the mining rights

3.3 **Representations and Warranties as Conditions.** Each Party acknowledges and agrees that the other Party is entering into this Agreement relying upon the representations and warranties made by it herein and the correctness of each such representation and warranty is a condition upon which such other Party is relying upon entering into this Agreement, each of which conditions may be waived in whole or in part solely by such other Party in writing at the Closing Date and all such representations and warranties shall survive the execution, delivery and termination of this Agreement and the completion of the transactions contemplated hereby for a period of two years from the Closing Date.

4. PURCHASE AND SALE OF THE PROPERTY

4.1 **Purchase and Sale of the Property.** On the terms and subject to the conditions hereof, the Vendor hereby sells, assigns and transfers to the Purchaser and the Purchaser hereby purchases from the Vendor, to have effect from the date hereof, all of the Vendor's right, title and interest in and to the Property free and clear of all liens and encumbrances, subject to the provisions of this Agreement

4.2 **Purchase Price.** The total purchase price (the "**Purchase Price**") payable by the Purchaser to the Vendor or as it may direct for the Vendor's interests in and to the Property shall be satisfied as follows:

- (a) The issuance of 1,000,000 Common Shares (the "**Consideration Shares**") to be delivered contemporaneously with the execution of this Agreement in consideration of the Doyle Property; and
- (b) The issuance of 100,000 Common Shares (the "**Consideration Shares**") to be delivered contemporaneously with the execution of this Agreement in consideration of the Buck Lake Property
- (c) A Net Smelter Return (NSR) royalty (as more particularly described in the Royalty Agreement attached as Schedule "B") granted in favour of the Vendor, or as the Vendor may direct, equal to 2.% with respect to gold and other minerals produced from either Property (collectively, the "**Royalty**").

4.3 **Royalty Provisions.** The Vendor may register documentation evidencing the Royalty on title of the Property.

4.4 **Purchase of Royalty.** At any time, except during the Acceptance Period (as defined herein) or for a period of sixty (60) days after the expiration of the Acceptance Period, the Purchaser may offer to purchase 1% of the Royalty for a lump sum payment of One Million Dollars (\$1,000,000) to the Vendor (or to whom the Vendor has directed the Royalty to be paid) (the "**Purchase Notice**"). The offer in the Purchase Notice shall be open for acceptance for a period of sixty (60) days after receipt by the Vendor (the "**Purchase Acceptance Period**") and is irrevocable during the Purchase Acceptance Period.

- (a) During the Purchase Acceptance Period, the Vendor shall have the right to solicit offers from third parties to purchase the 1% of the Royalty for a lump sum payment in an amount greater than \$1,000,000. If the Vendor receives an offer that it wishes to accept from a third party to purchase the 1% of the Royalty for an amount greater than \$1,000,000 (the "**Third Party Offer**"), the Vendor shall forthwith provide notice of the Third Party Offer to the Purchaser.
- (b) Upon receipt of notice of the Third Party Offer, the Purchaser will then have one hundred and twenty (120) days to match the terms of the Third Party Offer. In the event that the Purchaser advises the Vendor within one hundred and

twenty (120) days of receipt of notice of the Third Party Offer of its intention to match the terms of the Third Party Offer, a binding agreement will result between the parties on such terms and conditions as set forth in the Third Party Offer, and closing shall take place at a mutually agreeable date, time and place, such date to be not more than thirty (30) days after the date of the Vendor's receipt of the Purchaser's notice of acceptance, on or before which closing the Vendor shall execute and deliver to the Purchaser such assignments and such releases as the Purchaser may reasonably request to fully transfer the 1% of the Royalty to the Purchaser, and the Purchaser shall make such payments as are contemplated in the Third Party Offer.

- (c) If the Purchaser does not, within one hundred and twenty (120) days of receipt of notice of the Third Party Offer, give written notice of its intention to match the Third Party Offer, the Purchaser will be deemed to have given written notice of its intention not to exercise its right to match the Third Party Offer, and the Vendor shall be entitled to sell the 1% of the Royalty at the same price and on the terms referred to in the Third Party Offer.
- (d) Any purchaser, assignee, transferee or other recipient of the 1% Royalty (or any part thereof) under this Section shall be bound by the provisions of this Agreement.

4.5 **Right of First Refusal.** The Vendor (or to whom the Vendor has directed the Royalty to be paid) shall have the right to sell, assign, transfer, convey or otherwise dispose of any percentage of the Royalty to a third party. If the Vendor wishes to sell, assign, transfer, convey or otherwise dispose of any percentage of the Royalty, the Purchaser shall be entitled to a right of first refusal in respect thereof as follows:

- (a) The Vendor shall give written notice (hereafter called the "**Offering Notice**") to the Purchaser of its desire to sell. The Offering Notice shall state the cash consideration, the amount of the Royalty to be sold, and all other terms on which the sale or other disposition is desired to be made by the Vendor.
- (b) The offer in the Offering Notice shall be open for acceptance for a period of one hundred and twenty (120) days (herein called the "**Acceptance Period**") after receipt by the Purchaser and is irrevocable during the Acceptance Period.
- (c) During the Acceptance Period the Purchaser may advise the Vendor of its intention to purchase the amount of the Royalty proposed to be sold in the Offering Notice on the terms and conditions contained in the Offering Notice.
- (d) In the event that the Purchaser advises the Vendor within the Acceptance Period of its intention to purchase the amount of the Royalty proposed to be sold in the Offering Notice, a binding agreement will result between the parties on such terms and conditions as set forth in the Offering Notice, and closing, unless otherwise provided for in the Offering Notice, shall take place at a mutually

agreeable date, time and place, such date to be not more than thirty (30) days after the date of the Vendor's receipt of the Purchaser's notice of acceptance, on or before which closing the Vendor shall execute and deliver to the Purchaser such assignments and such releases as the Purchaser may reasonably request to fully transfer the amount of the Royalty proposed to be sold in the Offering Notice to the Purchaser, and the Purchaser shall make such payments as are contemplated in the Offering Notice.

- (e) If the Purchaser advises the Vendor, in writing, within the Acceptance Period, that it does not intend to exercise its right of first refusal hereunder, or, does not within the Acceptance Period give written notice of such acceptance, the Purchaser will be deemed to have given written notice of its intention not to exercise its right of first refusal, and the Vendor shall be entitled to sell the amount of the Royalty proposed to be sold in the Offering Notice at the same price and on the terms referred to in the Offering Notice, within a period of one hundred and twenty (120) days after the expiration of the Acceptance Period.
- (f) If the Vendor does not sell, assign, transfer, convey or otherwise dispose of the amount of the Royalty proposed to be sold in the Offering Notice within one hundred and twenty (120) days after the end of the Acceptance Period, any subsequent sale, assignment, transfer, conveyance or other disposition of the same shall again be subject to all the provisions of this Section 4.5.
- (g) Any purchaser, assignee, transferee or other recipient of the Royalty (or any part thereof) under this Section shall be bound by the provisions of this Agreement and shall be bound by the provisions of this Section on a subsequent sale, assignment, transfer, conveyance or other disposition of the Royalty.

5. COVENANTS OF THE VENDOR

5.1 **Covenants of the Vendor.** The Vendor covenants to the Purchaser that it will do or cause to be done the following:

- (a) **Pre-Closing Date Obligations.** Before the Closing Date, the Vendor will provide access to the Purchaser to photocopies of all maps, reports, results of surveys and drilling and any other reports of information the Vendor may have prepared or may have caused to be prepared or may have in its possession or under its control with respect to the Property.
- (b) **Post-Closing Date Obligations.** After the Closing Date, the Vendor will cooperate with the Purchaser to facilitate the performance of all covenants required to be performed pursuant to Section 6 of this Agreement, including, without limitation, providing any information relating to the Vendor that may be required by an Exchange or any other regulatory body in connection with the performance of such covenants.

6. COVENANT OF THE PURCHASER

6.1 **Covenant of the Purchaser.** The Purchaser covenants to the Vendor that it will use its best efforts to initiate a Going Public Transaction on or before the day that is 18 months following the Closing Date.

6.2 **Reservation of Shares.** The Common Shares issuable upon the exercise of the Warrants have been reserved for issuance and will, upon due exercise of the Warrants, be duly issued as fully paid and non-assessable shares in the capital of the Purchaser.

7. CLOSING

7.1 **Closing Arrangements.** Subject to the terms and conditions hereof, the transactions contemplated herein shall be completed on the Closing Date through the exchange of the documents, set out in sections 7.2 and 7.3, at such place or in such manner as may be mutually agreed upon by the Vendor and the Purchaser.

7.2 **Documents to be Delivered by the Purchaser.** At the Closing Date, the Purchaser shall execute or cause to be executed, and shall deliver, or cause to be delivered, to the Vendor the following:

- (a) share certificates representing the Consideration Shares registered in the name of the Vendor or as it may direct; and
- (b) a duly executed copy of the Royalty Agreement.

7.3 **Documents to be Delivered by the Vendor.** At the Closing Date, the Vendor shall execute or cause to be executed, and shall deliver, or cause to be delivered, to the Purchaser the following:

- (a) photocopies of all maps, reports, results of surveys and drilling and any other reports of information the Vendor may have prepared or may have caused to be prepared and which the Vendor has in its possession or under its control with respect to the Property; and
- (b) transfer forms duly executed by the Vendor in respect of the Property in registrable or recordable form and in content sufficient pursuant to applicable Laws to transfer the Vendor's interests in the Property to the Purchaser.

8. PERFORMANCE OF WORK

8.1 **Maintenance of Property.** The Purchaser shall do, record assessment work for the Property and shall pay such taxes, fees and rents as may be required to keep the Property in good standing pursuant to applicable Laws. The Vendor shall co-operate with the Purchaser as

reasonably necessary in facilitating the making of payments and providing information, including without limitation, the forwarding of all notices received by the Vendor with respect to assessment work, taxes, fees and rents.

8.2 **Access to Property**. During the Private Company Period, upon the written request of the Vendor, the Purchaser shall provide the Vendor with access to the Property at a convenient time and day for the Purchaser or its Affiliates in order to observe the conduct of the operations or to view drill cores and samples. Such access shall be at the Vendor's own sole cost, expense and risk and must not obstruct or interfere with the activities conducted by the Purchaser.

8.3 **Standard of Care**. The prospecting work, processes, undertaking and other operations carried on or conducted by or on behalf of the Purchaser in respect of the Property during the Private Company Period shall be carried on or conducted in a sound and workmanlike manner and in compliance with sound geological and geophysical exploration and mining engineering and metallurgical practices. All such work, processes, undertaking and other operations shall be in compliance with all applicable Laws.

9. **SURVIVAL AND INDEMNIFICATION**

9.1 **Survival and Indemnity**: The representations and warranties hereinbefore set out are conditions on which the Parties have relied in entering into this Agreement, are to be construed as both conditions and warranties and shall, regardless of any investigation which may have been made by or on behalf of any party as to the accuracy of such representations and warranties, survive the Closing of the transactions contemplated hereby for a period of two years from the Closing Date, and each of the Parties will indemnify and save the other harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation or warranty contained in this Agreement, and each party shall be entitled, in addition to any other remedy to which it may be entitled, to set off any such loss, damage or costs suffered by it as a result of any such breach against any payment required to be made by it to the other Party hereunder.

10. **TRANSFER OF PROPERTY**

10.1 **Termination and Transfer**. In the event that the Purchaser fails to perform any of the covenants provided for in section 6, the Vendor may, at its option, terminate this Agreement by providing written notice to the Purchaser (the "**Termination Notice**") after first giving a 60 day written request to correct any and all defaults. Within ten (10) days after receipt of the Termination Notice, the Purchaser shall:

- (a) provide the Vendor with a duly executed copy of a deed/transfer of mining claims in respect of the Property in registrable or recordable form and in content sufficient pursuant to applicable Laws to transfer the Purchaser's interest in the Property back to the Vendor. The Property shall be in good standing and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under the mining claims;

- (b) deliver all maps, reports, results of surveys and drilling and all other reports of information provided to the Purchaser by the Vendor, to the Vendor as well as copies of any assay plans, diamond drill records, information, maps and other pertinent exploration reports produced by the Purchaser and/or its Agents regarding the Property;
- (c) all buildings, plant, equipment, machinery, tools, appliances and supplies which may have been brought upon the Property by or on behalf of the Purchaser operator shall be removed by the Purchaser and/or its Affiliates at any time not later than sixty (60) days after termination unless arrangements on terms satisfactory to the Vendor is made between the Vendor and the Purchaser and if not so removed, such buildings, plant, equipment, machinery, tools, appliances and supplies shall become the property of the Vendor.

11. FORCE MAJEURE - GENERAL

11.1 **Force Majeure.** Time shall be of the essence of this Agreement, provided however that notwithstanding anything to the contrary contained herein, if a Party should at any time or times during the currency of this Agreement be delayed in or prevented from complying with this Agreement by reason of wars, acts of God, strike, lockouts or other industrial disputes, inability to access its place of business, acts of the public enemy, riots, fire, storm, flood, explosion, government restriction on its ability to carry out exploration work, interference of persons primarily concerned about environmental issues or native rights pressure groups or other causes of the kind enumerated above which are not reasonably within the control of the applicable Party (excluding for greater certainty and without limitation, unavailability of funds), the period of all such delays resulting from such causes or any of them, shall be excluded in computing the time within which anything required or permitted by the applicable Party to be done, is to be done hereunder, it being understood that the time within which anything is to be done hereunder shall be extended by the total period of all such delays. Nothing contained in this Article shall require the applicable Party to settle any industrial dispute or to test the constitutionality of any enacted Law. If any Party asserts that an event of force majeure has occurred, it shall complete such reasonable actions or cause such reasonable actions to be completed as may be necessary to correct or terminate the alleged event of force majeure and give notice in writing to the other Party specifying the following:

- (a) the cause and nature of the alleged event of force majeure;
- (b) a summary of the action it or its Agents have taken to the date of such notice to correct the alleged event of force majeure;
- (c) confirmation as to all acts, actions and things done by it or its Agents to terminate the event of force majeure; and
- (d) the reasonably expected duration of the period of force majeure.

Any Party asserting an event of force majeure shall provide ongoing periodic notice in writing to the other Party with respect to such events of force majeure, including the matters set out above,

within fifteen (15) days of the end of each calendar month during the period of force majeure and shall provide prompt notice in writing to the other Party upon the termination of the event of force majeure.

12. RELATIONSHIP AND OTHER OPPORTUNITIES - GENERAL

12.1 **Relationship of Parties.** The rights, privileges, duties, obligations and liabilities, as between the Parties, shall be separate and not joint or collective and nothing herein contained shall be construed as creating a partnership, an association, agency or subject as herein specifically provided, a trust of any kind or as imposing upon either of the Parties any partnership duty, obligation or liability. No Party is liable for the acts, covenants and agreements of any other Party, except as herein specifically provided.

12.2 **Other Opportunities.** Each of the Parties shall have the free and unrestricted right independently to engage in and receive the full benefits of any and all business endeavors of any sort whatsoever whether or not competitive with the endeavors contemplated herein without consulting the other Party or inviting or allowing the other Party to participate therein. No Party shall be under any fiduciary or other duty to any other Party which shall prevent it from engaging in or enjoying the benefits of competing endeavors within the general scope of endeavors contemplated by this Agreement. The legal doctrine of "**corporate opportunity**" sometimes applied to persons engaged in a joint venture or having fiduciary status shall not apply in the case of a Party.

13. NOTICE - GENERAL

13.1 **Notices.** Any demand, notice or other communication (a "**Communication**") to be given in connection with this Agreement shall be given in writing to the Parties at their respective addresses set forth on the first page of this Agreement or to such other address or telecopier number the Parties may notify each other in writing from time to time and may be given by personal delivery, by registered mail or by transmittal by telecopier or other form of electronic communication, except in the event of a disruption in the mail delivery service, in which event the Communication shall be delivered personally or by telecopier. Any Communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third business day following the deposit thereof in the mail and, if given by telecopier or other form of electronic communication, on the day of transmittal thereof.

14. GENERAL PROVISIONS

1. **Further Assurances.** Each of the Vendor and the Purchaser hereby covenants and agrees that at any time and from time to time after the Closing Date it will, upon the request of the other, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, assignments, transfers, conveyances and assurances as may be required for the better carrying out and performance of all the terms of this Agreement.
2. **Remedies Cumulative.** The rights and remedies of the parties under this

Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such party may be lawfully entitled for the same default or breach.

3. **Counterparts.** This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument
4. **Expenses of Parties.** Each of the parties hereto shall bear all expenses incurred by it in connection with this Agreement including, without limitation, the charges of their respective counsel, accountants, financial advisors and finders.
5. **Announcements.** No announcement with respect to this Agreement will be made by any party hereto without the prior approval of the other parties. The foregoing will not apply to any announcement by any party required in order to comply with laws pertaining to timely disclosure, provided that such party consults with the other parties before making any such announcement.
6. **Assignment.** The rights of the Vendor hereunder shall not be assignable without the written consent of the Purchaser. The rights of the Purchaser hereunder shall not be assignable without the written consent of the Vendor.
7. **Successors and Assigns.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.
8. **Entire Agreement.** This Agreement and the schedules referred to herein constitute the entire agreement between the parties hereto and supersede all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, with respect to the subject matter hereof. None of the parties hereto shall be bound or charged with any oral or written agreements, representations, warranties, statements, promises, information, arrangements or understandings not specifically set forth in this Agreement or in the schedules, documents and instruments to be delivered on or before the Closing Date pursuant to this Agreement. The parties hereto further acknowledge and agree that, in entering into this Agreement and in delivering the schedules, documents and instruments to be delivered on or before the Closing Date, they have not in any way relied, and will not in any way rely, upon any oral or written agreements, representations, warranties, statements, promises, information, arrangements or understandings, express or implied, not specifically set forth in this Agreement or in such schedules, documents or instruments.

9. **Waiver.** Any party hereto which is entitled to the benefits of this Agreement may, and has the right to, waive any term or condition hereof at any time on or prior to the Closing Date provided, however, that such waiver shall be evidenced by written instrument duly executed on behalf of such party.
10. **Amendments.** No modification or amendment to this Agreement may be made unless agreed to by the parties hereto in writing.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement under seal as of the day and year first written above.

Talisker Gold/Corp.

Per: "signed" _____

JD Exploration

Per: "signed" _____

SCHEDULE "A"

THIS IS SCHEDULE "A" to the Property Acquisition Agreement dated the 15th Day of April, 2018, between **Talisker Gold Corp.** and **JD Exploration Inc.**.

DESCRIPTION OF PROPERTIES

PROPERTY NAME	CLAIM NUMBER	NUMBER OF UNITS	HOLDER	RECORDED	EXPIRES
DOYLE	4281733	12	JD EXPLORATION	Oct/6/2016	Oct/6/2019
	4281734	12	JD EXPLORATION	Oct/6/2016	Oct/6/2019
	4281735	12	JD EXPLORATION	Oct/6/2016	Oct/6/2019
	4281736	12	JD EXPLORATION	Oct/6/2016	Oct/6/2019
BUCK LAKE	4284372	8	JD EXPLORATION	July/5/2017	July/5/2019
	4284372	11	JD EXPLORATION	July/5/2017	July/5/2019

THIS IS SCHEDULE “B” to the Property Acquisition Agreement dated as of 15th Day of April, 2018, between Talisker Gold Corp. and JD Exploration

NSR ROYALTY AGREEMENT

THIS NSR ROYALTY AGREEMENT is dated as of the 15th Day of April, 2018

BETWEEN:

Talisker Gold Corp., a corporation incorporated pursuant to the laws of Ontario, Suite 222, 157 Adelaide Street W. Toronto, ON M5H 4E7

(the “**Purchaser**”)

– and –

JD Exploration Inc., 4149 Watson Road S., Puslinch, ON N0B 2J0

(the “**Vendor**”)

RECITALS

WHEREAS the parties wish to enter into this agreement (the “**Royalty Agreement**”), to provide for a 2.0% net smelter return royalty in the case of gold Products and all other Products, to be granted as partial consideration for the Properties pursuant to Section 4.2 of the Property Acquisition Agreement dated as of the 20th day of March 2018, between the Purchaser and JD Exploration, the Vendor (the “**Purchase Agreement**”) to be effective as of the date hereof;

NOW THEREFORE, in consideration of the premises, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties to the others, the parties mutually covenant and agree as follows:

1. Grant of NSR Royalty: Subject to adjustment as provided in section 4 below, the Purchaser hereby grants to the Vendor a royalty equal to 2.0% (two percent) of Net Smelter Returns in the case all Products produced from the Property as defined in the Purchase Agreement (the “**NSR Royalty**”), as more fully described and defined as follows:

- A. “Net Smelter Return” or “NSR Royalty” means the Fair Market Value of all Products, less all costs, charges and expenses paid or incurred by or for the account of the Purchaser after such Products leave the Property, with respect to such Products or deemed incurred by the Purchaser, acting reasonably, including without limitation:
 - (i) all charges of any type for treatment in smelting and refining processes; where a solvent extraction/electrowinning process is used, the costs

associated with the production of saleable cathode Product once the solution is delivered to the treatment facility; charges and penalties by an independent refinery or smelter or other unaffiliated purchaser of the Products (including but not limited to interest, provisional settlement fees, sampling, assaying and representation costs, penalties, and other processor deduction);

- (ii) actual costs of transportation (including but not limited to freight, insurance, security, transaction taxes, handling, port, demurrage, delay, and forwarding expenses incurred by reason of, or in the course of, such transportation) of ores, minerals, concentrates or other Products from the Property to a mill or to an independent refinery or mill and then to the place of sale;
 - (iii) actual sales, marketing and brokerage costs on Products for which the NSR Royalty is based on Payments received by the Purchaser, and an allowance for reasonable sales and brokerage costs for Refined Metals;
 - (iv) all royalties, duties, rates, and taxes imposed by a government authority subsequent to the effective date of this Royalty Agreement that are in the nature of a NSR Royalty upon the value of Ores mined and removed, but not including any duties, rates or taxes imposed on net income or profits of the Purchaser;
 - (v) all royalties, ownership participations and revenue sharing obligations paid to third parties pursuant to agreements or ownership interests existing at the date hereof.
- B. "Payments" shall mean the net dollar amount received by the Purchaser from the Sale of Products.
- C. "Deemed Payments" shall mean the Fair Market Value of Products upon a Deemed Sale.
- D. A "Sale" shall occur upon the passing of title from the Purchaser in conjunction with the physical delivery of the Products, to a purchaser.
- E. A "Deemed Sale" shall occur upon the deposit of Refined Metals to the Purchaser's consignment account by a refiner.
- F. The "Fair Market Value" with respect to any metals, minerals or other valuable commodities derived from Products means:
- (i) for Refined Metals, the quantity involved in Deemed Sales, multiplied
 - (a) for gold, by the average of the Daily London Bullion Brokers second gold fixing for the previous calendar quarter;

- (b) for silver, by the average of the daily base price for the London Metals Exchange noon silver quotation for the previous calendar quarter;
 - (c) for zinc, by the London Metals Exchange Special High Grade cash settlement price for zinc, as published in Metals Week, averaged for the previous calendar quarter;
 - (d) for copper, by the COMEX First Position High Grade price for copper, as published in Metals Week, averaged for the previous calendar quarter;
 - (ii) for other Products, the Payments actually received by the Purchaser during the calendar quarter from the Sale of such Products.
- G. "Products" shall mean any crude Ores removed from the Property and concentrates, doré, unrefined metals, Refined Metals, and other metals, minerals, or other valuable commodities derived from such crude Ores.
- H. "Ores" shall mean all material which in the sole discretion of the Purchaser justifies either:
- (i) mining, extracting, or recovering minerals from the Property and selling or delivering to a processing plant for physical or chemical treatment; or,
 - (ii) treating in place on the Property by chemical, solution, or other methods, the said term shall also include but not be limited to all mineral bearing solutions, natural or introduced, recovered by the Purchaser from the Property and sold or processed by the Purchaser, and all mineral and non-mineral components of all such materials and solutions.
- I. "Refined Metals" shall mean gold, silver, zinc, and copper mined and removed from the Property and refined to bullion standards of at least 99.5% pure gold, 99.9% pure silver, and to standards meeting or exceeding commercial standards for the Sale of refined zinc or copper.
- J. All Products for which the NSR Royalty is payable shall be weighed or measured, sampled and analyzed in accordance with standard mining and metallurgical practices. Upon request to the Purchaser, and at the Vendor's expense, the Vendor shall have the right to have a representative present at the time samples are taken. After such measurement, the Purchaser may mix or commingle such Ores, materials or Products with ores, materials or products from other properties.
- K. The NSR Royalty, when payable, shall accrue monthly at the end of each calendar month, and shall become due and payable quarterly within ninety (90) days of the last day of the calendar quarter in which the same accrued. Said payments shall be accompanied by a settlement sheet showing in reasonable detail the quantities and grades of the Products processed by the Purchaser for the preceding calendar

quarter; and other pertinent information in sufficient detail to explain the calculation of the NSR Royalty payment.

- L. All NSR Royalty payments shall be considered final and in full satisfaction of all obligations of the Purchaser with respect thereto, unless the Vendor gives the Purchaser written notice describing and setting forth a specific objection to the calculation thereof within one hundred twenty (120) days after receipt by the Vendor of the quarterly statement herein provided for. If the Vendor objects to a particular quarterly statement as herein provided, the Vendor shall, for a period of thirty (30) days after the Purchaser's receipt of notice of such objection, have the right, upon reasonable notice and at a reasonable time, to have the Purchaser's accounts and records relating to the calculation of the quarterly statement in question audited by a licensed public accountant acceptable to the Purchaser and to the Vendor. If such audit determines that there has been a deficiency or an excess in the payment made to the Vendor, such deficiency or excess shall be resolved by adjusting the next quarterly NSR Royalty payment due hereunder. The Vendor shall pay all costs of such audit if no deficiency is determined. The Purchaser shall pay the costs of such audit if a deficiency in excess of \$1,000.00 is determined to exist. If a deficiency exists which is less than \$1,000.00, the cost of such audit shall be borne equally by both the Purchaser and the Vendor. All books and records used by the Purchaser to calculate the NSR Royalty due hereunder shall be kept in accordance with generally accepted accounting principles. Failure on the part of the Vendor to make claim on the Purchaser for adjustment in such period shall establish the correctness of the NSR Royalty payment and preclude the filing of exceptions thereto or making of claims for adjustment thereon.
- M. The NSR Royalty provided for herein shall be the total payments due to the Vendor for Products mined and removed from the Property by the Purchaser hereunder. In the event that the Purchaser reprocesses any mill tailings or any residues from the Property, then the NSR Royalty as provided above shall be payable upon any Products recovered.
- N. The parties agree that the Purchaser shall have no obligation to account to the Vendor and the Vendor shall have no interest or right of participation in any profits or proceeds of futures contracts, forward sales, hedging or any similar marketing mechanism employed by the Purchaser with respect to any Products produced from the Property. The NSR Royalty shall be based solely on Payments or Deemed Payments received for Products produced from the Property. The Purchaser shall have no obligation to fulfil any futures contracts, which the Vendor or any of its affiliates, may hold with Product from the Property.
- O. For greater certainty, if any portion of the Products extracted and derived from the Property are sold to a purchaser owned or controlled by the Purchaser or treated by a smelter owned or controlled by the Purchaser, the Fair Market Value of the Products shall be deemed to be an amount equal to what could be obtained from a purchaser or a smelter not so owned or controlled in respect of Products of like

quality and quantity after deducting therefrom a charge equal to the transportation cost which would have been incurred had the material been sold to such third party or smelter.

- P. Each payment made by the Purchaser under this Royalty Agreement shall be made (except to the extent required by law) without set-off or counterclaim and free and clear of and without deduction or withholding for or on account of any taxes unless the Purchaser is required by law to make such payment subject to the deduction or withholding of any taxes in which case the sum payable by the Purchaser in respect of which such deduction or withholding is required shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Vendor receives and retains (free from any liability in respect of any deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

2. Payments: All payments due to the Vendor, or as the Vendor so directs, under this Royalty Agreement shall be made in Canadian dollars by cheque payable to the order of the Vendor at its address as follows:

JD Exploration Inc.
4149 Watson Road S.,
Puslinch, ON
NOB 2J0

In the event of a change of address for the Vendor or a change of ownership of the NSR Royalty, the Vendor must notify the Purchaser in writing of any such change. Absent such written notice, the Purchaser shall have no obligation whatsoever with respect to the distribution of any NSR Royalty payment to any person or persons entitled thereto or to any part thereof, other than the Vendor.

3. Registration and Approvals: The Vendor shall have the right, at its expense, to register this Royalty Agreement on the title of the Property. The Parties will undertake all actions or steps reasonably necessary in order to obtain any necessary approvals with respect hereto.

4. Purchase of Royalty: At any time, except during the Acceptance Period (as defined herein) or for a period of sixty (60) days after the expiration of the Acceptance Period, the Purchaser may offer to purchase 1% of the NSR Royalty for a lump sum payment of One Million Dollars (\$1,000,000) to the Vendor (the "**Purchase Notice**"). The offer in the Purchase Notice shall be open for acceptance for a period of sixty (60) days after receipt by the Vendor (the "**Purchase Acceptance Period**") and is irrevocable during the Purchase Acceptance Period.

- (a) During the Purchase Acceptance Period, the Vendor shall have the right to solicit offers from third parties to purchase the 1% of the NSR Royalty for a lump sum payment in an amount greater than \$1,000,000. If the Vendor receives an offer that it wishes to accept from a third party to purchase the 1% of the NSR Royalty

for an amount greater than \$1,000,000 (the “**Third Party Offer**”), the Vendor shall forthwith provide notice of the Third Party Offer to the Purchaser.

- (b) Upon receipt of notice of the Third Party Offer, the Purchaser will then have one hundred and twenty (120) to match the terms of the Third Party Offer. In the event that the Purchaser advises the Vendor within one hundred and twenty (120) days of receipt of notice of the Third Party Offer of its intention to match the terms of the Third Party Offer, a binding agreement will result between the parties on such terms and conditions as set forth in the Third Party Offer, and closing shall take place at a mutually agreeable date, time and place, such date to be not more than thirty (30) days after the date of the Vendor’s receipt of the Purchaser's notice of acceptance, on or before which closing the Vendor shall execute and deliver to the Purchaser such assignments and such releases as the Purchaser may reasonably request to fully transfer the 1% of the NSR Royalty to the Purchaser, and the Purchaser shall make such payments as are contemplated in the Third Party Offer.
- (c) If the Purchaser does not, within one hundred and twenty (120) days of receipt of notice of the Third Party Offer, give written notice of its intention to match the Third Party Offer, the Purchaser will be deemed to have given written notice of its intention not to exercise its right to match the Third Party Offer, and the Vendor shall be entitled to sell the 1% of the NSR Royalty at the same price and on the terms referred to in the Third Party Offer.
- (d) Any purchaser, assignee, transferee or other recipient of the 1% NSR Royalty (or any part thereof) under this Section shall be bound by the provisions of this Agreement.

5. Right of First Refusal: The Vendor shall have the right to sell, assign, transfer, convey or otherwise dispose of any percentage of the NSR Royalty to a third party. If the Vendor wishes to sell, assign, transfer, convey or otherwise dispose of the any percentage of the NSR Royalty, the Purchaser shall be entitled to a right of first refusal in respect thereof as follows:

- (a) The Vendor shall give written notice (hereafter called the "**Offering Notice**") to the Purchaser of its desire to sell. The Offering Notice shall state the cash consideration, the amount of the NSR Royalty to be sold, and all other terms on which the sale or other disposition is desired to be made by the Vendor.
- (b) The offer in the Offering Notice shall be open for acceptance for a period of one hundred and twenty (120) days (herein called the "**Acceptance Period**") after receipt by the Purchaser and is irrevocable during the Acceptance Period.
- (c) During the Acceptance Period the Purchaser may advise the Vendor of its intention to purchase the amount of the NSR Royalty proposed to be sold in the Offering Notice on the terms and conditions contained in the Offering Notice.

- (d) In the event that the Purchaser advises the Vendor within the Acceptance Period of its intention to purchase the amount of the NSR Royalty proposed to be sold in the Offering Notice, a binding agreement will result between the parties on such terms and conditions as set forth in the Offering Notice, and closing, unless otherwise provided for in the Offering Notice, shall take place at a mutually agreeable date, time and place, such date to be not more than thirty (30) days after the date of the Vendor's receipt of the Purchaser's notice of acceptance, on or before which closing the Vendor shall execute and deliver to the Purchaser such assignments and such releases as the Purchaser may reasonably request to fully transfer the amount of the NSR Royalty proposed to be sold in the Offering Notice to the Purchaser, and the Purchaser shall make such payments as are contemplated in the Offering Notice.
- (e) If the Purchaser advises the Vendor, in writing, within the Acceptance Period, that it does not intend to exercise its right of first refusal hereunder, or, does not within the Acceptance Period give written notice of such acceptance, the Purchaser will be deemed to have given written notice of its intention not to exercise its right of first refusal, and the Vendor shall be entitled to sell the amount of the NSR Royalty proposed to be sold in the Offering Notice at the same price and on the terms referred to in the Offering Notice, within a period of one hundred and twenty (120) days after the expiration of the Acceptance Period.
- (f) If the Vendor does not sell, assign, transfer, convey or otherwise dispose of the amount of the NSR Royalty proposed to be sold in the Offering Notice within one hundred and twenty (120) days after the end of the Acceptance Period, any subsequent sale, assignment, transfer, conveyance or other disposition of the same shall again be subject to all the provisions of this Section 5.
- (g) Any purchaser, assignee, transferee or other recipient of the NSR Royalty (or any part thereof) under this Section shall be bound by the provisions of this Royalty Agreement and shall be bound by the provisions of this Section on a subsequent sale, assignment, transfer, conveyance or other disposition of the NSR Royalty.

6. Obligations of the Purchaser: Nothing in this Royalty Agreement shall constitute an obligation on the part of the Purchaser to commence or to continue any exploration or mining activities on the Property. Nothing in this Royalty Agreement shall constitute a partnership between the Parties or create a fiduciary relationship between them.

7. Notices: All notices, requests, demands or other communications which by the terms hereof are permitted to be given by a Party to the other Parties shall be given in writing by personal delivery, addressed to such other Parties or delivered to such other Parties as follows:

To Talisker Gold Corp., Suite 222, 157 Adelaide Street W.
Toronto, ON M5H 4E7

- (i)

(ii) to JD Exploration 4149 Watson Road S., Puslinch, ON N0B 2J0

or at such other addresses and to such other Person that may be given by any of them to the others in writing from time to time on ten days' prior written notice and such notices, requests, demands or other communications shall be deemed to have been received when delivered.

8. Applicable Law: This Royalty Agreement shall be governed by and construed in accordance with the substantive law of the province of Ontario.

9. Successor and Assigns: The NSR Royalty interest granted herein shall inure to the benefit of the Vendor, its successors, and assigns. If the Purchaser's rights to the Property are assigned or transferred to any third party, including any affiliate of the Purchaser, this Royalty Agreement and the rights and interest granted hereunder shall continue in full force and effect. Subject to the provisions of section 4 of this Royalty Agreement, the rights of the Vendor in respect of this NSR Royalty shall be assignable by the Vendor without the Purchaser's consent.

10. Interpretation: Capitalized terms used in this Royalty Agreement shall have the meanings provided for in the Purchase and Sale Agreement unless otherwise defined herein.

11. Entire Agreement: This Royalty Agreement, and the Purchase Agreement to which this forms a schedule, shall constitute the entire understanding of the parties with respect to the NSR Royalty, and all previous agreements with respect thereto, whether written or oral, are expressly rescinded, terminated and replaced hereby. No modification or alteration of this Royalty Agreement, and the Purchase Agreement to which this forms a schedule, shall be effective unless in writing executed subsequent to the date hereof by both of the parties.

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

Talisker Gold Corp.

By: "signed" _____
Name
Title:

JD Exploration Inc.

By: "signed" _____
Name:
Title: