

AMENDMENT AGREEMENT
(East Arm Project, NWT)

THIS AMENDMENT AGREEMENT (the “**Amendment Agreement**”) is dated effective as of October 8, 2021 (the “**Effective Date**”).

AMONG:

524520 B.C. LTD.
1383 Kilmer Road, North Vancouver, BC V7K 1R3

 (“**524520 BC**”)

AND:

JOHN ROBINS
17 Brunswick Beach, Lions Bay, BC V0N 2E0

 (“**Robins**”)

AND:

MARGARITA ROGOVSKAIA
Apt. 2802 – 1320 1 Street SE, Calgary, AB T2G 0G8

 (“**Rogovskaia**”)

(524520 BC, Robins and Rogovskaia are collectively referred to as the “**Owners**” and individually as an “**Owner**”)

AND:

STRATEGX ELEMENTS CORP.
3A – 34 Powell Street, Vancouver, BC V7A 1E7.

 (“**StrategX**”)

WHEREAS:

- A. this Amendment Agreement is supplemental to a property purchase agreement among the Parties made as of January 11, 2021 (the “**Original Agreement**”) with respect to the purchase and sale of the East Arm Project Claims (as such term is defined in the Original Agreement), a copy of which is attached hereto as Schedule “A”; and
- B. the Parties wish to amend the Original Agreement as set forth below.

NOW THEREFORE THIS AMENDMENT AGREEMENT WITNESSES that in consideration of the premises and of the covenants, agreements, conditions, representations and warranties contained in the Original Agreement and this Amendment Agreement, and for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree with each other as follows:

- 1. The Original Agreement is hereby amended by deleting “*December 31, 2022*” from Section 2.2(b) and replacing it with “*December 31, 2023*”.
- 2. The Original Agreement is hereby further amended by deleting “*January 10, 2023*” from Section 2.2(c) and replacing it with “*January 10, 2024*”:

3. The Parties confirm that in all other respects, the terms, covenants and conditions of the Original Agreement remain unchanged and in full force and effect, except as modified by this Amendment Agreement, provided that from and after the date hereof, the Original Agreement will be read and interpreted in conjunction with this Amendment Agreement.
4. Each of the Parties represents and warrants to the other that it has the full right, power and authority to enter into and accept the terms of this Amendment Agreement and to carry out the transactions contemplated herein.
5. This Amendment Agreement and the rights and obligations and relations of the Parties hereto will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein (but without giving effect to any conflict of laws rules). The Parties hereto agree that the Courts of British Columbia will have jurisdiction to entertain any action or other legal proceedings based on any provisions of this Amendment Agreement. Each Party hereto hereby attorns to the jurisdiction of the Courts of the Province of British Columbia.
6. This Amendment Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. This Amendment Agreement or counterparts may be executed either in original or in form through any electronic means of transmission including, without limitation, electronic mail by way of the internet, and the Parties adopt any signatures received by such electronic means as original signatures of the Parties.

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the Effective Date.

On behalf of the Owners:

524520 B.C. LTD.

Per: "Lawrence Barry"
Lawrence Barry, Director

"John Robins"
JOHN ROBINS

"Margarita Rogovskaia"
MARGARITA ROGOVSKAIA

On behalf of StrategX:

STRATEGX ELEMENTS CORP.

Per: "Darren Bahrey"
Darren Bahrey, CEO

Schedule "A"
to Amendment Agreement dated October 8, 2021 among
524520 B.C. Ltd., John Robins, Margarita Rogovskala and StrategX Elements Corp.

Property Purchase Agreement dated January 11, 2021

PROPERTY PURCHASE AGREEMENT
(East Arm Project, NWT)

THIS PROPERTY PURCHASE AGREEMENT ("Agreement") is made as of the 11th day of January, 2021 (the "Effective Date").

AMONG:

524520 B.C. LTD.
1383 Kilmer Road, North Vancouver, BC V7K 1R3

("524520 BC")

AND:

JOHN ROBINS
17 Brunswick Beach, Lions Bay, BC V0N 2E0

("Robins")

AND:

MARGARITA ROGOVSKAIA
Apt. 2802 -- 1320 1 Street SE, Calgary, AB T2G 0G8

("Rogovskaia")

(524520 BC, Robins and Rogovskaia are collectively referred to as the "Owners" and individually as an "Owner")


AND:

STRATEGX ELEMENTS CORP.
3A -- 34 Powell Street, Vancouver, BC V7A 1E7.

("StrategX")

WHEREAS:

- A. The Owners are the legal owners of an aggregate 100% (1/3% as to each Owner) undivided right, title and interest in and to the mineral claims (the "East Arm Project Claims") commonly referred as the "East Arm Project", all of which are located in the Northwest Territories, Canada, and more particularly described in Schedule "A" attached hereto;
- B. The Owners have agreed to sell to StrategX and StrategX has agreed to purchase from the Owners, all of the Owners' right, title and interest in and to the East Arm Project Claims, free and clear of all Encumbrances, subject to a 2% net smelter return royalty and a 2% gross overriding royalty on diamonds, both of which are to be retained by the Owners (as to 1/3 each), all in accordance with the terms and subject to the conditions contained in this Agreement;
- C. the Owners sometimes collectively refer to themselves as the "Hunter Exploration Group" ("HEG"); and

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- D. HEG and StrategX entered into a letter agreement dated September 24, 2018 (the "**Original Agreement**") in relation to the subject matter of this Agreement and the Owners and StrategX now wish to terminate the Original Agreement in its entirety and to concurrently enter into this Agreement to more properly reflect their agreement with respect to the purchase and sale of the East Arm Project Claims.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of, among other things, the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties hereto, the Parties covenant and agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 **Definitions.** In this Agreement, the following words and terms will have the following meanings:

- (a) "**524520 BC**" has the meaning given it on the first page of this Agreement.
- (b) "**Abandoned Property**" has the meaning given it in section 3.2.
- (c) "**Affiliate**" means a company that is affiliated with another company as described below:

A company is an "Affiliate" of another company if:

- (i) one of them is the subsidiary of the other, or
- (ii) each of them is controlled by the same person;

A company is "controlled" by a person if:

- (i) voting securities of the company are held, other than by way of security only, by or for the benefit of that person, and
- (ii) the voting rights attached to those voting securities are entitled, if exercised, to elect a majority of the directors of the company;

A person beneficially owns securities that are beneficially owned by:

- (iii) a company controlled by that person, or
- (iv) an Affiliate of that person or an Affiliate of any company controlled by that person.

- (d) "**Agreement**" means this property purchase agreement and all Schedules attached hereto, and all instruments supplemental to or in amendment or confirmation of this property purchase agreement, as such may be amended from time to time.
- (e) "**AI Property**" and "**AI Properties**" has the meaning given it in subsection 3.1(a).
- (f) "**Area of Interest**" has the meaning given it in subsection 3.1(a).
- (g) "**Business Day**" means any day other than a Saturday, Sunday or a public or statutory holiday in the city of Vancouver, British Columbia.

- (h) "Claims" means any and all losses, liabilities, expenses, costs, damages, actions, claims (including Environmental Claims), proceedings, suits and obligations of every kind and nature, including, without limitation, any losses, liabilities, expenses, costs, damages, actions, claims (including Environmental Claims), proceedings, suits and obligations relating to damage to property, personal injury and loss or diminution of mineral claim rights and land use rights.
- (i) "Closing Date" means January 13, 2021, or such other date as will be mutually agreed to by the Parties.
- (j) "East Arm Project Claims" has the meaning given it in Recital A above and includes those mineral claims described in Schedule "A" attached hereto, together with any additional mineral or mining claims comprising an AI Property that may be acquired pursuant to section 3.1.
- (k) "Effective Date" has the meaning given it on the face page of this Agreement.
- (l) "Encumbrance" means any Claim, mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), title retention agreement or arrangement, royalty, restrictive covenant or other encumbrance of any nature or any agreement to give or create any of the foregoing.
- (m) "Environmental Claims" means any and all administrative, regulatory, or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, or proceedings relating in any way to any Environmental Law or any permit issued under any Environmental Law, including, without limitation:
- (i) any and all claims by government or regulatory authorities for enforcement, clean-up, removal, response, remedial, or other actions or damages under any applicable Environmental Law; and
 - (ii) any and all claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive or other relief resulting from hazardous materials, including any release of those claims, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.
- (n) "Environmental Laws" means all requirements of the common law, civil code, or of environmental, health, or safety statutes of any agency, board, or governmental authority applicable to the Property including, but not limited to, those relating to (i) noise, (ii) pollution or protection of the air, surface water, ground water, or land, (iii) solid, gaseous, or liquid waste generation, handling, treatment, storage, disposal, or transportation, (iv) exposure to hazardous or toxic substances, or (v) the closure, decommissioning, dismantling, or abandonment of any facilities, mines, or workings and the reclamation or restoration of lands.
- (o) "Exploration Expenses" means, the direct expenses relating to exploration that StrategX performs, directly or through its contractors, on the Property, including without limitation any exploration works that allow the location, identification and quantification of mineral reserves and resources existing in the East Arm Project Claims and any claims underlying AI Property that may be acquired pursuant to section 3.1, the preparation of working sites, opening any rehabilitation of roads, research and geophysical surveys, blasting, development and drilling of all kinds, the making of tunnels, shafts and adits, environmental remediation and rehabilitation, the compensation payments to have access to the surface land on which the East Arm Project Claims and any claims underlying AI Property that may be acquired pursuant to section 3.1 are located, the amounts paid for geophysical, geochemical and geological surveys, drilling, development of ramps and any underground and surface land work, metallurgical and engineering tests, payments to contractors or consultants for work done or services rendered and the cost of the fees and expenses that are disbursed to obtain studies and reports with respect to or related with the East Arm Project Claims and any claims underlying AI Property that may be acquired pursuant to

section 3.1 and for facilities and equipment for purposes of achieving the development or commercial production phase, including the governmental mining and permitting fees, the administration, legal and surface expenses in order to keep the East Arm Project Claims and any claims underlying AI Property that may be acquired pursuant to section 3.1 in good standing, and all tax payable in relation to the foregoing, all on a cost recovery basis at rates that do not exceed industry standards and supported by invoices and timesheets, as available. It will also be considered as investment in Exploration Expenses the payment of all taxes, rentals and maintenance fees on the Property as may be necessary to keep the Property in good standing. For clarity, Exploration Expenses will not include any of StrategX's general and administrative expenses.

- (p) **"Force Majeure"** means an event beyond the reasonable control of a Party and not caused by such Party (except those caused by its own lack of funds) that prevents or delays it from conducting the activities and performing the obligations contemplated by this Agreement; provided that, the Party makes a good faith effort to resolve or avoid such delay. Such events will include, but not be limited to: acts of God, inclement weather conditions, fire, flood, explosion, strikes, lockouts or other industrial disturbances; laws, rules and regulations or orders of any duly constituted court or governmental authority; war; pandemics, including COVID-19; non-availability of materials or transportation; breach of contractual performance by sub-contractors; or protests, demonstrations or other events causing work stoppages by environmental lobbyists, NGOs or local community groups.
- (q) **"GOR Royalty"** means a 2% diamond gross overriding royalty, pursuant to and subject to the terms and conditions of the Royalty Agreement.
- (r) **"Governmental Authority"** means any federal, provincial, territorial, 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 having jurisdiction or authority over the Parties or the subject matter of this Agreement.
- (s) **"HEG"** has the meaning has the meaning given it in Recital C above.
- (t) **"Material Adverse Effect"** has the meaning given it in subsection 5.3(f).
- (u) **"Mining Record's Office"** has the meaning given it in section 4.4.
- (v) **"NI 45-106"** means National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.
- (w) **"Notice"** has the meaning given it in section 8.1.
- (x) **"NSR Royalty"** means a 2% net smelter return royalty, pursuant to and subject to the terms and conditions of the Royalty Agreement.
- (y) **"Owner"** and **"Owners"** have the meanings given them on the first page of this Agreement.
- (z) **"Party"** means any of the Owners or StrategX as the context requires, and **"Parties"** means more than one of them, as the context requires.
- (aa) **"person"** includes an individual, estate, limited liability company, corporation, partnership, joint venture, society, association, trust, unincorporated organization, governmental body or any agency or instrumentality thereof or any other juridical entity, or any trustee, executor, administrator, or other legal representative thereof.

- (bb) "Property" means the area located within the bounds of the East Arm Project Claims and any A1 Properties acquired pursuant to section 3.1, including any fractions or gaps among the East Arm Project Claims and A1 Properties, if any, and including replacement or successor claims, and all other mining interests derived from any such East Arm Project Claims and A1 Properties, if any.
- (cc) "Purchase Price" has the meaning given in section 2.2.
- (dd) "Robins" has the meaning given it on the first page of this Agreement.
- (ce) "Rogovskaia" has the meaning given it on the first page of this Agreement.
- (ff) "Royalties" means, collectively, the GOR Royalty and the NSR Royalty.
- (gg) "Royalty Agreement" means the royalty agreement relating to the GOR Royalty and the NSR Royalty attached hereto as Schedule "C".
- (hh) "Securities" means, collectively, the Units, the Unit Shares, the Warrants, the Warrant Shares and any combination thereof.
- (ii) "StrategX" has the meaning given it on the first page of this Agreement.
- (jj) "StrategX Shares" means common shares in the capital of StrategX, as presently constituted and "StrategX Share" means one of them.
- (kk) "Unit" has the meaning given it in subsection 2.2(c).
- (ll) "Unit Share" has the meaning given it in subsection 2.2(c).
- (mm) "Warrant" has the meaning given it in subsection 2.2(c).
- (nn) "Warrant Share" has the meaning given it in subsection 2.2(c).

1.2 Interpretation. In this Agreement:

- (a) Headings. Headings of articles, sections, subsections and Schedules are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (b) Certain Phrases, etc. Where the word "including" or the word "includes" is used in this Agreement, it means "including (or includes) without limitation". The words "herein", "hereof" and "hereunder" and other words of similar import, refer to this Agreement as a whole and not to any particular article, section, subsection or Schedule, unless indicated. All references in this Agreement to a designated article, section, subsection or Schedule is to the designated article, section or subsection of, or Schedule to, this Agreement. Where a Party is a corporation, references in this Agreement to the "knowledge" of such Party or the "knowledge and belief" of such Party and similar expressions means the actual knowledge, information and belief of the Chief Executive Officer and/or Chief Financial Officer of such Party, each without personal liability (except in the case of fraud).
- (c) Number and Gender. Unless the context otherwise requires, the singular of any term includes the plural and *vice versa*, and the use of any term is equally applicable to any gender and, where applicable, to a body corporate.
- (d) Document Reference. A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, varied, supplemented, novated or replaced except to the extent prohibited by this Agreement or that other agreement or document.

- (e) Reference to Corporate Entity. Any reference to a corporate entity includes and is also a reference to any corporate entity that is a successor to such entity.
- (f) Reference to a Party. A reference to any Party means a party to this Agreement and includes that Party's successors and permitted assigns.
- (g) Reference to Writing. A reference to writing includes a facsimile or electronic mail transmission and any means of reproducing words in a tangible and permanently visible form.
- (h) Non-Business Day. If any day on which action is required under this Agreement falls on a day which is not a Business Day, the date that such action is required will be extended to the next Business Day.
- (j) Currency. Unless otherwise indicated all dollar amounts referred to in this Agreement, including the symbol "\$", refer to lawful money of Canada.

1.3 Schedules. The following Schedules are attached to and incorporated into this Agreement by reference and deemed to be an integral part hereof:

Schedule "A" *The East Arm Project Claims*

Schedule "B" *Area of Interest Map*

Schedule "C" *Diamond Gross Overriding Royalty and NSR Royalty Agreement*

1.4 Severability.

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

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale. Subject to the terms and conditions set forth herein, the Owners jointly and severally agree to and will sell to StrategX and StrategX agrees to and will purchase from the Owners, a 100% undivided legal and beneficial right, title and interest in and to the East Arm Project Claims, free and clear of all Encumbrances (subject to the GOR Royalty and the NSR Royalty reserved to the Owners pursuant to subsection 2.2(d)), together with all technical information in possession of the Owners relating to the Property, for the consideration specified in section 2.2 below.

2.2 Purchase Price. As consideration for the East Arm Project Claims:

- (a) StrategX will pay to the Owners an aggregate of \$350,000 cash as follows:
 - (i) \$250,000 cash was payable on or before July 1, 2020 (the Owners acknowledge receipt of this sum);
 - (ii) an additional \$50,000 (total \$300,000) cash will be payable on or before July 1, 2021, and
 - (iii) an additional \$50,000 (total \$350,000) cash will be payable on or before July 1, 2022.

all of which payments will be paid by cheque or bank draft made payable to "Hunter Exploration Group" and delivered to Suite 1020 – 800 West Pender Street, Vancouver, BC V6C 2V6:

- (b) StrategX will incur at least four million (\$4,000,000) dollars in Exploration Expenses on the Property on or before December 31, 2022;
- (c) within 10 days of completion of the last of the payments set out in subsections 2.2(a) and (b) above, and in any event no later than January 10, 2023, StrategX will issue and deliver to the Owners a total of one million five hundred thousand (1,500,000) units of StrategX (each, a "Unit") (500,000 Units as to 524520 BC, 500,000 Units as to Robins and 500,000 Units as to Rogovskaia) which Units will be registered in each Owner's name or as otherwise directed by each Owner in writing. Each Unit will be comprised of one StrategX Share and one common share purchase warrant (each, a "Warrant"), with each Warrant being exercisable for one StrategX Share (each, a "Warrant Share") at an exercise price of \$0.50 per Warrant Share for a period of five (5) years from the date of issue of the Warrants; and
- (d) effective as of the Closing Date, StrategX will grant the GOR Royalty and the NSR Royalty to the Owners (1/3 as to 524520 BC, 1/3 as to Robins and 1/3 as to Rogovskaia) in accordance with the terms and conditions of the Royalty Agreement,

(all of the above consideration being collectively referred to as the "Purchase Price").

2.3 Resale Restrictions on Securities. The Parties acknowledge and agree that:

- (a) the Securities to be issued to the Owners pursuant to subsection 2.2(c) above will be subject to a hold period under applicable securities legislation and may be subject to a resale restrictions pursuant to StrategX's Articles, during which time the Securities may not be re-sold, transferred or otherwise disposed of except in accordance with applicable securities laws and StrategX's Articles, as applicable, and as such StrategX will be required to legend the certificates representing the Securities as required by applicable securities laws;
- and
- (b) StrategX has advised the Owners that StrategX is issuing the Securities to them under exemptions from the prospectus requirements of applicable securities laws and, as a consequence, certain protections, rights and remedies provided by applicable securities laws, including statutory rights of rescission or damages, will not be available to them.

**ARTICLE 3
AREA OF INTEREST/ ABANDONMENT OF PROPERTY**

3.1 Area of Interest.

- (a) The Parties agree that if any Party stakes or otherwise acquires any mineral claim(s) or property(ies) (each, an "AI Property" and collectively, the "AI Properties") within the boundary lines around the East Arm Project Claims noted on the map attached hereto as Schedule "B" (the "Area of Interest"), then such AI Properties will become part of the Property being sold hereunder and will form part of this Agreement.
- (b) If any of the Owners stake or otherwise acquire an AI Property within the Area of Interest during such time as StrategX or any Affiliate of StrategX legally or beneficially owns the Property, then StrategX will have the option to acquire such AI Property from the Owner in consideration only for reimbursement of the direct and indirect filing, recording and staking or acquisition costs relating thereto.

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3.2 Abandonment of Mineral Claims. If StrategX proposes to surrender or abandon any of the East Arm Project Claims comprising the Property (the "Abandoned Property"), then it will first give written notice of such intention to the Owners, in accordance with the Notice provisions in section 8.1 below, at least thirty (30) days in advance of the proposed surrender or abandonment. In the event that StrategX receives from any Owner a written notice that such Owner desires StrategX to convey the Abandoned Property valid and existent to such Owner, StrategX will, without additional consideration, convey the Abandoned Property to such Owner, and if more than one Owner provides written notice hereunder then the Abandoned Property will be conveyed to all such Owners in equal proportions. In such event, the Owner(s) will acquire the Abandoned Property from StrategX on an "as is where is" basis. If no Owner gives such notice to StrategX, StrategX may surrender or abandon the Abandoned Property and will thereafter have no obligation to maintain the title to the Abandoned Property, *provided, however,* that if StrategX or any of its Affiliates reacquires (through staking, acquisition or otherwise) the Abandoned Property or any of the area covered by the Abandoned Property at any time within five (5) years following surrender or abandonment, the Royalties will apply to such reacquired property and product mined, produced, extracted or otherwise derived from such reacquired property interest will be subject to the Royalties.

ARTICLE 4 CLOSING

4.1 Closing. Subject to the terms and conditions of this Agreement, the Parties will complete the herein described purchase and sale of the East Arm Project Claims (the "Closing") on or before 5:00 p.m. (Vancouver time) on the Closing Date, at StrategX's offices or at such other time and place as will be mutually agreed to by the Parties.

4.2 The Owners' Closing Deliverables. At the Closing, the Owners will deliver or cause to be delivered to StrategX the following:

- (a) any and all technical data, geotechnical reports, environmental reports, maps, digital files and other data with respect to the East Arm Project Claims, including soil samples, and all records and files relating to the East Arm Project Claims in the possession or control of the Owners, which has not been previously delivered to StrategX;
- (b) transfer applications for registration of the East Arm Project Claims duly executed by the current registered owners of such claims, in form satisfactory to StrategX, for delivery to the Mining Recorder's Office, Northwest Territories;
- (c) the Royalty Agreement duly executed by each of the Owners; and
- (d) any other document that is reasonably requested by StrategX.

4.3 StrategX's Closing Deliverables. At the Closing, StrategX will deliver or caused to be delivered to the Owners the following:

- (a) the Royalty Agreement duly executed by StrategX; and
- (b) any other document that is reasonably requested by the Owners.

4.4 Transfer of East Arm Project Claims. The Parties will, as soon as practical after the Closing and, in any event, prior to the date that is five (5) Business Days following Closing, execute and file all such documents with the applicable office of the Mining Recorder's Office of Northwest Territories (the "Mining Recorder's Office") and perform such acts and do such things as is necessary to effectively transfer legal title in and to the East Arm Project Claims to StrategX, and record such legal interest in and to the East Arm Project Claims such that StrategX is the recorded owner of 100% of the East Arm Project Claims with the Mining Recorder's Office.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES**

5.1 **Mutual Representations and Warranties.** Each Party represents and warrants to the other that:

- (a) the consummation of this Agreement will not conflict with nor result in any breach of any agreement or other instrument whatever to which it is a party or by which it is bound or to which it may be subject;
- (b) the execution and delivery of this Agreement does not violate or result in the breach of the laws of any jurisdiction applicable to it or, in the case of a corporation, of its organizational documents;
- (c) no proceedings are pending for, and it is unaware of any basis for, the institution of any proceedings leading to the placing of the Party in bankruptcy or subject to any other laws governing the affairs of insolvent parties; and
- (d) this Agreement, when delivered in accordance with the terms hereof, will constitute a valid and binding obligation enforceable against each Party in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

The representations and warranties contained in this section 5.1 will be treated as made and be binding upon the Parties continuously during the term of this Agreement and specifically will survive the execution and delivery of this Agreement and the Closing Date for a period of two (2) years.

5.2 **StrategX's Representations and Warranties.** StrategX represents and warrants to the Owners that:

- (a) it is a corporation duly organized, validly existing and in good standing under the laws of British Columbia and has all requisite corporate power and authority to own its properties and carry on its business as now being conducted;
- (b) it has the full right, power, capacity and authority to enter into, execute and deliver this Agreement and to be bound by its terms;
- (c) the execution, delivery and performance of this Agreement and the matters contemplated herein have been duly authorized by all necessary corporate action and no other corporate proceedings are necessary to authorize this Agreement and the matters contemplated herein;
- (d) it is a private issuer as defined in NI 45-106;
- (e) it will reserve or set aside sufficient common shares in its treasury to issue the Unit Shares and the Warrant Shares upon due exercise of the Warrants; and
- (f) the Unit Shares will, upon issue and delivery, be validly issued as fully paid and non-assessable and at the time of issuance of the Warrants, the Warrant Shares will have been duly and validly allotted and reserved for issuance and, when issued upon the due exercise of the Warrants, including the full payment therefor, will be duly issued as fully paid and non-assessable common shares.

The representations and warranties contained in this section 5.2 will be treated as made and be binding upon StrategX continuously during the term of this Agreement and specifically will survive the execution and delivery of this Agreement and the Closing Date for a period of two (2) years.

5.3 The Owners' Representations and Warranties. The Owners hereby, jointly and severally, represent and warrant to StrategX that:

- (a) each of Robins and Rogovskaia is of the full age of majority and is legally competent to execute and deliver this Agreement and to observe and perform his or her covenants and obligations hereunder;
- (b) with respect to 524520 BC (A) it is a corporation duly organized, validly existing and in good standing under the laws of British Columbia and has all requisite corporate power and authority to own its properties and carry on its business as now being conducted, (B) it has the full right, power, capacity and authority to enter into, execute and deliver this Agreement and to be bound by its terms, and (C) the execution, delivery and performance of this Agreement and the matters contemplated herein have been duly authorized by all necessary corporate action and no other corporate proceedings are necessary to authorize this Agreement and the matters contemplated herein;
- (c) the East Arm Project Claims are properly and accurately described in Schedule "A" attached hereto;
- (d) to the knowledge of each of the Owners, the East Arm Project Claims have been validly and properly staked, located and recorded in compliance with the applicable laws and regulations of the Northwest Territories and all of the East Arm Project Claims are in good standing;
- (e) the Owners are the sole legal and beneficial owners of, and possess and have good and marketable title to, a 100% interest in and to the East Arm Project Claims, free and clear of all Encumbrances and, without limiting the generality of the foregoing, the Owners have not entered into any agreements or options to grant or convey any interest in the East Arm Project Claims or to pay any royalties with respect to the East Arm Project Claims other than the Original Agreement and this Agreement;
- (f) to the knowledge of each of the Owners, there is no basis for and there is no Claim outstanding or pending, or threatened against or affecting the East Arm Project Claims that, if adversely resolved or determined, would have a material adverse effect on the East Arm Project Claims (a "Material Adverse Effect") and there is no reasonable basis for any Claim that, based upon the likelihood of its being asserted and its success if asserted, would have such a Material Adverse Effect;
- (g) no Owner has notice nor does any Owner have knowledge of any proposal to terminate or vary the terms of or rights attaching to the East Arm Project Claims from any government or other regulatory authority, or of any challenge to their right, title or interest in the East Arm Project Claims;
- (h) to the knowledge of each of the Owners, the East Arm Project Claims do not lie within any protected area, rescued area, reserve, reservation, reserved area or special needs lands as designated by any Governmental Authority having jurisdiction, that would impair the exploration for minerals or the development of a mining project on the Property;
- (i) there are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the East Arm Project Claims or the conduct of the business related thereto, nor to the knowledge of each of the Owners have any activities on the East Arm Project Claims been in violation of any Environmental Laws or regulatory prohibition or order, and to the best of their knowledge, conditions on and relating to the East Arm Project Claims are in compliance with such laws, regulations, prohibitions and orders;
- (j) to the knowledge of each of the Owners, there has been no material spill, discharge, leak, emission, ejection, escape, dumping, or any release or threatened release of any kind, of any toxic or hazardous substance or waste (as defined by any applicable law) from, on, in or under the East

Arm Project Claims or the lands underlying the East Arm Project Claims or into the environment, except releases permitted or otherwise authorized by such law;

- (k) to the knowledge of each of the Owners, no toxic or hazardous substance or waste has been disposed of, treated on or is stored or otherwise located on the lands underlying the East Arm Project Claims as a result of activities of the Owners' or their predecessors in interest;
- (l) to the knowledge of each of the Owners, there are no mine workings or waste dumps or mine tailings with respect to the East Arm Project Claims; and
- (m) the Owners have advised StrategX of all of the material information relating to the East Arm Project Claims of which they have knowledge.

The representations and warranties contained in this section 5.3 are provided for the exclusive benefit of StrategX and a breach of any one or more representations or warranties may be waived by StrategX in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty, and the representations and warranties contained in this section 5.3 will survive the execution and delivery of this Agreement and the Closing Date for a period of two (2) years.

ARTICLE 6 CONFIDENTIALITY

6.1 **Confidentiality.** As between the Owners and StrategX, this Agreement and the information contained herein, together with all information, data or material provided by either Party to the other in connection herewith, is proprietary and confidential to the Party providing such information, data or material (except that all information relating to the Property will become the proprietary and confidential information of StrategX effective as of the Closing Date at which time the Owners will be deemed the recipients of such information for the purposes of this Article 6), and as such, will not be disclosed by the recipient to third parties, other than a Party's legal advisers, auditors and other consultants requiring information for the purposes of completing the transactions contemplated in this Agreement, without the written consent of the provider of such confidential information, unless required by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction. A Party disclosing confidential information as permitted hereunder must use all reasonable endeavours to ensure that persons receiving the confidential information from it do not disclose the confidential information except in the circumstances permitted herein.

Information is not considered confidential for the purposes here if:

- (a) at the time of disclosure, the information is in the public domain;
- (b) after the time of disclosure, the information enters the public domain other than as a result of a breach of a Party's obligations of confidentiality under this Article 6;
- (c) a Party can show the information was, at the time of disclosure, directly in its or its Affiliate's possession and that, without breach of any obligation of confidence, such Party is free to disclose to others;
- (d) a Party can show the information was, after the time of disclosure, received by it or its Affiliate from a person who is not under an obligation of confidence; or
- (e) a Party, in consultation with its legal advisors, reasonably believes the information must be publicly disclosed by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction over such Party and such Party has limited its disclosure to that which is required by such law or rules and regulations to be disclosed.

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**ARTICLE 7
FORCE MAJEURE**

7.1 **Force Majeure.** Notwithstanding any other provisions contained in this Agreement, a Party will not be liable for its failure to perform any of its obligations under this Agreement due to an event of Force Majeure. Any time period provided for in this Agreement (including the deadlines for incurring Exploration Expenditures under subsection 2.2(b)) will be extended by a period equivalent to the period of delay resulting from the event of Force Majeure. A Party relying on the provisions of this section 7.1 will take all reasonable steps to eliminate any event of Force Majeure and, if possible, will perform its obligations under this as far as practical, but nothing herein will require such Party to settle or adjust any labour dispute or to question or to test the validity of any law, rule, regulation or order of any duly constituted court or governmental authority or to complete its obligations under this Agreement if an event of Force Majeure renders completion impossible. A Party relying on the provisions of this section 7.1 will give notice to the other Parties forthwith upon the occurrence of an event of Force Majeure and forthwith after the end of the period of delay when such event of Force Majeure has been eliminated or rectified.

**ARTICLE 8
NOTICE**

8.1 **Notice.** Any payment, notice, direction or other communication (each a "Notice") given regarding the matters contemplated by this Agreement will be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) to the Owners at:

c/o Hunter Exploration Group
Suite 1020 - 800 West Pender Street
Vancouver, BC V6C 2V6
Attention: Lawrence Barry
Email: lawrencebarry@me.com

(b) to StrategX at:

StrategX Elements Corp.
3A - 34 Powell Street
Vancouver, BC V7A 1E7
Attention: Darren Bahrey, CEO
Email: darren@strategxcorp.com

A Notice is deemed to be delivered and received:

- (i) if sent by personal delivery, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day;
- (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day;
- (iii) if sent by overnight courier, on the next Business Day; or
- (iv) if sent by electronic mail, on the date of confirmation of transmission by the originating electronic mail.

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A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed.

ARTICLE 9 INDEMNITIES

9.1 Representation and Warranty Indemnity.

- (a) Owners Indemnity. The Owners hereby, jointly and severally, covenant and agree with StrategX to indemnify and save harmless StrategX against all liabilities, claims, demands, actions, causes of action, damages, losses, costs, expenses or legal fees suffered or incurred by StrategX, directly or indirectly, by reason of or arising out of any warranties or representations on the part of the Owners herein being untrue.
- (b) StrategX Indemnity. StrategX hereby covenants and agrees with the Owners to indemnify and save harmless the Owners against all liabilities, claims, demands, actions, causes of action, damages, losses, costs, expenses or legal fees suffered or incurred by the Owners, directly or indirectly, by reason of or arising out of any warranties or representations on the part of StrategX herein being untrue.

9.2 Environmental Indemnity.

- (a) Owners Indemnity. The Owners hereby, jointly and severally, agree to indemnify and save StrategX harmless from and against any environmental liability suffered or incurred by StrategX arising directly or indirectly from any operations or activities conducted in or on the Property, whether by the Owners or others, prior to the Closing Date.
- (b) StrategX Indemnity. StrategX hereby agrees to indemnify and save the Owners harmless from and against any environmental liability suffered or incurred by the Owners arising directly or indirectly from any operations or activities conducted on the Property, whether by StrategX, its employees or agents, after the Closing Date.

9.3 Survival. The provisions of this Article 9 will survive the execution and delivery of this Agreement and the Closing Date.

ARTICLE 10 TERMINATION OF ORIGINAL AGREEMENT; ENTIRE AGREEMENT

10.1 Termination of Original Agreement. The Parties agree that effective as of the Effective Date, upon execution of this Agreement by all Parties, the Original Agreement will be terminated without any Party having any further rights or owing any further obligations to the other thereunder. For clarity, the Owners acknowledge and agree that HEG is not a legal person, that they are the only persons comprising the group of persons collectively named "Hunter Exploration Group" and as such they make the acknowledgements and agreements set out in this section 10.1 for and on behalf of themselves and HEG.

10.2 Entire Agreement. This Agreement replaces the Original Agreement. The Parties agree that effective as of the Effective Date, upon execution of this Agreement by all Parties, this Agreement will constitute the entire agreement between the Parties with respect to the subject matter of this Agreement and will supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties.

**ARTICLE 11
GENERAL**

11.1 Recording of Agreement. This Agreement, or a memorandum of this Agreement, as the case may be, will, upon the written request of a Party, be recorded in the office of any governmental agency so requested, in order to give notice to third parties of the respective interests of each Party in and to the East Arm Project Claims and the Property. Each Party hereby covenants and agrees with the requesting Party to execute such documents as may be necessary to perfect such recording.

11.2 Other Activities and Interests. This Agreement and the rights and obligations of the Parties hereunder are strictly limited to the East Arm Project Claims and the Property. Each Party will have the free and unrestricted right to enter into, conduct and benefit from business ventures of any kind whatsoever, whether or not competitive with the activities undertaken pursuant hereto, without disclosing such activities to the other Party or inviting or allowing the other to participate in such activities.

11.3 Waiver. The Parties agree that:

- (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; and
- (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.

11.4 Further Assurances. The Parties will promptly execute, or cause to be executed, all bills of sale, forms of transfer, documents, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out the full intent and purpose of this Agreement, or to record wherever appropriate the respective interests from time to time of the Parties hereto in and to the East Arm Project Claims and the Property.

11.5 Assignment. This Agreement may not be assigned by any Party without the prior written consent of the other Parties. This Agreement will be binding upon and enure to the benefit of the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

11.6 Default. As between the Owners and StrategX, in the event either of them is in breach of the terms and conditions of this Agreement, the other of them will give 30 days' written notice to such Party of the default. Such Party will then have 30 days from receipt of said notice to rectify the default.

11.7 Expenses. Each Party will be responsible for the expenses, including fees and expenses of legal and other professional advisors, incurred by it in connection with the preparation and execution of this Agreement and completion of the transactions contemplated herein. For greater certainty, StrategX will be responsible for all fees and expenses relating to the formal recording of the East Arm Project Claims in favour of StrategX with the Mining Recorder's Office.

11.8 No Partnership. As between the Owners and StrategX, the Parties have not created a partnership and nothing contained in this Agreement will in any manner whatsoever constitute one of them the partner, agent or legal representative of the other of them, nor create any fiduciary relationship between them for any purpose whatsoever. No Party will have any authority to act for, or to assume any obligations or responsibility on behalf of, the other Parties except as may be, from time to time, agreed upon in writing between the Parties or as otherwise expressly provided.

11.9 Governing Law. This Agreement and the rights and obligations and relations of the Parties hereto will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein (but without giving effect to any conflict of laws rules). The Parties hereto agree that the Courts of British Columbia will have jurisdiction to entertain any action or other legal proceedings based on any provisions of this Agreement. Each Party hereto hereby attorns to the jurisdiction of the Courts of the Province of British Columbia.

11.10 Construction Clause. This Agreement has been negotiated and approved by all Parties hereto with the benefit of or with the full opportunity of seeking advice from legal counsel and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty will not be construed against any Party hereto by reason of the authorship of any of the provisions hereof.

11.11 Time of the Essence. Time is of the essence of this Agreement. If the Parties agree to vary a time requirement, the time requirement so varied is of the essence of this Agreement. Any agreement to vary a time requirement will be in writing.

11.12 Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. This Agreement or counterparts may be executed either in original or in form through any electronic means of transmission including, without limitation, electronic mail by way of the internet, and the Parties adopt any signatures received by such electronic means as original signatures of the Parties.

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of the Effective Date.

On behalf of the Owners:

524520 B.C. LTD.

Per: "Lawrence Barry"
Lawrence Barry, Director

"John Robins"
JOHN ROBINS

"Margarita Rogovskaia"
MARGARITA ROGOVSKAIA

On behalf of StrategX:

STRATEGX ELEMENTS CORP.

Per: "Darren Bahrey"
Darren Bahrey, CEO

SCHEDULE "A"

EAST ARM PROJECT CLAIMS

Northwest Territories

Tenure #	Claim Name	Issue Date	Anniversary Date	Hectares
M11008	LK 1	2018-05-14	2021-05-14	375.00
M11009	LK 2	2018-05-14	2021-05-14	400.00
M11010	LK 3	2018-05-14	2021-05-14	828.00
M11031	ML1	2018-05-14	2021-05-14	900.00
M11032	ML2	2018-05-14	2021-05-14	900.00
M11033	ML3	2018-05-14	2021-05-14	1,000.00
M11034	ML 4	2018-12-03	2021-12-03	1,025.00
M11035	ML 5	2018-12-03	2021-12-03	795.00
M11137	M 804	2018-11-22	2021-11-22	225.00
M11138	M 801	2018-11-22	2021-11-22	675.00
M11139	M 802	2018-11-22	2021-11-22	1,250.00
M11140	M 803	2018-11-22	2021-11-22	900.00
M11141	M 805	2018-11-22	2021-11-22	1,050.00
M11142	M 806	2018-11-22	2021-11-22	225.00
M11218	ML 6	2019-09-05	2021-09-05	1,190.00
M11219	ML 7	2019-09-05	2021-09-05	900.00

MR T

SCHEDULE "C"

DIAMOND GROSS OVERRIDING ROYALTY AND NSR ROYALTY AGREEMENT

(see attached)

MR DL

DIAMOND GROSS OVERRIDING ROYALTY AND NSR ROYALTY AGREEMENT

This diamond gross overriding royalty and net smelter return royalty agreement (the “**Royalty Agreement**”) is dated effective as of the 13th day of January, 2021 (the “**Effective Date**”).

AMONG:

524520 B.C. LTD., having an address at 1383 Kilmer Road, North Vancouver, BC V7K 1R3;
email: _____

(“**524520 BC**”)

AND:

JOHN ROBINS, having an address at 17 Brunswick Beach, Lions Bay, BC V0N 2E0;
email: _____

(“**Robins**”)

AND:

MARGARITA ROGOVSKAIA having an address at Apt 2802 – 1320 1 Street SE, Calgary, AB T2G 0G8; email: _____

(“**Rogovskaia** ”)

(524520 BC, Robins and Rogovska are collectively referred to as the “**Royalty Holders**” and individually as a “**Royalty Holder**”)

AND:

STRATEGX ELEMENTS CORP., a company incorporated under the laws of British Columbia and having its head office at 3A – 34 Powell Street, Vancouver, BC V7A 1E7;
email: darren@strategxcorp.com

(the “**Grantor**”)

WHEREAS:

- A. pursuant to that certain property purchase agreement dated January 11, 2021 (the “**Purchase Agreement**”) between the Royalty Holders, as the vendors thereunder, and the Grantor, as the purchaser thereunder, in partial consideration for the purchase of a 100% interest in and to the Property (as defined below), the Grantor has agreed to grant to the Royalty Holders (as to 1/3 each) an aggregate 2.0% GOR Royalty (defined below), an aggregate 2.0% NSR Royalty (defined below) and certain other rights; and
- B. the Parties wish to enter into this Royalty Agreement to define and establish the conditions governing the GOR Royalty and the NSR Royalty.

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 **Definitions.** In this Agreement, the following words and terms will have the following meanings:

- (a) “**Advance Royalty Payments**” has the meaning given to it in section 4.7.
- (b) “**Affiliate**” means any person that directly or indirectly Controls, is Controlled by, or is under common Control with, a Party.
- (c) “**AI Property**” and “**AI Properties**” means any mineral claim(s) or property(ies) within the boundary lines of the Area of Interest, excluding the East Arm Project Claims described in Schedule “A” attached hereto.
- (d) “**Annual Summary Statement**” has the meaning given to it in section 4.3.
- (e) “**Appraised Value**” means the fair market value in Canadian dollars of the Diamonds after they have been cleaned and sorted, determined as provided in sections 3.2 and 3.3 hereof, with no deductions for costs or expenses of any nature or kind.
- (f) “**Area of Interest**” means the area of land that lies within the boundary lines around the East Arm Project Claims as noted on the map attached hereto a Schedule “B”.
- (g) “**Audit**” has the meaning given to it in section 5.2.
- (h) “**Commercial Production**” means the date on which the initial shipment of Products is transported from the Property for commercial sale or additional beneficiation for commercial sale, including any transport and sale of bulk samples and deliveries and sales from pilot or test operations, *provided; however*, if the initial shipment of Products from the Property is a bulk sample of less than 5,000 tonnes, or such increased number of tonnes as may be mutually agreed to by the Parties in writing from time to time, (such bulk sample, if any, being the “**De Minimus Bulk Sample**”) that De Minimus Bulk Sample will not constitute Commercial Production hereunder.
- (i) “**Control**” used as a verb means, when used with respect to an entity, the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity through (a) the legal or beneficial ownership of voting securities or ownership interests; (b) the right to appoint managers, directors or corporate management; (c) contract; (d) membership agreement; (e) voting trust; or otherwise; and, when used with respect to an individual, means the actual or legal ability to control the actions of another, through family relationship, agency, contract or otherwise; and “**Control**” used as a noun means an interest which gives the holder the ability to exercise any of the foregoing powers.
- (j) “**Diamonds**” means rough diamonds that are produced from the Property or tailings from the Property after the date of this Agreement.
- (k) “**Effective Date**” has the meaning given to it on the first page of this Agreement.
- (l) “**Encumbrances**” means any mortgage, charge, pledge, lien, licence, privilege, security interest, royalty or other encumbrance.
- (m) “**GOR Royalty**” has the meaning given to it in section 3.1.

- (n) **“Governmental Entity”** means:
- (i) any multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, council, board, bureau or agent, domestic or foreign;
 - (ii) any subdivision agent, commission, commissioner, board or authority of any of the foregoing; and
 - (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
- (o) **“Grantor”** means StrategX Elements Corp. and includes any subsequent holder of the Property.
- (p) **“Gross Proceeds”** means proceeds received (or deemed to be received, pursuant to application of the subsections below) by the Grantor or any Affiliate of the Grantor from any person for the sale of Products from the Property, whether processed on or off of the Property (for greater certainty, including insurance proceeds in respect of any loss or damage to Products), determined as follows:
- (i) if Products are sold in the form of ore, doré or concentrates to an independent third party in an arm’s length transaction, then the Gross Proceeds will be equal to the amount of the proceeds actually received from the sale of such ore, doré or concentrates;
 - (ii) if Products are sold in the form of refined metal Products to an independent third party in an arm’s length transaction, then the Gross Proceeds will be equal to the amount of the proceeds actually received from the sale of such refined metal Products;
 - (iii) in the event that consideration for the Products consists of crediting a minerals/metal account with Products delivered in kind, to an independent third party in an arm’s length transaction, the value of Products so credited will be calculated on the basis of the aggregate quantity of recovered mineral in such Product so credited multiplied by the average metal price;
 - (iv) in the event that any Products are sold to an Affiliate of the Grantor, the Gross Proceeds will be equal to the higher of (a) the average metal price of such Products multiplied by the volume sold, and (b) the actual proceeds of the sale of such Products; and
 - (v) if there is a loss of or damage to Products, then the Gross Proceeds will be equal to the sum of the insurance proceeds in respect of such loss plus the Gross Proceeds from any sale of such Products.
- (q) **“IFRS”** means **International Financial Reporting Standards**, from time to time, applied on a consistent basis.
- (r) **“Materials”** has the meaning given to it in section 9.10.
- (s) **“Net Smelter Returns”** means the Gross Proceeds actually received by or payable to the Grantor or any of its Affiliates from a sale or other disposition of the Products, all without deduction in respect of any other royalty owing to a person or a government entity in respect of the Property, less each of the following expenses (if actually incurred by the Grantor or any of its Affiliates or the operator of the mine):
- (i) all taxes based on mining production or the value of mining production (including, without limitation, sales, use, extraction, net proceeds, excise, export, import, ad valorem, mining privilege, gross receipts or severance taxes on, and all royalties owing to any

Governmental Entity in connection with, Products); but excluding any and all taxes based upon the net or gross income and like taxes, any value added or other taxes that are recoverable by the Grantor or any of its Affiliates or any other operator of the mine on the Property or the value of the mineral concessions located within the Property, or any substitute, replacement, renewal, extension or successor thereto, or the privilege of doing business generally, and other taxes assessed on a similar basis;

- (ii) charges and costs for, and taxes on, loading, handling, securing and transporting (including, without limitation, insurance costs while loading, handling, security, shipping, freight, stockpiling, storage, warehousing, port, transaction taxes, customs and customs clearance, import and export duties and permit costs, and transporting) Products from the Property to places where such Products are smelted, minted, refined, treated, beneficiated, sold or otherwise disposed of; and
- (iii) charges, expenses and costs (including umpiring, weighing, assaying, sampling and sales costs), representation expenses, and all other legitimate penalties and fees that are charged or levied by the Processor for the smelting, minting or refining of Products (including, without limitation, metal losses, penalties for impurities and charges or deductions for smelting, minting, refining, selling, marketing or handling including loading and unloading costs imposed by a Processor); *provided, however*, if smelting, refining, minting, beneficiating, treating or other processing is carried out in facilities owned or controlled, in whole or in part, by the Grantor or one of its Affiliates, then the charges and costs for such smelting, refining, or minting, of such Product will be the lesser of:
 - (A) the charges, expenses and costs the Grantor or its Affiliates would have incurred if such smelting, refining, minting, beneficiating, treating or other processing was carried out at facilities that are not owned or controlled by the Grantor or one of its Affiliates and that are offering comparable services for comparable products; and
 - (B) the actual charges, expenses and costs incurred by the Grantor or its Affiliates with respect to such smelting, refining, or minting,

provided, however, that in any case: where any such deductions are based upon costs incurred in respect of activities or services performed by the Grantor or its Affiliates, the charges for such activities will not exceed the charges or deductions that would be made for such activities or services by an independent contractor providing the most competitive alternative; and allowable deductions will not be duplicative of any deductions made by the purchaser of Products in determining the amount received by the Grantor or its Affiliates from the sale of Products.

- (t) “**Notice**” has the meaning given to it in section 8.1.
- (u) “**NSR Royalty**” has the meaning given to it in section 4.1.
- (v) “**Ore**” means any material containing metallic and non-metallic mineral or minerals of commercial economic value, other than Diamonds.
- (w) “**Package of Diamonds**” has the meaning given to it in section 3.2.
- (x) “**person**” means an individual, corporation, trust, partnership, limited liability company, joint venture, unincorporated organization, firm, estate, governmental authority or any agency or political subdivision thereof, or other entity.

- (y) “**Prime Rate**” means, at any particular time, the annual rate of interest announced from time to time by the Bank of Montreal, at its main branch located in Vancouver, British Columbia, as a reference rate then in effect for determining floating rates of interest on Canadian dollar loans made in Canada.
- (z) “**Processor**” means any smelter, refiner, mint or other processor, purchaser or user of the Product.
- (aa) “**Products**” means Ore mined, produced or otherwise recovered from the Property as such Ore currently exists (together with any substitute, replacement, renewal, extension, or successor properties thereto) whether in the form of ROM, doré, concentrates, tailings or otherwise, including without limitation, cobalt, nickel, gold, silver, zinc, lead, limestone, copper, coal, salt and quarry and pit materials, and all beneficiated or derivative products thereof.
- (bb) “**Property**” means the area, including the surface and subsurface, which on the date of this Agreement is within the boundaries of the East Arm Project Claims, together with any AI Properties, and will include any fractions or gaps among the East Arm Project Claims and AI Properties and including replacement or successor claims, and all other mining interests derived from any such East Arm Project Claims and AI Properties.
- (cc) “**ROM**” or “**Run of Mine**” means the raw unprocessed material delivered from the mine to the processing plant, including mineralized rock and varying amounts of internal and external dilution (either unmineralized or mineralized material below cut off grades).
- (dd) “**Royalties**” means, collectively, the GOR Royalty and the NSR Royalty.
- (ee) “**Royalty Agreement**” means this diamond gross overriding royalty and net smelter return royalty agreement, including all Schedules attached hereto, as the same may be amended or supplemented from time to time.
- (ff) “**Royalty Holder**” and “**Royalty Holders**” have the meanings given to them on the first page of this Royalty Agreement.
- (gg) “**Summary Statement**” has the meaning given to it in section 4.3.
- (hh) “**Transfer**” means to directly or indirectly offer, transfer, donate, sell, assign, convey, encumber, mortgage, gift, pledge, hypothecate, grant security interest or otherwise dispose of any interest in the Property or the Royalties.
- (ii) “**Valuator**” has the meaning given to it in section 3.2.

ARTICLE 2 TERM; REAL PROPERTY INTEREST

2.1 Term. The term of this Royalty Agreement will commence from the Effective Date and, subject to section 9.7, will continue for the term of existence of the Property.

2.2 Real Property Interest. The Royalty Holders and the Grantor agree and acknowledge that the Royalties will constitute a covenant running with the Property and as such the Royalties will attach to (i) any amendments, relocations, adjustments, resurvey, additional locations or conversions of any mineral claims comprising the Property; and (ii) to any renewal, amendment or other modification or extensions of any leases of any real property interests comprising the Property. The Royalties may continue in perpetuity, it being the intent of the Parties hereto that the Royalties will be a real property interest that runs with the Property and will burden all interests (whether now owned or hereafter acquired) of the Grantor and its successors and assigns in, to or respecting the Property. If any right, power or interest of any Party pertaining to the Royalties would violate the rule against perpetuities, then such right, power or interest will terminate at the expiration of 20 years after the death of the last survivor of all the

lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the date of this Royalty Agreement. The Royalty Holders will have the right from time to time to register or record notice of the Royalties against title to the Property or elsewhere, and the Grantor will cooperate with all such registrations and recordings and provide its written consent or signature to any documents and do such other things from time to time as are necessary or desirable to effect all such registrations or recordings or otherwise to protect the interests of the Royalty Holders hereunder.

ARTICLE 3 GOR ROYALTY (DIAMONDS)

3.1 Grant of GOR Royalty. As provided in the Purchase Agreement, the Royalty Holders have reserved to themselves (as to a 1/3 interest each) from the transfer of their interest in the Property to the Grantor and the Grantor has granted and hereby affirms and restates that it hereby grants, sells, assigns, transfers and conveys and agrees, during the term of this Agreement as noted in Article 2 above, to pay to the Royalty Holders (as to a 1/3 interest each) a gross overriding royalty (the “GOR Royalty”) in all Diamonds that are produced from the Property after the date of this Royalty Agreement equal to, in the aggregate, 2% (0.666% as to 524520 BC, 0.666% as to Robins and 0.666% as to Rogovskaia) of the Appraised Value of such Diamonds.

3.2 Valuation. For the purpose of determining the Appraised Value of Diamonds, the Grantor will at its expense appoint a valuator (the “Valuator”) who is independent of the Grantor and duly qualified and accredited as such and will have been approved in writing by the Royalty Holders, such approval not to be unreasonably withheld. The Grantor will cause the Valuator to sort, grade and value the Diamonds at the mine site on the Property or at another agreed location in Canada not less frequently than once in each calendar quarter (all of the Diamonds which are valued by the Valuator at a particular time being hereinafter referred to as a “Package of Diamonds”). The Grantor will give the Royalty Holders not less than 30 days’ notice of the date, time and place at which each such valuation will take place, and the Royalty Holders will have the right to be present at and observe the valuation with, if they so elect, one diamond valuator of their joint selection and the Grantor will afford the Royalty Holders and their valuator with such access to the Package of Diamonds and to the Valuator as may be necessary to ensure that the Royalty Holders are able to form their own view as to the value of the Package of Diamonds individually and in the aggregate. The Grantor will cause the Valuator to value the Diamonds in accordance with industry price books, standards and formulas and in accordance with industry standards, having regard to, but without limiting the generality of the foregoing, the commercial demand for the Diamonds and their grades, colours, sizes and clarity and to provide a report in reasonable detail to the Grantor and to the Royalty Holders showing his or her conclusions as to the Appraised Value of the Package of Diamonds individually and in the aggregate.

3.3 Valuation Dispute. Upon receipt of the Valuator’s report showing the Appraised Value of a Package of Diamonds, the Royalty Holders will have 15 days in which they may give notice to the Grantor that they dispute such valuation. If the Royalty Holders do not give notice of dispute, the Appraised Value of the Package of Diamonds referred to in the report will be as provided in the report. If any of the Royalty Holders gives notice of dispute, the value of the Package of Diamonds will be decided by arbitration in accordance with Article 6 below and the decision of such arbitrators thereunder will then be the Appraised Value of such Diamonds, and the decision of the arbitrators will be final and binding.

3.4 Computation. The Grantor will calculate and pay the GOR Royalty in respect of each Package of Diamonds to the Royalty Holders (as to a 1/3 interest each) in Canadian dollars within 30 days after the Appraised Value of the Package of Diamonds has been determined in accordance with section 3.3.

3.5 Method of Payment. GOR Royalty payments will be paid in Canadian dollars to each of the Royalty Holders, either in cash or by way of direct wire transfer into a bank account nominated by each of the Royalty Holders.

3.6 Filing of Royalty Return. If from time to time the Grantor files a royalty return with any Governmental Entity under any applicable mining laws or regulations pertaining in whole or in part to Diamonds, it will concurrently with such filing deliver a copy of the return to the Royalty Holders.

3.7 **Retention of Diamonds.** The Grantor will retain possession of each Package of Diamonds at the minesite on the Property or at a location in Yellowknife, NT and will not sell or otherwise dispose of any such Package of Diamonds or commingle the Diamonds therein with other diamonds unless:

- (a) the Appraised Value of the Package of Diamonds has been determined in accordance with section 3.3; and
- (b) the Grantor has at the minesite or such other location Diamonds with an Appraised Value of at least two times the amount of the GOR Royalty in respect of the Package of Diamonds or cash equal to two times the amount of the GOR Royalty in respect of the Package of Diamonds.

ARTICLE 4 NSR ROYALTY

4.1 **Grant of NSR Royalty and Computation.** As provided in the Purchase Agreement, the Royalty Holders have reserved to themselves (as to a 1/3 interest each) from the transfer of their interest in the Property to the Grantor and the Grantor has granted and hereby affirms and restates that it hereby grants, sells, assigns, transfers and conveys and agrees, during the term of this Agreement as noted in Article 2 above, to pay to the Royalty Holders (as to a 1/3 interest each) an aggregate 2% (0.666% as to 524520 BC, 0.666% as to Robins and 0.666% as to Rogovskaia) net smelter returns royalty (the “NSR Royalty”) on all Products that are produced from the Property from and after the commencement of Commercial Production. To compute the NSR Royalty, the Grantor will multiply the Net Smelter Returns by 2% (0.666% as to 524520 BC, 0.666% as to Robins and 0.666% as to Rogovskaia) in each case for the immediately preceding calendar quarter.

4.2 **Payments.** Upon the commencement of Commercial Production, the Grantor will pay to the Royalty Holders (as to a 1/3 interest each) a payment equal to the NSR Royalty computed under section 4.1 within forty-five (45) days after the end of the calendar quarter in which any payment (or other credit to the Grantor’s or any of its Affiliates’ account) is made by a Processor to the Grantor or any of its Affiliates in respect of any sale or other disposition of the Products from and after the commencement of Commercial Production. Such payments and calculation will be made by the Grantor; *provided that* at the option of the Grantor, a Processor may calculate and pay the NSR Royalty directly to the Royalty Holders in accordance with this Article 4. In the event that a Processor so calculates and pays the NSR Royalty, the Grantor or an Affiliate, as appropriate, will provide such Processor with all information necessary to permit such Processor to calculate the NSR Royalty payment in sufficient time to permit timely payment thereof, and a copy of all such information will be concurrently delivered to the Royalty Holders.

Notwithstanding that the NSR Royalty payments may be paid to the Royalty Holders by a Processor, the obligation to make payment of the NSR Royalty to the Royalty Holders hereunder is an obligation of the Grantor and any failure by the Processor to make any such payment does not in any way limit the obligation of the Grantor to make such payment to the Royalty Holders in a timely manner.

4.3 **Summary Statements.** Concurrent with the payment of each NSR Royalty payment to the Royalty Holders, the Grantor will prepare and deliver to each of the Royalty Holders a detailed statement of the manner in which such NSR Royalty payment was calculated, including: (a) the quantity and grade of Products to which such NSR Royalty payment is applicable; (b) the calculation of the applicable Net Smelter Returns; and (c) the price(s) paid by a Processor for the applicable Products (the “Summary Statement”). Within 120 days after the end of any calendar year, the Grantor will prepare and deliver to each Royalty Holder a statement (the “Annual Summary Statement”) for such calendar year indicating: (i) the quantities and grade of Products sold or otherwise disposed of by the Grantor; (ii) the quantities and grade of Products produced by the Grantor for which NSR Royalty payments have been made; (iii) the calculation of applicable Net Smelter Returns; and (iv) the prices paid by all Processors in respect of the Products. The Royalty Holders, or any one of them, may object in writing to any Summary Statement and payment amount within twelve (12) months after receipt of the relevant Summary Statement or payment.

4.4 **Late Payments.** Any payments not made when due under this Royalty Agreement will bear interest at an annual rate equal to the Prime Rate plus one percent (1%) calculated and compounded monthly from the due date to the date of payment.

4.5 **Payments Net of Taxes.** All amounts payable on account of the NSR Royalty will be paid free and clear of all taxes, deduction, withholdings, set-off or counterclaims whatsoever (except income taxes of the Royalty Holders or taxes on capital gains of the Royalty Holders) save only as may be required by law. If any taxes, deductions or withholdings are required by law for such payments, the Grantor will pay to the Royalty Holders such sum as will, after such tax, deduction or withholding has been made, leave the Royalty Holders with the same amount as they would have been entitled to receive in the absence of any such requirement.

4.6 **Method of Payment.** NSR Royalty payments will be paid in Canadian dollars to each of the Royalty Holders, either in cash or by way of direct wire transfer into a bank account nominated by each of the Royalty Holders.

4.7 **Advance NSR Royalty Payments.** The Grantor will pay to the Royalty Holders (as to a 1/3 interest each) advance NSR Royalty payments (the “**Advance Royalty Payments**”) equal to an aggregate of \$99,999.99 (\$33,333.33 as to 524520 BC, \$33,333.33 as to Robins and \$33,333.33 as to Rogovskaia) annually, due on or before July 1 of each year commencing on July 1, 2023 and continuing until the commencement of Commercial Production. All payments of the NSR Royalty under section 4.2 above will be made net of the Advance Royalty Payments (without duplication). All Advance Royalty Payments will be paid in Canadian dollars to each of the Royalty Holders, either in cash or by way of direct wire transfer into a bank account nominated by each of the Royalty Holders.

ARTICLE 5 BOOKS, RECORDS AND INSPECTIONS

5.1 **Books and Records.** The Grantor and its Affiliates will use commercially reasonable efforts to maintain true and accurate books and records with respect to their operations and activities on the Property, in accordance with IFRS consistently applied, as they may relate to the calculation of the NSR Royalty payable to the Royalty Holders. For greater certainty, the Grantor will keep accurate records of tonnage, volume of products, analyses of products, weight, moisture, assays of payable metal content and other records, as appropriate, related to the computation of the NSR Royalty hereunder.

5.2 **Audit.** Within twelve (12) months after receipt of a payment under section 4.2 above or a Summary Statement under section 4.3 above, the Royalty Holders will have the right, as a group, to conduct an audit of the books and records maintained by the Grantor or its Affiliates pursuant to section 5.1 as they may relate to the calculation of such NSR Royalty payment or Summary Statement (the “**Audit**”). Any payment or Summary Statement not so audited will be deemed final and will not thereafter be subject to audit or challenge. The Royalty Holders will notify the Grantor in writing of their intent to conduct the Audit not less than thirty (30) days before the day of the proposed Audit. The Royalty Holders may conduct the Audit only during ordinary business hours at the premises of the Grantor or one of its Affiliates. The Audit will not cause undue interference with the Grantor’s business operations or undue burden on human resources. Once the Audit has commenced, the Royalty Holders will diligently prosecute the Audit to a timely conclusion. The Royalty Holders will have the right to utilize third party consultants and advisors for the purposes of conducting the Audit, *provided, however* that before commencement of any Audit, the Royalty Holders and any of their third party consultants and advisors enter into a confidentiality agreement in a form and substance provided by the Grantor required to ensure that the Royalty Holders and any of their consultants and advisors keep confidential any information obtained during the Audit. If such audit determines that there has been a deficiency or an excess in a NSR Royalty payment made to the Royalty Holders such deficiency or excess will be resolved by adjusting the next quarterly NSR Royalty payment due hereunder, with interest as provided in section 4.4 above in the case of a deficiency. If, as a result of the Audit, the amount of the NSR Royalty payable to the Royalty Holders is determined to be, in the aggregate, more than five percent (5%) of the amount actually paid by the Grantor to the Royalty Holders pursuant to the calculations of the Grantor, then the Grantor will pay the costs of such Audit. Otherwise, the Royalty Holders will pay all costs of such an Audit.

5.3 **Property Inspection.** The Royalty Holders, or their authorized agents or representatives, on not less than thirty (30) days’ notice to the Grantor, may enter upon all surface and subsurface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, as well as inspecting and

copying all records and data as they may relate to the calculation of the NSR Royalty payable to the Royalty Holders, including without limitation such records and data which are maintained electronically, pertaining to all activities and operations on or with respect to the Property, improvements thereto and operations thereon. The Royalty Holders, or their authorized agents or representatives, will enter the Property at their own risk and expense and may not hinder or interfere with operations on or pertaining to the Property. The Royalty Holders will indemnify and hold the Grantor and its Affiliates harmless from any damage, claim or demand by reason of:

- (a) injury or damage to the Royalty Holders, the Grantor or any of their respective employees, officers, directors, agents, contractors, or representatives; and
- (b) damage to the Property and the Grantor's assets,

caused by or resulting from the negligence of any of the Royalty Holders in the exercise of their rights in this Royalty Agreement.

ARTICLE 6 ARBITRATION

6.1 Dispute. All disputes arising out of this Royalty Agreement must be resolved in accordance with the provisions of this Article 6.

6.2 Representatives to Negotiate. In the event of any dispute between the Parties arising out of or under this Royalty Agreement, a Party may give to the other Party or Parties, as the case may be, a notice specifying details of the dispute and requiring its resolution under this Article 6. If the dispute is not resolved within seven (7) days after the foregoing notice is given to the other Party(ies), each Party that is a corporation must nominate one representative from its senior management to resolve the dispute with the individual Party(ies), all of whom will negotiate in good faith using their respective best efforts to attain such resolution. Thereafter, if the dispute is not resolved within 14 days of the dispute being referred to the Party representatives, then a Party may submit the dispute to arbitration in accordance with section 6.3 below.

6.3 Arbitration. Any dispute submitted to arbitration under this Article 6 will be finally resolved by arbitration conducted under the *Arbitration Act* (British Columbia) and:

- (a) unless the Parties agree otherwise, the arbitration will be heard by a panel of three (3) independent and impartial arbitrators. As between the Royalty Holders and the Grantor, each will select one (1) arbitrator, and the arbitrators so selected will select a third. The panel will designate one (1) among them to serve as chair;
- (b) the arbitrators must be independent of the Parties and will have mining and/or base metals and concentrates markets expertise and any other requisite expertise in the subject matter of the dispute;
- (c) the place of arbitration will be exclusively Vancouver, British Columbia;
- (d) the language of the arbitration will be English;
- (e) the level of discovery will be determined by reference to proportionality (that is, what is reasonable having regard to the nature and size of the dispute);
- (f) the governing law will be the law of the Province of British Columbia and the federal laws of Canada that are of general application;
- (g) any Party may seek interim or provisional remedies as necessary to protect the rights or property of the Party pending the decision of the arbitrators;

- (h) the arbitration award will be rendered by the arbitrators within fifteen (15) business days after conclusion of the hearing of the matter, will be in writing, will specify the factual and legal basis for the award and will be final and binding upon the Parties and not be subject to appeal or review, by certiorari or otherwise, by any court or tribunal whatsoever;
- (i) the arbitrators are empowered to order money damages in compensation for a Party's actual damages, specific performance or other appropriate relief to cure a breach; *provided, however*, that the arbitrators will have no authority to award special, punitive, exemplary, consequential or liquidated damages, loss of profits or any other money damages that are not measured by the prevailing Party's actual damages; and
- (j) costs and expenses of the arbitration, including the arbitrators' costs, and the costs and expenses incurred by the Parties in the arbitration, including the Parties' legal costs, will be borne by the Parties in such proportions as the panel of arbitrators may determine to be appropriate.

6.4 Enforcement of Award. The award rendered by the panel of arbitrators 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.

ARTICLE 7 CONFIDENTIALITY

7.1 Confidentiality. No Royalty Holder will, without the express written consent of the Grantor, disclose any non-public or confidential information in respect of the terms of this Royalty Agreement or otherwise received under or in conjunction with this Royalty Agreement including information concerning Products and operations on the Property, other than to its employees, agents and/or consultants for purposes related to the administration of this Royalty Agreement, and no Royalty Holder will issue any press releases concerning the terms of this Royalty Agreement or in respect of the Property or the operations of the Grantor, without the consent of the Grantor after the Grantor has first reviewed the content of such press release. Each of the Royalty Holders agrees to reveal such information only to its employees, agents and/or consultants who need to know, who are informed of the confidential nature of the information and who agree to be bound by the terms of this Article 7 and each of the Royalty Holders agrees to be responsible for the breach of this Article 7 by its employees, agents and/or consultants.

7.2 Permitted Disclosure. Notwithstanding section 7.1, the Royalty Holders may disclose data or information obtained under or in conjunction with this Royalty Agreement and otherwise prohibited from disclosure by this Article 7 after providing the Grantor with a copy of the proposed disclosure and if the Grantor does not object, acting reasonably, to such disclosure by notice in writing to such Royalty Holder within 48 hours after receipt of such copy:

- (a) to any third person to whom the Royalty Holder in good faith anticipates selling or assigning its interest hereunder;
- (b) to a prospective lender to the Royalty Holder; or
- (c) to a prospective equity financier or investor of the Royalty Holder,

provided that in each case the person to whom disclosure is proposed will first have been provided with and signed and delivered to the Grantor a confidentiality agreement executed by such third party purchaser, lender, financier or investor, which agreement will include the confidentiality provisions of this Article 7 and will otherwise be in form and substance acceptable to the Grantor, acting reasonably.

7.3 Compliance Disclosure. A Royalty Holder may disclose data or information obtained under this Royalty Agreement or publicly file this Royalty Agreement if required to do so for compliance with applicable laws, rules, regulations or orders of a governmental authority having jurisdiction over the Royalty Holder, provided that such Royalty Holder will disclose only such data or information as, in the opinion of its counsel, is required to be

disclosed and provided further that it will provide the Grantor with a copy of the proposed disclosure and the Grantor will be given the right to review and object to the data or information to be disclosed within 24 hours of its receipt of such copy prior to any release, and any such release will be subject to any reasonable objections, redactions (to the extent permitted by applicable laws) or changes proposed by the Grantor.

ARTICLE 8 NOTICE

8.1 Notices.

- (a) Any payment, notice, direction or other communication (each a "Notice") given regarding the matters contemplated by this Agreement will be in writing, sent by personal delivery, courier or electronic mail and addressed:

If to Grantor: **StrategX Elements Corp.**
3A – 34 Powell Street
Vancouver, BC V7Z 1E7
Attention: Darren Bahrey, CEO
Email: darren@strategxcorp.com

If to 524520 BC: **524520 B.C. LTD.**
1383 Kilmer Road
North Vancouver, BC V7K 1R3\
Attention: Lawrence Barry, Director
Email: lawrencebarry@me.com

If to Robins: **John Robins**
17 Brunswick Beach
Lions Bay, BC V0N 2E0
Email: _____

If to Rogovskaia : **Margarita Rogovskaia**
Apt 2802 – 1320 1 Street SE
Calgary, AB T2G 0G8
Email: _____

- (b) A Notice is deemed to be delivered and received:
- (i) if sent by personal delivery, on the date of delivery if it is a business day and the delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next business day;
 - (ii) if sent by same-day service courier, on the date of delivery if sent on a business day and delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next business day;
 - (iii) if sent by overnight courier, on the next business day; or
 - (iv) if sent by electronic mail, on the date of confirmation of transmission by the originating electronic mail.

**ARTICLE 9
GENERAL**

9.1 **Entire Agreement.** This Royalty Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof.

9.2 **Amendments.** No amendment or modification of this Royalty Agreement will be valid unless made in writing and duly executed by all Parties.

9.3 **Enurement.** This Royalty Agreement will enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

9.4 **Further Assurances.** Each of the Parties hereto will from time to time and at all times do all such further acts and execute and deliver all further deeds and documents as will be reasonably required in order to fully perform and carry out the terms of this Royalty Agreement. For greater certainty this Royalty Agreement will not be construed as imposing any obligation on any Party to provide guarantees.

9.5 **Currency.** Unless otherwise indicated all dollar amounts referred to in this Agreement, including the symbol "\$", refer to lawful money of Canada.

9.6 **Rights Reserved by Grantor.** The Grantor will be entitled to (a) make all operational decisions with respect to the methods and extent of mining and processing of Products produced from the Property (including the decision to process by heap leaching rather than conventional milling); (b) make all decisions relating to sales of such Products produced; and (c) make all decisions concerning temporary or long-term cessation of operations.

The Grantor may, but will not be under any duty to, engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Property, and, except in the case where Products are actually delivered and a sale is actually consummated under such price protection or speculative transactions, none of the revenues, costs, profits or losses from such transactions will be taken into account in calculating Net Smelter Returns or any interest therein.

9.7 **Suspension and Abandonment of Property.** The Grantor may suspend operations on, in or under the Property (or any part thereof) from time to time or at any time, in its sole and absolute discretion. In addition, the Grantor will be entitled to abandon or reduce the Property (or any part thereof) in its sole and absolute discretion. Upon such abandonment or reduction, the Royalties payable under this Royalty Agreement will be no longer effective and of no further force or effect with respect to such part or parts of the Property that are the subject of such abandonment or reduction except for any outstanding payments due prior to such abandonment or reduction; *provided, however*, that if the Grantor reacquires any of the ground covered by the abandoned or reduced Property at any time within five (5) years following abandonment or reduction, the Diamonds and Products from such ground will be subject to this Royalty Agreement. The Grantor will not abandon or surrender, or allow to lapse or expire, any part or parts of the Property for the purpose of permitting any third party to re-stake a claim or acquire a mining licence or other right in respect of the Property and avoid the Royalties.

9.8 **Commingling.** Before any Products are commingled with minerals from other properties, the Products will be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal, commercial minerals and other appropriate content. Representative samples of the Products will be retained by the Grantor and assays (including moisture and penalty substances) and other appropriate analyses of these samples will be made before commingling to determine metal, commercial minerals, and other appropriate content. Detailed records will be kept by the Grantor showing measures, moisture, assays of metal, commercial minerals and other appropriate content and penalty substances, and gross mineral content of the Products. From this information, the Grantor will determine the amount of each NSR Royalty payment due and payable to the Royalty Holders from the Products commingled with minerals from other properties. Following the expiration period for objection in relation to such Products, the Grantor may dispose of the materials and data required to be kept pursuant to this section 9.8.

9.9 Stockpiling. The Grantor may stockpile any Products from the Property at such place or places as the Grantor may elect. In the event that the Grantor stockpiles or holds inventory of any Products, it will ensure security for the site where such materials are stockpiled in accordance with industry standards.

9.10 Tailings and Residue. All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively, the "Materials") resulting from the Grantor's operations and activities on the Property will be the sole property of the Grantor, but will remain subject to the NSR Royalty should the same be processed or reprocessed (whether or not involving a smelter), as the case may be, in the future and result in the production of Products. Notwithstanding the foregoing, the Grantor will have the right to dispose of Materials from the Property on or off of the Property and, subject to section 9.8 to commingle the same with Materials from other properties. In the event Materials from the Property are processed or reprocessed (whether or not involving a smelter), as the case may be, the NSR Royalty payable thereon will be determined on a *pro rata* basis as determined by using industry standard engineering and technical practices.

9.11 Headings. The headings to the Articles and sections of this Royalty Agreement are inserted for convenience only and do not form a part of this Royalty Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Royalty Agreement or any provision hereof.

9.12 No Partnership. As between the Royalty Holders and the Grantor, this Royalty Agreement is not intended to, and will not be deemed to, create any partnership relation between them, including, without limitation, a mining partnership or commercial partnership. As between the Royalty Holders and the Grantor, their obligations and liabilities will be several and not joint and neither will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of the other. Nothing herein contained will be deemed to constitute one the partner, agent or legal representative of the other.

9.13 Other Activities and Interests. This Royalty Agreement and the rights and obligations of the Parties hereunder are strictly limited to the Property and any Diamonds and Products from 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 pursuant hereto, without disclosing such activities to the other Parties or inviting or allowing the others to participate therein, including activities involving mineral titles adjoining the Property.

9.14 No Implied Covenants. The Parties agree that as between the Royalty Holders and the Grantor there are no implied covenants or duties relating to or affecting any of their respective rights or obligations under this Royalty Agreement, and that the only covenants or duties which affect such rights and obligations will be those expressly set forth and provided for in this Royalty Agreement.

9.15 Transfer by Grantor. The Grantor will be entitled to assign, sell, transfer, lease, mortgage, charge or otherwise encumber any of the Property and its rights and obligations under this Royalty Agreement, provided the following conditions are satisfied, and upon such conditions being satisfied in respect of any such assignment, sale or transfer only (but not in respect of any such lease, mortgage, charge or other encumbrance), the Grantor will be released from all obligations under this Agreement:

- (a) any purchaser, transferee, lessee or assignee of such Property or this Royalty Agreement agrees in advance in writing in favour of the Royalty Holders (in form and content to the Royalty Holders' satisfaction, acting reasonably) to be bound by the terms of this Agreement including, without limitation, this section 9.15;
- (b) any purchaser, transferee or assignee of this Royalty Agreement has simultaneously acquired the Grantor's right, title and interest in and to such Property; and
- (c) in any case where the Property has been assigned as security pursuant to any mortgage, charge or other encumbrance or is leased to another person, the mortgagee, chargée, encumbrance holder or lessee of such Property agrees in advance in writing in favour of the Royalty Holders (in form and content to the Royalty Holders' satisfaction, acting reasonably) to be bound by and subject to the terms of this Royalty Agreement in the event it takes possession of or forecloses on all or part of

such Property and undertakes to obtain an agreement in writing in favour of the Royalty Holders (in form and content to the Royalty Holders' satisfaction, acting reasonably) from any subsequent purchaser, lessee, assignee or transferee of such mortgagee, chargée, lessee or encumbrance holder that such subsequent purchaser, lessee, assignee or transferee will be bound by the terms of this Royalty Agreement including, without limitation, this section 9.15.

Notwithstanding any other provision of this Royalty Agreement, neither (i) an amalgamation, merger or consolidation of the Grantor or any of its Affiliates with or into another body corporate, including by way of a plan of arrangement, nor (ii) an acquisition or a transfer of shares of the Grantor or any of its Affiliates, including a transfer of all of the shares pursuant to a takeover bid and subsequent acquisition transaction (including a compulsory acquisition) or a plan of arrangement, is a transfer or event to which this section 9.15 applies; *provided, however*, that in the case of clause (i) any successor entity to the Grantor will have acknowledged in writing to the Royalty Holders (in form and content to the Royalty Holders' satisfaction, acting reasonably) that it is bound by this Royalty Agreement.

9.16 Transfer by the Royalty Holders. A Royalty Holder may assign such Royalty Holder's interest in the Royalties in whole or in part, and any rights and obligations under this Royalty Agreement to any person without the written consent of the Grantor, *provided that* the transferee enters into a written agreement with the Grantor in form and substance satisfactory to the Grantor, acting reasonably, to be bound by the provisions of this Royalty Agreement in all respects and to the same extent as the Royalty Holder is bound.

9.17 Waiver. If any provision of this Royalty Agreement will fail to be strictly enforced or any Party will consent to any action by any other Party or will waive any provision as set out herein, such action by such Party will not be construed as a waiver thereof other than at the specific time that such waiver or failure to enforce takes place and will at no time be construed as a consent, waiver or excuse for any failure to perform and act in accordance with this Royalty Agreement at any past or future occasion.

9.18 Severability. If any provision of this Royalty Agreement is or will become illegal, unenforceable or invalid for any reason whatsoever, such illegal, unenforceable or invalid provisions will be severable from the remainder of this Royalty Agreement and will not affect the legality, enforceability or validity of the remaining provisions of this Royalty Agreement.

9.19 Governing Law. This Royalty Agreement will be interpreted and construed in accordance with, and governed and enforced in all respects by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

9.20 Counterparts. This Royalty 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, and delivery of an executed copy of this Royalty Agreement by email transmission or by other means of electronic communication capable of producing a printed copy will be deemed to be execution and delivery of this Royalty Agreement as of the date first above written.

EXECUTION PAGE FOLLOWS

IN WITNESS WHEREOF this Royalty Agreement has been executed by the Parties as of the Effective Date.

On behalf of the Royalty Holders:

524520 B.C. LTD.

Per: _____
Lawrence Barry, Director

JOHN ROBINS

MARGARITA ROGOVSKAIA

On behalf of the Grantor:

STRATEGX ELEMENTS CORP.

Per: _____
Darren Bahrey, CEO

SCHEDULE "A"

EAST ARM PROJECT CLAIMS

Northwest Territories

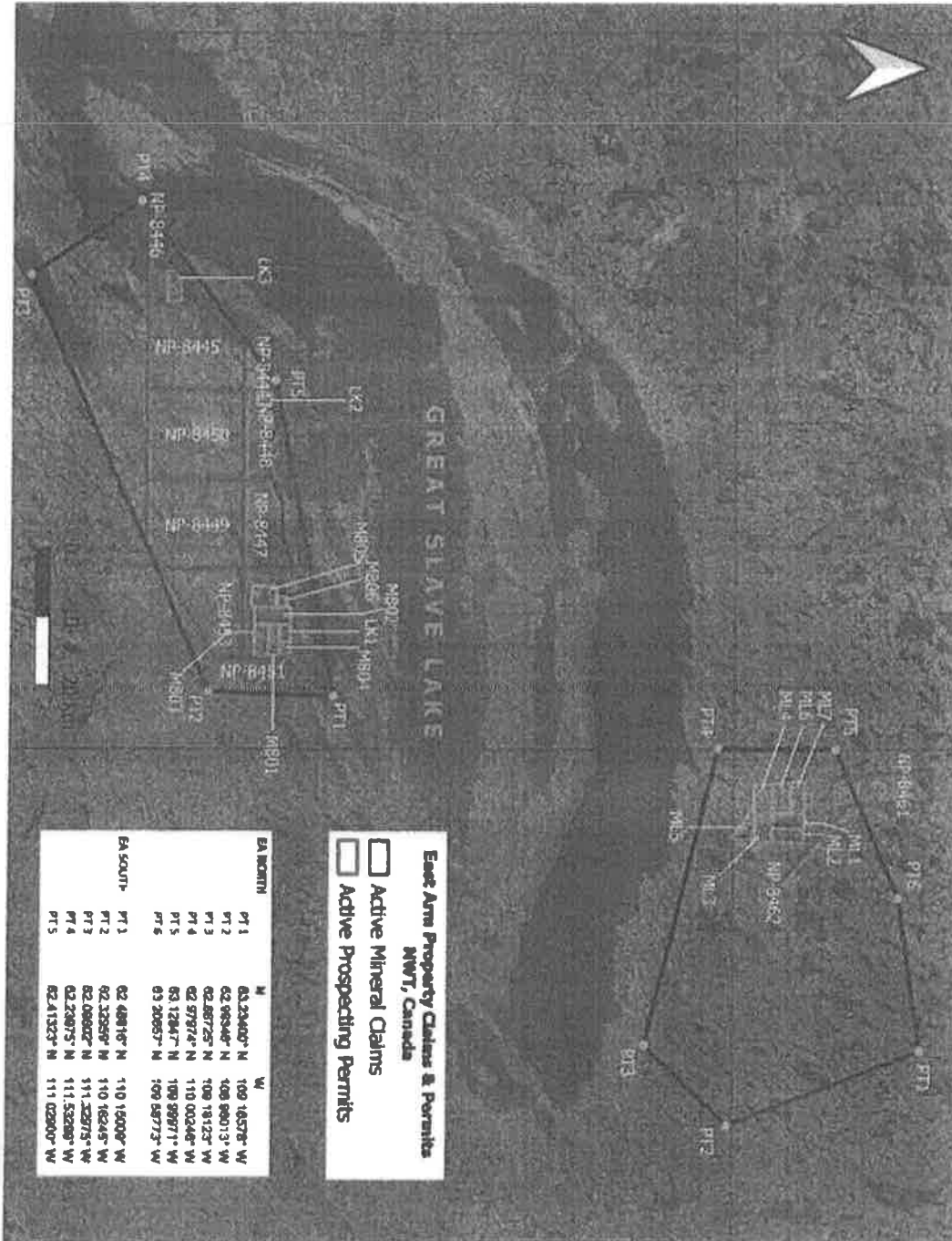
Tenure #	Claim Name	Issue Date	Anniversary Date	Hectares
M11008	LK 1	2018-05-14	2021-05-14	375.00
M11009	LK 2	2018-05-14	2021-05-14	400.00
M11010	LK 3	2018-05-14	2021-05-14	828.00
M11031	ML1	2018-05-14	2021-05-14	900.00
M11032	ML2	2018-05-14	2021-05-14	900.00
M11033	ML3	2018-05-14	2021-05-14	1,000.00
M11034	ML 4	2018-12-03	2021-12-03	1,025.00
M11035	ML 5	2018-12-03	2021-12-03	795.00
M11137	M 804	2018-11-22	2021-11-22	225.00
M11138	M 801	2018-11-22	2021-11-22	675.00
M11139	M 802	2018-11-22	2021-11-22	1,250.00
M11140	M 803	2018-11-22	2021-11-22	900.00
M11141	M 805	2018-11-22	2021-11-22	1,050.00
M11142	M 806	2018-11-22	2021-11-22	225.00
M11218	ML 6	2019-09-05	2021-09-05	1,190.00
M11219	ML 7	2019-09-05	2021-09-05	900.00

SCHEDULE "B"

AREA OF INTEREST MAP

SCHEDULE "B"

AREA OF INTEREST MAP



Schedule "B" – Area of Interest Map
Property Purchase Agreement (East Arm Project)