

OPTION AGREEMENT

THIS OPTION AGREEMENT (this “**Agreement**”) is made as of December 6, 2021

BETWEEN:

LLOYD MINERALS INC., incorporated under the laws of the Province of British Columbia, and having its office at 101 - 3712 1st Ave, Smithers, BC V0J 2N0

(the “**Optionor**”)

AND:

GAMA EXPLORATIONS INC., incorporated under the laws of British Columbia, having its office at Suite 1200 – 750 West Pender Street, Vancouver, BC V6C 2T8.

(the “**Optionee**”)

hereinafter individually a “**Party**” and collectively the “**Parties**”.

WHEREAS:

A. The Optionor is the owner of a 100% interest in the Big Onion property, located in British Columbia as more fully described in Schedule “A” to this Agreement (the “**Property**”).

B. In accordance with the terms of this Agreement, the Optionor has agreed to grant the Optionee an exclusive option to acquire a 100% undivided right, title, ownership and beneficial interest in the Property (the “**Option**”), free and clear of any Encumbrance (as defined herein) on the terms set forth in this Property Option Agreement (the “**Agreement**”).

D. The Property is subject to an aggregate 3% net smelter return royalty (the “**Royalty**”) as more particularly described in Schedule “A”.

NOW THEREFORE in consideration of these premises and covenants and agreements hereinafter contained, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the Parties agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

The following terms will have the following meanings in this Agreement, unless the context otherwise expressly requires:

“**Affiliate**” means any Person which, directly or indirectly, controls, is controlled by, or is under common control with, a Person;

“**Additional Property**” has the meaning given to it in Section 5.2;

“**Area of Interest**” means all lands within a 3 kilometre radius from the outside boundaries of the Property as they exist as of the date of this Agreement, excluding any claims currently held by Blue Lagoon and any property acquired by Blue Lagoon or its Affiliates subsequent to the date hereof to the east of the claims forming the Property as at the date of this Agreement. The Area of Interest will be expanded to apply to all lands within a 3 kilometre radius of the new boundaries of the Property upon the acquisition of any new ground;

“**Blue Lagoon**” means Blue Lagoon Resources Inc., being the parent company of Metal Mountain Resources Inc., which holds 100% of the outstanding shares of the Optionor.

“**Business Day**” means any day other than a Saturday, Sunday or a public or statutory holiday in the Province of British Columbia;

“**Claim**” means any claim, action, damage, loss (including loss arising from a withheld or abated payment under this Agreement), liability, cost, charge, expense, payment or demand of any nature, whether present or future, fixed or unascertained, actual or contingent, and whether at law, in equity, under statute, contract or otherwise;

“**Encumbrance**” means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, option, licence or licence fee, royalty, production payment, restrictive covenant or other encumbrance of any nature, or any agreement to give or create any of the foregoing;

“**Exchange**” means the Canadian Securities Exchange, or such other Canadian stock exchange on which the Optionee Shares are to be listed;

“**Expiry Date**” has the meaning given thereto in Section 2.5;

“**Expenditures**” means all costs and expenses, however denominated, incurred by the Optionee or its Affiliates on or in connection with the exploration and development of the Property, including:

- a) all direct and indirect exploration or development costs, including drilling, geophysics, airborne geophysics, assaying, personnel, travel, accommodation, shipping of materials and the commissioning of technical or other reports in respect of the Property, provided that any costs related to personnel, travel and accommodation will be directly related to attendance at, or the preparation of technical data with respect to, the Property;
- b) all expenditures required to maintain the Property in good standing in accordance with the laws of British Columbia;
- c) all expenditures made on the Property relating to reclamation, rehabilitation and protection of the environment, including payment of any applicable bond or surety;
- d) all expenditures that qualify as a “Canadian development expense” or “Canadian exploration expense” (each as defined in the *Income Tax Act* (Canada)), excluding any claim acquisition costs paid to the Optionor; and

- e) a charge for overhead, management and administrative costs which cannot be specifically allocated, equal to 10% of all other costs and expenses;

“Exploration Data” means any map, survey, 3D representation, drill core, sample, assay, drill log, metallurgical, geological, geophysical, geochemical, engineering or other technical data or report, and any study, design, plan and financial or other record (whether in tangible or electronic form) related to the Property or the Operations in the possession, or under the control of, a Party or any Affiliate thereof;

“Force Majeure” means, other than as a consequence of the negligence or default of a Party, an event or cause which is beyond the control of the Party claiming force majeure, not able to be overcome by the exercise of reasonable care, proper precautions and the consideration of reasonable alternatives with the intention of avoiding the effects of the force majeure by that Party, and which could not have been reasonably foreseen, including (subject to satisfying the requirements of the foregoing):

- a) an act of God;
- b) earthquakes, cyclones, fires, floods, blizzards or whiteouts;
- c) explosions, acts of war, acts of public enemies or terrorist acts;
- d) shortages of labour or strikes, interference of trade unions, lockout, secondary boycott, or other labour difficulties (without regard to whether such difficulties can be resolved by acceding to the demands of the union);
- e) non-availability of materials or transportation;
- f) restrictions on the ability to conduct Exploration work due to impacts of a pandemic, epidemic, or general provincial or regional health order; and
- g) injunctions, laws, rules, regulations, orders or policies of any Governmental Authority that cause Operations to materially cease or that would effectively prohibit Operations from being conducted on the Property, or the discharge by the Parties of their respective obligations hereunder;

but does not include economic hardship, lack of money or credit, the state of financial markets or the inability to pay any sum of money;

“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;

“Listing Date” means the date the Optionee Shares are listed on the Exchange;

“Mineral Rights” means any permit, claim, licence, lease, concession, tenement, mineral disposition, mineral lease or other form of title or tenure, and any other right (including the right of entry to or the right to work upon lands), whether contractual, statutory or otherwise, which among other things, allows or permits a Person to explore for, develop, mine, extract, sell or otherwise dispose of, Minerals;

“Minerals” means all ores, solutions and concentrates, and metals derived therefrom, containing precious, base or industrial minerals (including gems and uranium) which are found in, on or under the Property and

may lawfully be explored for, mined and sold under the Mineral Rights and other instruments of title under which the Property is held;

“Operations” means every kind of work done, or activity performed by or on behalf of the Optionee on or in respect of the Property, including investigating, prospecting, exploring, analysing, property maintenance, sampling, assaying, preparation of reports, estimates and studies (including feasibility studies), filing assessment work, surveying, rehabilitation, reclamation and environmental protection, and any management and administration necessary to conduct the foregoing work or activities;

“Option” has the meaning given to it in Recital B to this Agreement;

“Option Expiry Date” means December 31, 2025, or such other date as may be mutually agreed to by the Parties;

“Optionee Shares” means common shares in the capital of the Optionee;

“Other Rights” means any interest in real property, whether freehold, leasehold, license, right-of-way, easement, any other surface or other right in relation to real property, and any right, licence or permit in relation to the use or diversion of water, but excluding any Mineral Rights;

“Person” is to be construed broadly and includes any natural person, corporation, joint venture, partnership, limited liability partnership, limited partnership, limited liability limited partnership, limited liability company, trust, estate, business trust, association, Governmental Authority or other entity;

“Property” has the meaning given thereto in Recital A; and

“Royalty” means the aggregate 3% net smelter return royalty as more particularly described in Schedule “A”;

1.2 Interpretation

Unless the context otherwise expressly requires, in this Agreement:

- a) the singular includes the plural and vice versa;
- b) a gender includes all genders;
- c) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- d) references to “\$” are to the currency of Canada;
- e) the word “including” means “including without limitation”, and “include” and “includes” will be construed similarly;
- f) headings and the table of contents are for convenience only and do not form part of this Agreement or affect its interpretation;
- g) a provision of this Agreement will not be construed to the disadvantage of a Party merely because that Party was responsible for the preparation of this Agreement or the inclusion of the provision in this Agreement;
- h) if an act is prescribed to be done on a specified day which is not a Business Day, it will be done instead on the next Business Day;

- i) where the phrase “to the best of the knowledge of” or similar expressions are used, it is a requirement that the Person in respect of whom the phrase is used will have made the enquiries that are reasonably necessary to enable that Person to make the statement or disclosure; and
- j) the schedules attached hereto form part of this Agreement.

ARTICLE 2 OPTION

2.1 Grant of Option

The Optionor hereby grants to the Optionee the Option subject to the terms and conditions contained herein.

2.2 Exercise of Option

The Optionee may exercise the Option by making the following payments:

- a) \$500,000 in cash payable to the Optionor (or as may be directed by the Optionor) as follows:
 - i. \$50,000 on or prior to the execution of this Agreement by all parties hereto (the “**Signing Date**”), receipt of which is hereby acknowledged by the Optionor;
 - ii. \$50,000 on or before 12 months following the Listing Date;
 - iii. \$50,000 on or before 24 months following the Listing Date;
 - iv. \$100,000 on or before 36 months following the Listing Date;
 - v. \$250,000 on or before 48 months following the Listing Date;
- b) 2,000,000 shares in the capital of the Optionee (“**Optionee Shares**”), to be registered in the name of Blue Lagoon, and issuable as follows:
 - i. 1,000,000 on or prior to the Signing Date, receipt of which is hereby acknowledged by the Optionor;
 - ii. 250,000 on or before 24 months from the Listing Date;
 - iii. 250,000 on or before 36 months from the Listing Date;
 - iv. 500,000 on or before 48 months from the Listing Date;
- c) \$1.5 million in Expenditures on the Property as follows:
 - i. \$250,000 on or before 12 months following the Listing Date;
 - ii. an additional \$250,000 on or before 24 months following the Listing Date;
 - iii. an additional \$250,000 on or before 36 months following the Listing Date; and
 - iv. an additional \$750,000 on or before 48 months following the Listing Date.

Upon the Optionee completing the payments, share issuance and Expenditures pursuant to this Section 2.2, and subject to compliance the terms herein, the Optionee will provide notice to the Optionor that it is exercising the Option, and the Option will be irrevocably deemed to have exercised on the date of receipt of such notice.

2.3 Transfer of Title

Upon the Optionee having exercised the Option and provided notice thereof in accordance with Section 2.2, the Optionor will within 10 business days of receipt of such notice transfer title to the Property free and clear of all encumbrances, other than the Royalty, in accordance with this Agreement.

2.4 Accelerated Exercise

The Optionee may, at its sole option, accelerate the exercise of the Option at any time prior to the Option Expiry Date and after the Listing Date by completing the applicable Option exercise requirements set out in Section 2.2.

2.5 Listing Date

The Optionor will have the right to terminate this Agreement in the event the Listing Date has not occurred on that date which is 210 days from the date of this Agreement (the “**Expiry Date**”), by providing written notice of termination to the Optionee. The parties agree that the Optionee will have an automatic 60 day extension to the Expiry Date in the event the Optionee has received a preliminary receipt for a prospectus filed in one or more provinces of Canada on or prior to the Expiry Date, and has substantially addressed all outstanding comments of the applicable securities regulator and the Exchange such that the Listing Date would reasonably be expected to occur within the extension period.

2.6 Adjustment

In connection with the issuances of the Optionee Shares to the Optionor pursuant to this Agreement, the Parties agree that following the Listing Date, the following will apply:

- (a) In the event of a subdivision of the Optionee Shares, or other similar dilutive changes in the Optionee’s share capital, including any adjustment arising from a merger, acquisition or plan of arrangement (a “**Subdivision**”) within 24 months of the Listing Date, the Optionor will not be entitled to such proportionate increase to the number of Optionee Shares issued or issuable to it under this Agreement. In furtherance of this covenant, the Optionor hereby irrevocably appoints the Chief Executive Officer of the Optionee as its attorney-in-fact and authorizes such officer as its attorney-in-fact to take all such actions to cancel any such additional Optionee Shares which may be issued upon completion of a Subdivision but that are not permitted under this Section 2.6(a).
- (b) The Optionor acknowledges and agrees that the Optionee shall make a notation on its records or give instructions to the transfer agent of the Optionee Shares in order to implement the Subdivision restrictions by adding any legend or notation on the certificate(s) or other evidence representing the Shares. So long as the Optionor beneficially controls the Optionee Shares, it will provide the Optionee with the registered name or brokerage account the Optionee Shares are held under so that the Optionee may instruct its transfer agent to not issue additional shares to the Optionor in the event of a Subdivision.
- (c) The Optionor hereby acknowledges that the Optionee’s ability to issue securities is subject to applicable securities laws and to the rules and policies of any stock exchange on which the Optionee Shares may in future be listed and the securities issuable to the Optionor hereunder will be subject to resale restrictions imposed by applicable securities legislation and the rules of any stock exchange on which the Optionee Shares may in future be listed, which rules may require that a restrictive legend be placed on all certificates delivered to the Optionor under this Agreement, and the Optionor covenants and agrees with the Optionee to accept and abide to all such resale restrictions.

ARTICLE 3 RIGHTS AND OBLIGATIONS

3.1 The Optionor's Obligations

During the existence of the Option the Optionor shall cooperate in good faith with the Optionee and shall, inter alia, make available all such data, records, drill core, samples, test results and similar information on the Property as is in the possession of the Optionor, and shall not, other than as permitted in this Agreement, vary or otherwise amend the Optionor's 100% interest in, or the rights to the Optionor's 100% interest in, the Property without the prior written agreement of the Optionee.

3.4 Operational Control of the Property

(a) During the period between the Signing Date and the Termination Date, the Optionee shall have operational control of Property and shall manage the project in a professional and miner-like manner to ensure that the Expenditures pursuant to Section 2.2 are expended on:

- (i) the maintenance of the title to Property in good standing, including the filing of all assessment work;
- (ii) obtaining all necessary permits required to conduct work on the Property, and paying any required reclamation bonds in connection therewith; and
- (iii) work which will focus on the evaluation, exploration, drilling, geophysical studies, analyses, reports, test-work and other work as may be reasonably expected to advance the property.

(b) The Optionor will have the right to visit the Property at its sole risk and expense to inspect work being conducted thereon by the Optionee provided reasonable notice is provided to the Optionee, and the Optionor complies with all site visit safety requirements reasonably requested by the Optionee.

(c) The Optionee will develop reasonable work programs and timetables to support the Expenditures on the Property in accordance with the timing requirements of Section 2.2.

(d) The Optionee will keep the Property free and clear of all Encumbrances (except the Royalty, liens for taxes not yet due, other inchoate liens and liens contested in good faith by the Optionee) and will proceed with all diligence to contest and discharge any such Encumbrance that is filed;

(e) The Optionee will deliver to the Optionor, on request of the Optionor not to exceed on a semi-annual basis, reports with respect to the exploration and development of the Property, and all factual maps, reports, assay results and other factual data and documentation relating to the Operations. The Optionor will be entitled to audit any Expenditures incurred by the Optionee as set out in the reports at the Optionor's sole expense provided the Optionee will cooperate with such audit.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties by The Optionor

- (a) The Optionor represents and warrants to the Optionee that:
- (i) the Optionor is the recorded and beneficial holder of a 100% interest in the Property, and such Property is properly described in Schedule A hereto;
 - (ii) the Property is in good standing with the government of British Columbia, and all fees, assessments or other payments required to be made relating to the Property have been made;
 - (iii) the Property is free and clear of all liens, charges and encumbrances other than the Royalty;
 - (iv) no Court actions or regulatory proceedings have been commenced or threatened which could have the effect of encumbering the interest of the Optionor in the Property, or which might cause the interest in the Property to be encumbered or to cause its existence to be threatened or terminated;
 - (v) the Property does not, to the best of the Optionor's knowledge, on due inquiry of its directors and officers, contain any hazardous or toxic material, pollution or other adverse environmental conditions that may give rise to any environmental liability under any applicable environmental laws, regulations, rules or by-laws of the Optionor, nor is the Optionor aware of any pending or threatened, notice of non-compliance with any environmental laws, regulations, rules or by-laws;
 - (vi) the Optionor has not received from any government or regulatory authority, any notice of or communication relating to any actual or alleged environmental claims, and there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Property or any Operations carried out on the Property.
 - (vii) the Optionor has not granted any other agreements of any nature or kind which could be breached by the execution and consummation of this Agreement;
 - (viii) the Optionor has obtained all corporate authorizations for the execution of this Agreement and the performance of this Agreement, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements or court orders to which the Optionor is a party or subject, or of its Articles or constituting documents; and
 - (ix) to the best of the Optionor's knowledge, on due inquiry of its directors and officers, there are no pending or potential claims by any person, government, quasi-government, self-governing nation, or other entity or group, concerning or that may involve the Property in any manner, including first nations, landholder or similar claims or potential claims.
- (b) The Optionor acknowledges that the representations and warranties given by it Section 4.1 above form part of this Agreement and are conditions upon which the Optionee has relied in entering into this Agreement.
- (c) The Parties also acknowledge and agree that the representations and warranties set forth above are provided for the exclusive benefit of the Optionee and a breach of any one or more of them may be

waived by the Optionee in whole or in part, at any time, without prejudice to its rights in respect of any other breach of the said representations and warranties that may occur.

4.2 Representations and Warranties by the Optionee

- (a) The Optionee represents and warrants to the Optionor that:
 - (i) it has been duly incorporated in the Province of British Columbia and exists as a corporation in good standing under the laws of British Columbia;
 - (ii) it has obtained all of the corporation authorizations for the execution of this Agreement and the performance of this Agreement by it, and the consummation of the transactions hereinto contemplated will not conflict with or result in any breach of any Agreements, court orders or regulations to which it is a party or subject, or of its Articles or constituting documents;
 - (iii) no proceedings are threatened or pending against it in any Court or by any regulatory authority.
- (b) The Optionee acknowledges that the representations and warranties given by it in Section 4.2 above form part of this Agreement and are conditions upon which the Optionor has relied in entering into this Agreement.
- (c) The Parties also acknowledge and agree that the representations and warranties set forth above are provided for the exclusive benefit of the Optionor and a breach of any one or more of them may be waived by the Optionor in whole or in part, at any time, without prejudice to its rights in respect of any other breach of the said representations and warranties that may occur.

ARTICLE 5 ABANDONMENT AND AREA OF INTEREST

5.1 Limitation on Acquisitions

Each of the Parties hereby covenants and agrees with the other Party that it will not directly or indirectly acquire, nor will it permit any Affiliate to directly or indirectly acquire, any Mineral Rights (or interests therein) located wholly or in part within the Area of Interest unless such Mineral Rights are made subject to the terms of this Agreement and the acquiring Party (or, if an Affiliate of a Party has completed the acquisition, then such Affiliate, in either case referred to as the “**Acquiring Party**”) complies with the provisions of this Article 5 **Error! Reference source not found..**

5.2 Acquisition of Additional Property

Forthwith upon completing an acquisition of Mineral Rights (or interest therein) located wholly or in part within the Area of Interest, the Acquiring Party will give notice thereof to the other Party within 30 days, setting out the location of the Mineral Rights and all information known to the Acquiring Party and its Affiliates about such Mineral Rights and any interests therein, the costs of acquisition and all other pertinent details relating thereto. Upon receipt of such Notice, the notified Party will have a period of 30 days to elect, by notice to the Acquiring Party, to include such Mineral Rights (or interest therein) in the Property and make them subject to the terms of this Agreement. Upon such election, and except with respect to the Expenditures set out in Section **Error! Reference source not found.**, such Mineral Rights (or interest

therein) will constitute additional property for inclusion in the Property (an “**Additional Property**”) thereafter for all purposes of this Agreement and the following provisions will apply:

- (a) if the Acquiring Party is the Optionor, then the Optionee will reimburse the Optionor for the acquisition costs that the Optionor or its Affiliate has incurred, and, when reimbursed by the Optionee, the acquisition costs for any Additional Property will be deemed to constitute Expenditures hereunder;
- (b) if the Acquiring Party is the Optionee, the acquisition costs for any Additional Property will be deemed to constitute Expenditures hereunder; and
- (c) the Parties agree that any Additional Properties will be registered in the name of the Optionor.

5.3 Notice of Rejection

If, within the 30 day period referred to in Section 5.2, the notified Party does not give the notice referred to in Section 5.2, it will be deemed to have consented to the exclusion of the Mineral Rights in question from the Area of Interest, which may thereafter be held or dealt with by the Acquiring Party or its Affiliate free of the terms and conditions of this Agreement.

5.4 No Abandonment

Neither Party will abandon or surrender any of the Mineral Rights or Other Rights comprising the Property without the prior written consent of the other Party.

ARTICLE 6 SALE OF OPTIONEE SHARES

6.1 Restrictions on Sales and Right of First Refusal

Following the Listing Date, if the Optionor desires to directly or indirectly, sell, transfer or otherwise dispose of any of its Optionee Shares it will prior to proceeding with such sale provide the Optionee with written notice of the intention to sell, which notice will include the number of shares and proposed or deemed sale price (or specify it will be a market sale through the facilities of a stock exchange at the market price). Following receipt of such notice, the Optionee will have 5 business days to elect by notice in writing to the Optionor to purchase the shares at the price specified in the notice within 30 days of such election, provided that if market price is specified in the notice, then the price will be equal to the closing market price on the first trading day immediately following the date of receipt of the notice. If the Optionee elects not to purchase the shares specified in the notice, then the Optionor may proceed to sell the number of shares at the price (or market price as applicable) specified in the notice, which sale must be completed no later than 30 days from the date of the notice, or this paragraph will again apply to any sale of such shares thereafter. This paragraph will apply to each proposed sale of Optionee Shares by the Optionor.

ARTICLE 7 FORCE MAJEURE

7.1 Force Majeure

If the Optionee is at any time during the term of this Agreement either prevented or delayed in complying with any provisions of this Agreement by reason of a Force Majeure, the time limited for the performance by the Optionee of its requirements and obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay. The Optionee shall give prompt notice to the Optionor of each event of force majeure under this Section 7.1, and upon cessation of such event shall furnish the Optionor with notice to that effect together with particulars of the number of days by which the requirements or obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

ARTICLE 8 TERMINATION

8.1 Termination by the Optionee

Notwithstanding any other provisions of this Agreement it is acknowledged that this is an option agreement only and the Optionee may at any time elect, by notice to the Optionor, that it is terminating the Option as of a date which shall be not less than 14 days after the date of the giving of the notice (“**Termination Notice**”). Upon the expiry of the said 14 days the Option will terminate and the Optionee will thereafter have no rights or obligations hereunder (the date that the said 14 days expires being hereinafter referred to as the “**Option Termination Date**”).

If the Optionee gives a Termination Notice it shall, on or before the Option Termination Date, cause the delivery to the Optionor of all records, data, reports, studies and other information, whether written or electronic, that the Optionee may have in its possession or control with respect to work and analysis that may have been done on the Property under the direction of the Optionee or its nominees.

8.2 Termination by Optionor

- (a) If the Optionee shall fail to satisfy any of the requirements set forth herein, the Optionor may, at any time prior to the subsequent satisfaction of such requirement, give to the Optionee a notice (“**Default Notice**”) which shall at least:
 - (i) describe the default alleged to have been committed by the Optionee; and
 - (ii) set forth a date (the “**Remedy Deadline**”) which shall not be less than 30 days following the date of the giving of the Default Notice before which the Optionee shall have the right to remedy the default and satisfy the relevant requirement.
- (b) If the Optionor gives a Default Notice and the Optionee does not remedy the default by the Remedy Deadline the Option will terminate at 5:00 p.m. Vancouver local time on the Remedy Deadline, without the requirement that the Optionor give further notice to the Optionee.

- (c) If the Option is terminated pursuant to Section 8.2 the Optionee shall, within 14 days after the Remedy Deadline, cause the delivery to the Optionor of all records, data, reports, whether written or electronic, and all core or other samples, that the Optionee may have in its possession or control with respect to work that may have been done on the Property under the direction of the Optionee or its nominees.
- (d) Notwithstanding any of the other wording hereof, if the Optionee shall fail to fulfil any requirements set forth herein by the required date it shall not be considered in default, and the Optionor may not deliver a Default Notice, if at such date the Optionor has failed to satisfy its obligations pursuant to Section 3.1 of this Agreement. In such case the Optionee shall have 30 days to satisfy and remedy what would otherwise be a default by it measured from the date that the Optionor shall have satisfied the Section 3.1 obligation which it had theretofore failed to satisfy.

ARTICLE 9 ARBITRATION

9.1 Arbitration

- (a) The Parties agree that all questions or matters in dispute between them shall be submitted to arbitration pursuant to the terms hereof.
- (b) It shall be a condition precedent to the right of each Party to submit any matter to arbitration pursuant to the provisions hereof that any Party intending to refer any matter to arbitration shall have given not less than 30 days' prior written notice of its intention so to do to the other Party together with particulars of the matter in dispute. On the expiration of such 30 days, the Party who gave such notice may proceed to refer the dispute to arbitration as provided for in Subsection 9.1(c) hereof.
- (c) Any matter submitted to arbitration hereunder will be conducted before a single arbitrator appointed by the then President of the British Columbia Engineers and Geoscientists Association under the provisions of the *Commercial Arbitration Act* (British Columbia), or, failing such appointment, by another arbitrator appointed under the provisions of said Act. The arbitrator shall fix a time and place in Vancouver, British Columbia for the purpose of hearing the evidence and representations of the Parties, and shall preside over the arbitration and determine all questions of procedure not provided for under such Act or this paragraph. After hearing evidence and representations that the Parties submit, the arbitrator shall make any award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.
- (d) The Parties agree that the award of the arbitrator shall be final and binding upon each of them.

ARTICLE 10 NOTICE

10.1 Notices and Payments

Any notice, demand, or other communication under this Agreement will be given in writing and must be delivered to the Registered Office of the intended recipient or to a director or officer of the intended recipient, or sent by email and addressed to the Party to which it is being given to the following email addresses:

Blue Lagoon Resources Inc. - ranavig@gmail.com

Gama Exploration Inc. - aclarmour@gmail.com

If a notice, demand payment or other communication is sent by email or is delivered, it will be deemed to have been received on the next business day following the day of transmission or delivery. All payments required to be made under this Agreement shall be paid to the bank account of the intended payee as from time to time designated by notice to the other Party.

ARTICLE 11 GENERAL

11.1 Further Assurances

Each of the Parties hereto agrees to do and/or execute all such further and other acts, deeds, things, devices, documents and assurances as may be required in order to carry out the true intent and meaning of this Agreement.

11.2 Costs

Each of the Parties hereto will be responsible for paying their own costs relating to the preparation and execution of this Agreement.

11.3 Entire Agreement

The Parties hereto agree that the terms and conditions of this Agreement shall supersede and replace any other agreements or arrangements, whether oral or written, heretofore existing between the Parties in respect of the subject matter of this Agreement.

11.4 Currency

All references to monies herein are to Canadian dollars.

11.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

11.6 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and each of their successors and permitted assigns, as the case may be.

11.7 Counterpart Signing

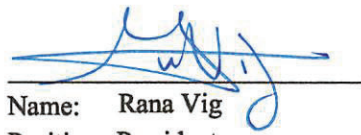
This Agreement may be signed by the Parties in counterpart, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument.

11.8 Assignment

This Agreement may be assigned by any party hereto with the consent of the other party, not to be unreasonably withheld. In general, provided the assignee can demonstrate that it has the financial and technical capability to perform the obligations of the assigning party hereunder, it would be reasonable to agree to such assignment.

IN WITNESS WHEREOF the Parties have caused this Agreement to be signed by their duly authorized signatures.

LLOYD MINERALS INC.



Name: Rana Vig
Position: President

GAMA EXPLORATIONS INC.



Name: Allan Larmour
Position: President

SCHEDULE “A”
to the Option Agreement dated December 6, 2021 between
Lloyd Minerals Inc. and Gama Explorations Inc.

DESCRIPTION OF MINERAL CLAIMS AND ROYALTY

Title Number	Claim Name	Owner	Issue Date	Good To Date	Status	Area (ha)
521374	None	Lloyd Minerals	Oct 20, 2005	Sep 15, 2030	Good	726.95
521375 ⁽¹⁾	Onion Extension 1	Lloyd Minerals	Oct 20, 2005	Sep 15, 2030	Good	465.89
521376 ⁽¹⁾	Onion Extension 2	Lloyd Minerals	Oct 20, 2005	Sep 15, 2030	Good	55.91
568627	None	Lloyd Minerals	Oct 25, 2007	Sep 15, 2030	Good	466.20
570621	Little Onion	Lloyd Minerals	Nov 24, 2007	Sep 15, 2030	Good	372.99
588893	None	Lloyd Minerals	Jul 25, 2008	Sep 15, 2030	Good	149.13
604467	Onion E1	Lloyd Minerals	May 13, 2009	Sep 15, 2030	Good	465.86
604468	Onion E2	Lloyd Minerals	May 13, 2009	Sep 15, 2030	Good	466.09
610003	Onion NW4	Lloyd Minerals	Jul 22, 2009	Sep 15, 2013	Good	37.29
1040606	Onion SE	Lloyd Minerals	Dec 18, 2015	Dec 15, 2026	Protected	503.52
1043406	Onion W	Lloyd Minerals	Apr 11, 2016	Dec 15, 2026	Protected	279.75
1043407	Onion S	Lloyd Minerals	Apr 11, 2016	Dec 15, 2026	Protected	354.42
1043408	Onion SE2	Lloyd Minerals	Apr 11, 2016	Dec 15, 2026	Protected	149.72

(1) Claims are subject to an aggregate 3% net smelter return royalty pursuant to an agreement dated October 20, 2005 between 0737141 B.C. Ltd., a private company wholly-owned by Lloyd Tattersall, and Eagle Peak Resources Inc. 0737141 B.C. Ltd. reduced its royalty to 1.875% by transfer of a 1.125% net smelter return royalty to Metal Mountain. The royalties may be reduced by 0.25% increments in exchange for payment of \$250,000 per increment.