OPTION AGREEMENT

MADE BETWEEN

TAURUS GOLD CORP.

AND

1011308 BC LTD.

IN RESPECT OF THE

MT. NANSEN PROPERTY, WHITEHORSE DISTRICT,YUKON

AUGUST 18, 2020

OPTION AGREEMENT

THIS AGREEMENT made as of the 18th day of August, 2020

BETWEEN:

TAURUS GOLD CORP. a corporation incorporated under the laws of the Province of Alberta, hereinafter referred to as **"TGC".**

-AND-

1011308 BC. LTD. a corporation incorporated under the laws of the Province of British Columbia, hereinafter referred to as the "**Company**"

WHEREAS:

(A) The Company is the recorded legal and beneficial holder of the Properties (as hereinafter defined);

(B) Subject to the terms of the Agreement, the Company has agreed to grant to TGC the exclusive and irrevocable right and option to acquire up to a 100% undivided interest in the Properties;

(C) The Parties acknowledge that the purchase of the option is intended to constitute TGC's qualifying property for the purpose of meeting the initial listing requirements of the Exchange; and

(D) Upon TGC electing to earn less than a 100% interest in the Properties, the parties have agreed to form a joint venture to further explore and develop the Properties, all upon and subject to the terms and conditions hereinafter set out.

NOW THEREFORE THIS AGREEMENT WITNESSES that for and in consideration of the mutual covenants hereinafter set out and for other good and valuable consideration the Parties agree as follows:

SECTION 1 INTERPRETATION

1.1 Definitions

For the purposes of this Agreement, except as otherwise defined herein, the following capitalized words and phrases when used herein have the following meanings:

"**Additional Properties**" means any Mineral Rights or Other Rights, or any interest therein, covering property within the Area of Interest and which become a part of the Properties as contemplated in Section 15.

"**Affiliate**" means, in respect of a Person, a corporation with which that Person is affiliated where:

(a) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same Person; and

(b) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

"**Agreement**" means this option agreement including any schedules thereto.

"**Annual Report**" means a comprehensive report of work performed on the Properties, Expenditures incurred, and the results obtained therefrom in a respective calendar year commencing on the Effective Date or such respective anniversary thereof.

"**Area of Interest**" means any Mineral Rights or Other Rights lying wholly or partially within a 5-kilometer radius of the outermost boundaries of the Properties.

"**Assets**" means the Properties, and any maps, drill core, samples, assays, geological and other technical reports, studies, designs, plans and financial or other records related to the Properties in the possession or under the control of the Company as of the date hereof, or thereafter acquired by any Party, together with exploration tools, supplies and equipment thereafter acquired by the Parties, if the costs of any such acquisition are included in Expenditures made hereunder.

"**Business Day**" means any day other than a Saturday, Sunday or day on which banks in Vancouver, British Columbia are generally not open for business.

"**Commercial Production**" means the date commercial production is declared pursuant to the terms of any Project Financing; however, if there is no Project Financing or if such Project Financing terms do not provide for such declaration then such term will mean the operation of all or part of the Properties as a producing Mine as contemplated by a Feasibility Study, but does not include bulk sampling or milling for the purpose of testing or milling by a pilot plant, and will be deemed to have commenced on the first day of the month following the first 30 consecutive days during which Minerals have been produced from a Mine at an average rate of not less than 75% of the initial rated capacity if a plant is located on the Properties or if no plant is located on the Properties, the last day of the first period of 30 consecutive days during which ore has been shipped from the Properties on a reasonably regular basis for the purpose of earning revenues, whether to a plant or facility constructed for that purpose or to a plant or facility already in existence.

"**Direct Project Costs**" means all direct charges, costs or expenditures (other than the indirect charge for general administrative services and overhead expenses referred to in the definition of Expenditures) and all capital charges, expenditures or costs incurred on or in connection with Operations, without duplication, and shall, without limiting the generality of the foregoing, include the cost of all work actually carried out in connection with Operations hereunder (including pre-production work, surface and underground Exploration and development work, driving adits, raises and drifting and shaft sinking) as well as the cost of metallurgical and/or engineering work required to ensure adequate recoveries of metals contained in the minerals, ores and concentrates produced or derived from the Properties. In addition, Direct Project Costs shall include the costs of all of the Operator's technical personnel who may, from time to time, provide services with respect to the Properties. Such costs shall be charged out at rates normal to the industry and on the basis of the time actually spent by such personnel on projects related to Operations.

"**Earned Interest**" means an undivided right title and ownership interest in the Assets and, if formed, the Joint Venture.

"**Encumbrance**" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, royalty, restrictive covenant or other encumbrance of any nature.

"**Environmental Claim**" 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 such Environmental Law, including, without limitation:

(a) any and all claims by a Governmental Body or regulatory authorities for enforcement, clean-up, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law; and

(b) 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 thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.

"**Environmental Law**" means all requirements of the common law or of environmental, health or safety statutes, regulations, rules, ordinances, policies, orders, approvals, notices, licenses permits or directives of any federal, territorial, provincial, state or local judicial, regulatory or administrative agency, board or governmental authority including, but not limited to those relating to:

(a) noise,

(b) pollution or protection of the air, surface water, ground water or land,

(c) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation,

(d) exposure to hazardous or toxic substances, or

(e) the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of any lands.

"**Exchange**" means the Canadian Securities Exchange;

"**Execution Date**" means the date of this Agreement.

"**Existing Royalties**" means the 3% net smelter return royalty that is held by the parties set out below in respect of the minerals from the Mineral Rights described in this Agreement, as follows:

(a) a 1.5% net smelter returns royalty on the minerals from the Mineral Rights described in Schedule A payable to Richard Coglon; and

(b) a 1.5% net smelter returns royalty on the minerals from the Mineral Rights described in Schedule A payable to Robert Sim.

"**Expenditures**" means all costs and expenses of whatever kind or nature spent or incurred by or on behalf of TGC, directly or indirectly, from the Effective Date in the conduct of Exploration, development, construction and mining activities on or in relation to the Properties including costs and expenses incurred:

(a) in holding the Properties in good standing with all applicable Governmental Bodies (including land maintenance costs and any monies expended as required to comply with applicable laws and regulations, such as for the completion and submission of assessment work and filings required in connection therewith), in curing title defects (not including

any payments due to previous owners) and in acquiring and maintaining surface and other ancillary rights;

(b) in preparing for and in the application for and acquisition of environmental and other permits necessary or desirable to commence and complete Exploration, development, construction or mining activities;

(c) in doing geophysical and geological surveys, drilling, assaying and metallurgical testing, including costs of assays, metallurgical testing and other tests and analyses to determine the quantity and quality of Minerals, water and other materials or substances;

(d) in conducting engineering work as required for work programs or preparation of the Preliminary Economic Assessment and a Feasibility Study or a report in compliance with National Instrument 43-101 or any other reasonable evaluation of the Properties;

(e) in the preparation of work programs and the presentation and reporting of data and other results thereof including any program for the preparation of a Feasibility Study or other evaluation of the Properties and reports required to be delivered to the Company under this Agreement;

(f) for environmental remediation and rehabilitation;

(g) before the formation of the Joint Venture, in procuring the use of facilities, equipment or machinery and for all parts, supplies and consumables;

(h) after the formation of the Joint Venture, in acquiring facilities, equipment or machinery, or the use thereof, and for all parts, supplies and consumables (and for greater certainty the foregoing shall be deemed to be assets of the Joint Venture);

(i) for salaries and wages for employees assigned directly to Exploration, development, construction and mining activities on or in relation to the Properties;

(j) travelling expenses and fringe benefits (whether or not required by law) of all persons engaged directly in work with respect to and for the benefit of the Properties, including for their food, lodging and other reasonable needs;

(k) payments to contractors or consultants for work done, services rendered, or materials supplied;

(l) all taxes levied against or in respect of the Properties, or activities thereon, and the cost of insurance premiums and performance bonds or other security;

(m) all costs incurred in the acquisition of Additional Properties;

(n) all Direct Project Costs, to the extent not covered in paragraphs (a) through (m) above;

(o) all expenses that are incurred in having the designated representatives of the Company attend Management Committee meetings as contemplated under Section 8.9 and

(p) a fee for management of the Project, which fee, with respect to Expenditures listed in paragraphs (b)-(g), (i)-(k) and (n) above and incurred for Exploration during the First Option Period, Second Option Period and the Third Option Period, will be as follows:

(i) 2% for each individual contract which expressly includes an overhead charge by the party contracted;

(ii) 5% for each individual contract which exceeds $50,000 and is not subject to paragraph (A) hereof; or

(iii) 10% of all other Expenditures incurred for Exploration not included in paragraphs (A) and (B).

"**Exploration**" means and includes all surface, subsurface or depth investigations for purposes of discovering the existence, location, quantity, quality, characteristics or commercial value of deposits of Minerals, including any geological, geophysical and remote sensing techniques, drilling, and laboratory testing and assays carried out in connection with the foregoing activities.

"**Feasibility Study**" means a detailed report, commissioned on the basis of parameters unanimously agreed to by members of the Management Committee, prepared in compliance with NI 43-101 and in form and substance sufficient for presentation to arm's length institutional lenders, considering financing a Mine or bringing a deposit of Minerals on the Properties into Commercial Production, showing that the placing any part of the Properties into Commercial Production is feasible and should be profitable (at least at industry standard minimum rates of return) and will include a reasonable assessment of all relevant issues including, the various categories of ore reserves and their amenability to metallurgical treatment, a complete description of the work, equipment and supplies required to bring such part of the Properties into Commercial Production and the estimated cost thereof, a description of the mining methods to be employed and a financial appraisal of the proposed operations and including at least the following:

(a) a description of that part of the Properties to be covered by the proposed Mine;

(b) the estimated recoverable reserves of Minerals and the estimated composition and content thereof;

(c) the proposed procedure for development, mining and production;

(d) results of ore amenability treatment tests (if any);

(e) the nature and extent of the facilities proposed to be acquired, which may include mill facilities if the size, extent and location of the ore body makes such mill facilities feasible, in which event the study will also include a preliminary design for such mill;

(f) the total costs, including capital budget, which are reasonably required to purchase, construct and install all structures, machinery and equipment required for the proposed Mine, including a schedule of timing of such requirements;

(g) all environmental impact studies and costs of implementation;

(h) the length of time required in which it is proposed the proposed Mine will be brought to Commercial Production;

(i) such other data and information as are reasonably necessary to substantiate the existence of an ore deposit of sufficient size and grade to justify development of a Mine, taking into account all relevant business, tax and other economic considerations including a cost comparison between purchasing or leasing and renting of facilities and equipment required

for the operation of the proposed Mine; and

(j) initial working capital or working capital requirements for such longer period as may be reasonably justified in the circumstances.

"**First Option Exercise Date**" means the date of delivery to the Company of the First Option Exercise Notice.

"**Governmental Body**" means any government, parliament, legislature, or any regulatory authority, agency, commission or board of any government, parliament or legislature, or any court or (without limitation to the foregoing) any other law, regulation or rule-making entity (including any central bank, fiscal or monetary authority or authority regulating banks), having or purporting to have jurisdiction in the relevant circumstances, or any Person acting or purporting to act under the authority of any of the foregoing (including any arbitrator).

"**Holder**" means a holder of TGC common shares from time to time.

"**Joint Venture Company**" means a company incorporated for the purpose of carrying out the Joint Venture.

"**Joint Venture Election**" means the election, or deemed election of TGC pursuant to Section 6.5 to have a joint venture deemed constituted as set out in Section 11.1.

"**Joint Venture Expenditures**" has the meaning set out in the JV Terms.

"**Joint Venture Property**" has the meaning set out in the JV Terms.

"**JV Terms**" means the Joint Venture terms attached hereto as Schedule B.

"**Liability**" means:

(a) any debt, obligation, liability, loss, charge, expense, penalty, payment, cost or damage (including legal fees on a solicitor client basis and any consulting fees and disbursements) of any kind and however arising, including penalties, fines and interest and including those which are prospective or contingent and those the amount of which is not ascertained or ascertainable; or

(b) a demand, claim, action or proceeding however arising and whether present, unascertained, immediate, future or contingent whether at law, in equity, under statute, contract or otherwise.

"**Mine**" means the workings established and the property acquired, including plant and concentrator installations, processing facilities, infrastructure, mining plant and equipment, stores, consumables, housing, airport and other facilities in order to bring the Properties into Commercial Production.

"**Mine Proposal**" means a proposal unanimously approved by the Management Committee which, at a minimum, includes:

(a) the part or parts of the surface area of the Properties required for the conduct of the Operations recommended for a Mine;

(b) the location and delineation of the ore body or ore bodies or area or areas of mineralization

proposed to be mined;

(c) recommendations as to the nature and extent of the Operations recommended for a Mine;

(d) an estimate of the capital expenditure required for the establishment of the Mine recommended;

(e) a copy of a Feasibility Study; and

(f) a detailed program for the construction and commissioning of the Mine recommended which programs must incorporate all of the matters described in clauses (a) to (d) above.

"**Minerals**" means all ores, and concentrates or metals derived therefrom, of precious, base and industrial minerals (including without limitation, diamonds and uranium) and which are found in, on or under the Properties and may lawfully be explored for, mined and sold pursuant to the Mineral Rights and other instruments of title under which any of the Properties is held.

"**Mineral Rights**" means prospecting licenses, exploration licenses, mining leases, mining licenses, mineral concessions and other forms of mineral tenure or other rights to Minerals, or to work upon lands for the purpose of searching for, developing or extracting Minerals under any forms of mineral title recognized under the laws applicable in the Yukon Territory, Canada, whether contractual, statutory or otherwise, or any interest therein.

"**NI 43-101**" means National Instrument 43-101, Standards of Disclosure for Mineral Properties, as implemented and in effect in any Canadian jurisdiction at the applicable time.

"**TGC Shares**" means the shares to be issued by TGC under this Agreement.

"**NSR**" means the net smelter returns royalty on the minerals from the Mineral Rights and Payable to Coglon and Sim, respectively.

"**Operations**" means every kind of work done, or activity performed by the Operator on or in respect of the Properties to carry out or complete Programs including, without limitation, investigating, prospecting, exploring, analyzing, developing, property maintenance, sampling, assaying, preparation of reports, estimates and studies, surveying, rehabilitation, reclamation and environmental protection, and further including the management and administration necessary to conduct the foregoing work or activity.

"**Operator**" means the operator of the Project, which shall be TGC pursuant to this Agreement.

"**Option Period**" means the period during which any of the Options continue to subsist.

"**Options**" means collectively the First Option, the Second Option and the Third Option.

"**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, license or permit in relation to the use or diversion of water, but excluding any Mineral Rights.

"**Participating Interest**" means an undivided beneficial interest in the Properties and the other assets of the Joint Venture expressed as a percentage.

"**Party**" means a party to this Agreement and "**Parties**" means all of them.

“**Person**” means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, governmental agency or board or commission or authority and any other form of entity or organization.

“**Preliminary Economic Assessment**” means a study, other than a pre-feasibility or feasibility study, that includes an economic analysis of the potential viability of mineral resources, commissioned on the basis of parameters unanimously agreed to by members of the Management Committee, prepared in compliance with NI 43-101.

“**Program**” means a written description outlining the Operations which are contemplated to be carried out.

“**Project**” means the Exploration of the Properties and potentially the development, construction, operation and closure and remediation of one or more Mines on the Properties.

“**Project Financing**” means any financing, on terms and conditions unanimously approved by all members of the Management Committee, to fund the placing of a mineral deposit situated on the Properties into Commercial Production pursuant to a Feasibility Study and a Mine Proposal.

“**Properties**” means the Mineral Rights described in Schedule A, and after the Effective Date includes any Additional Property, together with any renewal of any such Mineral Rights and any other form of successor or substitute title therefor, but excluding any Mineral Rights or Other Rights abandoned in accordance with Section 10.6.

“**Quarterly Report**” means a comprehensive report of work performed on the Properties, the Expenditures incurred, and the results obtained therefrom in each consecutive 120-day period following the Effective Date.

“**Representatives**” means the employees, professionals, consultants and agents employed by or contracted to a Party.

“**Rules**” means the Rules of the British Columbia International Commercial Arbitration Centre.

“**Second Option Commencement Date**” means that date that the First Option Exercise Notice and the Second Option Notice are delivered to the Company.

“**Second Option Exercise Date**” means the date of delivery to the Company of the Second Option Exercise Notice.

“**Second Option Period**” means the period between the Second Option Commencement Date and either the date on which the Second Option Exercise Notice is delivered pursuant to Section 5.10. or the termination of the Second Option pursuant to Section 5.12.

“**Securities Commission**” means, the British Columbia Securities Commission and any other Canadian Securities Commission having jurisdiction over the issuances of the TGC Shares as provided for herein.

“**Securities Laws**” means all securities rules, laws, regulations, rulings, instruments, orders and prescribed forms thereunder and the policy statements applying to TGC, including those of the Exchange and the Securities Commission.

"**Third Option Commencement Date**" means that date that the Second Option Exercise Notice and the Third Option Notice are delivered to the Company.

"**Third Option Exercise Date**" means the date of delivery to the Company of the Third Option Exercise Notice.

"**Third Option Period**" means the period between the Third Option Commencement Date and either the date on which the Third Option Exercise Notice is delivered pursuant to Section 6.3 or the termination of the Third Option pursuant to Section 6.6.

"**Transfer Agent**" means a transfer agent empowered to issue TGC Shares

1.2 Included Words

This Agreement will be read with such changes in gender or number as the context requires.

1.3 Headings

The headings to the Sections, subsections or clauses of this Agreement are inserted for convenience only and are not intended to affect the construction hereof.

1.4 Interpretation

Unless the context otherwise requires, in this Agreement:

(a) 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;

(b) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation, code, by-law, ordinance or statutory instrument issued under it;

(c) a reference to writing includes a facsimile or electronic mail transmission and any means of reproducing words in a tangible and permanently visible form;

(d) headings and any table of contents or index are for convenience only and do not form part of this Agreement or affect its interpretation;

(e) a provision of this Agreement shall 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;

(f) the word "including" means "including without limitation" and "include" and, "includes" will be construed similarly;

(g) if an act must be done on a specified day which is not a Business Day, it must be done instead on the next Business Day; and

(h) a reference to a thing (including a right, obligation or concept) includes a part of that thing but nothing in this paragraph 1.4(h) implies that performance of part of an obligation constitutes performance of the obligation.

1.5 Entire Agreement

This Agreement including all Schedules together with the agreements and documents to be delivered pursuant hereto are the full expression of the Parties' intentions and rights and the entire agreement between them pertaining to the Options granted to TGC and the potential Joint Venture between the Parties and supersede all prior agreements, understandings, negotiations and discussions whether oral or written of the Parties. There are no representations, warranties or other agreements between the Parties in connection with the subject matter hereof, except as set forth herein. No amendment or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any other provisions of this Agreement shall be deemed to or shall constitute a waiver of any other provisions nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

1.6 References

Unless otherwise stated, a reference herein to a numbered or lettered Section, subsection, clause or schedule refers to the Section, subsection, clause or schedule bearing that number or letter in this Agreement. A reference to "**this Agreement**", "**hereof**", "**hereunder**", "**herein**" or words of similar meaning, means this Agreement including the schedules hereto, together with any amendments thereof.

1.7 Currency

All dollar amounts expressed herein, unless otherwise specified, refer to lawful currency of Canada.

1.8 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, that Party confirms that it has made due and diligent inquiry of such persons (including appropriate officers, as applicable) as it considers necessary as to the matters that are the subject of the representations and warranties.

1.9 Schedules

The following schedules are attached to and incorporated in this Agreement by reference:

A Properties Description
B JV Terms

1.10 Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, the remaining provisions will nevertheless be and remain valid and subsisting and the said remaining provisions will be construed as if this Agreement had been executed without the illegal, invalid or unenforceable portion.

1.11 Calculation of Time

If any time period set forth in this Agreement ends on a day of the week which is not a Business Day, then notwithstanding any other provision of this Agreement, such period will be extended until the same time of the next following day which is a Business Day.

SECTION 2 CONDITIONS PRECEDENT

2.1 Conditions Precedent

This Agreement and the obligations of the Parties under it are subject to TGC, as soon as possible, but no later than that date that is 60 days after the Execution Date (the "**Effective Date**") having met the following conditions precedent ("**Conditions Precedent**"):

(a) paying to the Company $250,000 ("**Initial Payment**");

(b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares at a deemed price of $0.05 per Share ("**Initial TGC Shares**");

Provided the Conditions Precedent are fulfilled, on or before the Effective Date, TGC will provide written notice to the Company to that effect along with the Initial Payment and the Initial TGC Shares issuance.

2.2 Co-operation

Each Party must, at its own cost, use its reasonable efforts and co-operate with the other Parties to procure satisfaction of the Conditions Precedent as quickly as possible.

2.3 No Waiver

The Conditions Precedent cannot be waived or extended unless agreed in writing by all Parties.

2.4 Non-satisfaction

If the Effective Date does not occur within 30 days of the Execution Date, any Party may:

(a) by written notice to the other Party terminate this Agreement; or

(b) extend the Effective Date with the written consent of the other Party on one or more occasions.

2.5 Rights on Termination

If this Agreement is terminated under Section 2.4(a) then, in addition to any other rights, powers or remedies provided by law:

(a) this Agreement will be at an end; and

(b) each Party is released from its obligation to further perform this Agreement except the obligations of confidentiality under Section 13.

SECTION 3 REPRESENTATIONS AND WARRANTIES

3.1 Mutual Representations and Warranties

Each Party represents and warrants to the other Parties hereto that, as of the Execution Date and the Effective Date:

(a) if it is a body corporate, then it is duly incorporated or continued and duly organized and validly subsisting under the laws of its organizational jurisdiction and it has full power and authority to carry on its business and to enter into this Agreement and to carry out the provisions contained in this Agreement;

(b) neither the execution and delivery of this Agreement nor the consummation of the transactions hereby contemplated conflict with, result in the breach of or accelerate the performance required by any agreement to which it is a party;

(c) the execution and delivery of this Agreement do not violate or result in the breach of the laws of any jurisdiction applicable to a Party or pertaining thereto or, if it is a body corporate, then of its organizational documents;

(d) if it is a body corporate, then all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder; and

(e) this Agreement constitutes a legal, valid and binding obligation of the Party enforceable against it in accordance with its terms.

3.2 The Company Representations and Warranties

The Company does hereby represent and warrant to TGC that, as of the Execution Date and the Effective Date:

(a) The Company and each of its Affiliates is, in all material respects, conducting its respective business in compliance with all applicable laws, rules and regulations (including all material applicable Canadian federal, provincial, state, municipal, and local environmental and licensing laws, regulations and other lawful requirements of any governmental or regulatory body) of each jurisdiction in which its respective business is carried on and each is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated and all such licenses, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of a material non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of a material non-compliance with any such laws, regulations or permits which could have an adverse material effect on the Company or its Affiliates and each such license, registration, qualification or permit will at the Effective Date be valid, subsisting and in good standing;

(b) The Company has conducted all of its activities on the Properties in material compliance with applicable laws and the Properties are in good standing and have been duly and validly granted under the applicable laws of the Yukon Territory;

(c) the Company is the legal and beneficial owner of 100% of the interests in the Properties, has good and marketable title to the Properties, free and clear of all Encumbrances, whether registered or unregistered, and whether arising by agreement, statute or otherwise, of any and every nature or kind whatsoever, leases, agreements, and adverse claims of any nature and quality whatsoever exception for the Existing Royalties;

(d) There are no underlying agreements or other third party rights with respect to the Properties, exception for the Existing Royalties;

(e) All exploration permits, leases, licenses and mining claim payments, rentals, taxes (including realty and mining taxes), rates, assessments, renewal fees and other fees required by any law, rule or regulation to be paid to a federal, provincial, territorial, regional or local government in respect of the Properties, or any part thereof, have been paid in full; and

(f) No person has any written agreement, option or right or privilege capable of becoming an agreement, for the purchase from the Company of any interest in the Properties;

(g) The Company has made available to TGC all material information in its possession or control relating to work done on or with respect to the Properties;

(h) The Company is not aware of any release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste or substance on, into, under or affecting the Properties. To the knowledge of the Company, no contaminant, pollutant, dangerous or toxic substance or hazardous waste or substance is stored in any type of container on, in or under the Properties. There are no outstanding notices, orders, assessments, directives, rulings or other documents issued in respect of the Properties or any part thereof by any governmental authority pursuant to Environmental Laws. No reclamation, rehabilitation, restoration or abandonment obligations exist with respect to the Properties nor is there any basis for such obligations to arise in the future as a result of prior activity on the Properties; and

(i) There are not any suits, actions, prosecutions, investigations or proceedings, actual, pending or threatened, against or affecting the Company or that relate to or could reasonably be expect to have a material adverse effect on the Company or the Properties;

3.3 TGC Representations and Warranties

TGC represents and warrants to the Company that, as of the Execution Date and the Effective Date:

(a) TGC has all requisite corporate power and authority to create, issue and deliver the TGC Shares, subject to fulfillment of the Conditions Precedent;

(b) TGC is, in all material respects, conducting its respective business in compliance with all applicable laws, rules and regulations (including all material applicable Canadian federal, provincial, state, municipal, and local environmental and licensing laws, regulations and other lawful requirements of any governmental or regulatory body) of each jurisdiction in which its respective business is carried on and each is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned, leased and operated and all such licenses, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of a material non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of a material non-compliance with any such laws, regulations or permits which could have an adverse material effect on TGC or its Affiliates and each such license, registration, qualification or permit will at the Effective Date be valid, subsisting and in good standing;

(c) Except for approval by the Exchange (and any third party consent imposed by them) and any required filings with Securities Commission, no approvals are required under the laws of any applicable jurisdiction or from any third parties for the exercise of the options and acquisition of the Properties by TGC;

(d) the TGC Shares will be authorized for issuance, and will be validly issued and fully paid and non-assessable;

(e) the authorized capital of TGC consists of an unlimited number of TGC Shares, of which, as of the Execution Date, 4,375,000 TGC Shares were outstanding as fully paid and non-assessable shares of TGC;

(f) TGC is not aware of any legislation, or proposed legislation to be enacted or published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, Liabilities (contingent or otherwise) or prospects of TGC or any of its Affiliate;

(g) no order ceasing or suspending trading in any securities of TGC or prohibiting the sale of the TGC Shares or the trading of any of TGC's issued securities has been issued and no proceedings for such purpose are pending or, to the best of TGC's knowledge, information and belief, have been threatened;

(h) except as disclosed in TGC's financial statements, management's discussion and analysis of financial statements and results of operations, information circulars, news releases, material change reports or otherwise available on SEDAR, no person now has any agreement or option or right or privilege (whether at law, in contract or otherwise) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of TGC or any of its Affiliates;

(i) neither TGC nor its Affiliates have any Liability, direct or indirect, which materially adversely affects TGC or its Affiliates or would reasonably be expected to have a material adverse effect on the Properties. Without limiting the generality of the foregoing, neither TGC nor its Affiliates have any material obligation or Liability except those arising in the ordinary course of business none of which is materially adverse to TGC and its Affiliates taken together as a whole;

(j) to the knowledge of TGC, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of TGC or its Affiliates;

(k) there has not been any "reportable event" (within the meaning of National Instrument 51-102) with the present or any former auditor of TGC; and

(l) neither TGC nor any of its Affiliates, nor to the best of TGC's knowledge, information and belief, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by TGC or any of its Affiliates or such other person under any material agreement to which TGC or any of its Affiliates is a party or otherwise bound and all such agreements are in good standing, and no event has occurred which with notice or lapse of time or both would constitute such a default by TGC, its Affiliate or, to the best of TGC's knowledge, information and belief, any other party under any such agreement.

3.4 Survival of Representations and Warranties

The aforesaid representations and warranties are deemed remade as of the Effective Date and the Parties will be relying thereon in entering into this Agreement and they will survive the execution

hereof for a period of two years.

3.5 Covenants

(a) TGC covenants to the Company that as and from the Effective Date and for the Term of this Agreement:

(i) it will use reasonable best efforts to obtain and maintain a listing on an Exchange and it will comply with the rules and regulations of the Exchange; and

(ii) it will use reasonable best efforts to obtain and maintain a status as a "reporting issuer" (or the equivalent thereof) and not in default of such the requirements.

(b) The Company covenants to TGC that, as and from the Effective Date for the Term of this Agreement, the Company shall not, without the prior written consent of TGC, create, or permit to remain, Encumbrances, whether registered or unregistered, and whether arising by agreement, statute or otherwise, of any and every nature or kind whatsoever, on the Properties, other than the Existing Royalties.

3.6 Indemnity

Each Party will indemnify and save the other Parties harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition made or to be fulfilled by it hereunder. A Party may waive any of such representations, warranties, covenants, agreements or conditions in whole or in part at any time without prejudice of its right in respect of any other breach of the same or any other representation, warranty, covenant, agreement or condition.

SECTION 4: FIRST OPTION

4.1 Grant of First Option

The Company hereby grants to TGC the sole and exclusive right and option, in accordance with the other provisions of this Section 4, on or before the second (2nd) anniversary of the Effective Date ("**First Option Deadline**"), to acquire a 51% Earned Interest, free and clear of all Encumbrances except the Existing Royalties ("**First Option**").

4.2 Conditions of Exercise of First Option

The right of TGC to exercise the First Option and acquire a 51% Earned Interest is conditional on TGC incurring Expenditures ("**First Expenditures Condition**") and causing the issuances of TGC Shares, all in the amounts and at the times specified below:

(a) incurring not less than $2,000,000 in Expenditures on or before the second anniversary of the Effective Date; and

(b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares on or before the second anniversary of the Effective Date;

(collectively, the "**First Option Conditions**").

4.3 Cash in Lieu

TGC may elect to pay to the Company under Section 4.4 the dollar amount equal to any shortfall in Expenditures required to be completed by TGC in accordance to Sections 4.2(a) and 4.2(b) in lieu of incurring such Expenditures, and such amounts will thereupon be deemed to have satisfied such requirement for the incurring of such Expenditures, as applicable.

4.4 Cash Payments

All payments made pursuant to this Agreement and made to the Company will be deemed final and in full satisfaction of all obligations of TGC with respect to that payment to the Company.

4.5 Issuance of TGC Shares

The TGC Shares to be issued under this Agreement are to be issued into the name of, or otherwise as directed by, the Company. Once the TGC Share are issued in good order, then it will be deemed final and in full satisfaction of all obligations of TGC with respect to the TGC Share to be issued hereunder.

4.6 Opinion

If requested by the Company, TGC will obtain and deliver to, or cause to be delivered to the Company an opinion of counsel for TGC to the effect that all necessary steps, consents, approvals and corporate proceedings have been taken and obtained by TGC to duly allot and issue such TGC Shares to the Company as fully paid and non-assessable shares free and clear of all Encumbrances and stating the percentage which the TGC Shares so issued represent of the total number of issued shares then outstanding.

4.7 Resale Restrictions & Escrow

The Company confirms and acknowledges that:

(a) a legend may be placed on the certificates representing the TGC Shares to the effect that except as permitted under applicable Securities Laws the TGC Shares, when issued will be subject to a hold period of 4 months plus 1 day from their date of issuance as required under the Securities Laws, or as otherwise determined in accordance with the policies of the Exchange.

(b) the Exchange, in addition to any restrictions on transfer imposed by Securities Laws, may require any or all of the TGC Shares issued to, or at the direction of, the Company, to be held in escrow and pursuant to the policies of the Exchange and the Company agrees to comply and use its reasonable efforts to cause its shareholders and/or holders of the TGC Shares issued at its direction to comply with all such escrow requirements of the Exchange including the execution and delivery of an escrow agreement.

4.8 Adjustments

(a) In the event of any subdivision of the common shares of TGC, as such shares are constituted on the date hereof into a greater number of common shares, at any time prior to the delivery to the TGC Shares provided for hereunder, if applicable, TGC will thereafter deliver to the Company, at the time or times of delivery of the TGC Shares hereunder, such additional number of shares as result from such subdivision without any additional payment or other consideration therefor.

(b) In the event of any consolidation of the common shares of TGC, as such common shares are constituted on the date hereof into a lesser number of common shares, at any time prior to the delivery to a holder of the TGC Shares provided for hereunder, the number of the TGC Shares to be delivered to the Company hereunder shall thereafter be deemed to be consolidated in like manner and the right to receive the TGC Shares hereunder shall be deemed to be a right to receive common shares of TGC as consolidated.

(c) In the event of any capital reorganization or reclassification of the TGC Shares or the merger or amalgamation of TGC with another corporation at any time prior to the delivery to a Holder of the Shares provided for hereunder, TGC or its successor shall thereafter deliver at the time of delivery of the Shares hereunder, the number of shares of the appropriate class resulting from the capital reorganization, reclassification, merger or amalgamation as such Holder would have been entitled to receive in respect of the number of the Shares had it held such Shares before such capital reorganization or reclassification of the common shares or the merger or amalgamation of TGC with another corporation.

4.9 Opportunity to Remedy

Notwithstanding any other provision in this Agreement, if TGC fails to make any of the payments to be made pursuant to this Agreement, or fails to incur Expenditures and provide an itemized statement under Section 10.3 (and fails to pay cash in lieu pursuant to Section 4.3) in the amounts required and by the times due hereunder, then the Company may provide written notice of such failure. Upon delivery of such notice, TGC will have 30 days to remedy its failure and if it does not remedy such failure, then the First Option will terminate in accordance herewith.

4.10 Excess Expenditures

If in any given year, TGC has funded Expenditures in excess of the amounts under Section 4.2, then the amount of the excess Expenditures in that year will be credited to the following year.

If TGC has funded Expenditures in excess of the amount of the First Expenditure Condition as required under Section 4.2, then the amount of the excess Expenditures will be credited against the Second Expenditure Condition to be funded by TGC. If TGC does not deliver the Second Option Notice or if the Second Option is terminated in pursuant to Section 5.10, then, any Expenditures incurred by TGC after fulfilling the Second Expenditure Condition will be booked as a Joint Venture Expenditures as set out in Section 5.12.

4.11 Exercise of First Option

Subject to TGC satisfying the First Option Conditions, then TGC may, on or before the First Option Deadline, exercise the First Option by delivering to the Company a written notice confirming such satisfaction and confirming exercise of the First Option ("**First Option Exercise Notice**"). If TGC fails to deliver the First Option Exercise Notice by the First Option Deadline and this Agreement has not otherwise been terminated, then the Company may provide written notice of such failure. Upon delivery of such notice, TGC will have 30 days to remedy its failure and if it does not remedy such failure, then the First Option will terminate in accordance with Section 4.12.

4.12 TGC's Election to Terminate

Except for the Initial Payment and the issuance of the Initial TGC Shares which are obligatory and must be made by TGC, the fulfillment of the other First Option Conditions and the giving of the First Option Exercise Notice are within the sole discretion of TGC and TGC may elect at any time,

on or before the First Option Deadline, to terminate the First Option by delivering written notice to that effect to the Company ("**First Option Termination Notice**").

4.13 First Option Termination

The First Option will be of no further force or effect and will automatically terminate if:

(a) subject to TGC first being given the opportunity to remedy pursuant to Section 4.9, TGC has not satisfied one or more of the First Option Conditions as required by the relevant timelines pursuant to Section 4.2;

(b) subject to TGC first being given the opportunity to remedy pursuant to Section 4.11, TGC fails to deliver the First Option Exercise Notice by the First Option Deadline; or

(c) delivers the First Option Termination Notice to the Company.

4.14 Additional Termination Rights

(a) At any time prior to exercise of the First Option the Company shall be entitled to terminate the First Option:

(i) in the event of a material breach by TGC of its covenants, representations or warranties contained in this Agreement by notice in writing to TGC, provided that TGC has not within 30 days following delivery of written notice of such breach, cured such default or, if such default is not capable of being cured in 30 days, begun to cure such default within such 30 days; or

(ii) forthwith if TGC shall generally not pay its debts as such debts become due or TGC shall admit in writing its inability to pay its debts generally as such debts become due or if TGC shall make a general assignment for the benefit of creditors or if any proceedings shall be instituted by or against TGC under any bankruptcy, insolvency or similar law.

(b) In order to terminate the First Option pursuant to Section 4.15(a) the Company must deliver written notice thereof to TGC.

4.15 Termination Consequences

If the First Option is terminated then TGC will acquire no Earned Interest, have no rights to the Assets and shall not be entitled to reimbursement of any Expenditures incurred or monies paid and the Company shall have no obligation to refund any monies paid or expended under this Agreement to TGC or to surrender or transfer any of the TGC Shares issued. Save as detailed at Section 9.2(n), Section 13, Section 14, Section 15 and Section 16, all of which shall survive such termination, no Party will have any further obligations to any other Party or rights with respect to this Agreement. Despite the foregoing the termination will not release or discharge a Party from any Liability that arose or accrued prior to the date of termination.

4.16 Post Termination Obligations

If the Agreement is terminated pursuant to Section 4.14 or 4.15 then:

(a) TGC must ensure that the Properties are in good standing for at least one year following

the termination with all filings and rents paid for that filing period;

(b) TGC must promptly deliver to the Company, all maps, reports, surveys and assays, drill core samples and other results of surveys and drilling and all other reports of information provided to TGC by the Company, or generated by TGC in connection with its activities on the Properties in connection with this Agreement; and

(c) any plant, building, machinery, tools, equipment, camp facilities and supplies owned by TGC or its Representatives ("**TGC Equipment**") and brought and placed upon the Properties in connection with the Exploration and development activities on the Properties will remain TGC's exclusive property and may be removed by TGC at any time within a period of 3 months following the termination of the Agreement but if TGC has not removed all TGC Equipment within that 6 month period, then the TGC Equipment not so removed thereafter will become the property of the Company, and may within a further 3 months be removed by the Company at TGC's expense. All TGC Equipment, until it becomes the Company's property, or is removed from the Properties, will be the sole responsibility of TGC and the Company will have no Liability with regard to it.

SECTION 5: SECOND OPTION

5.1 Grant of Second Option

The Company hereby grants to TGC the sole and exclusive right and option, in accordance with the other provisions of this Section 5, on or before the fourth (4th) anniversary of the Effective Date ("**Second Option Deadline**"), to acquire an additional 25% Earned Interest, for an aggregate 76% Earned Interest, free and clear of all Encumbrances except the Existing Royalties ("**Second Option**").

5.2 Conditions of Exercise of the Second Option

The right of TGC to exercise the Second Option and acquire the additional 25% Earned Interest is conditional on TGC incurring Expenditures ("**Second Expenditures Condition**") and causing the issuances of TGC Shares, all in the amounts and at the times specified below:

(a) having exercised the First Option and, concurrently with the delivery of the First Option Exercise Notice, delivering written notice to the Company stating its intention to pursue the Second Option ("**Second Option Notice**");

(b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares on or before the fourth anniversary of the Effective Date; and

(c) incurring not less than $2,000,000 in Expenditures on or before the fourth anniversary of the Effective Date.

(collectively, the "**Second Option Conditions**").

If TGC fails to deliver the Second Option Notice concurrently with the delivery of the First Option Exercise Notice and this Agreement has not otherwise been terminated, then the Company shall provide written notice of such failure. Upon delivery of such notice, TGC will have thirty (30) days to deliver the Second Option Notice to the Company and failing which, the Second Option will terminate in accordance with Section 5.6(a).

If TGC does not deliver the Second Option Notice or if the Second Option is terminated in pursuant to Section 5.6, then any Expenditures incurred by TGC during the Second Option Period will be booked as a Joint Venture Expenditures as set out in Section 5.7(b).

5.3 Exercise of Second Option

Subject to TGC satisfying the Second Option Conditions, TGC may, on or before the Second Option Deadline, exercise the Second Option by delivering to the Company a written notice confirming such satisfaction and confirming exercise of the Second Option ("**Second Option Exercise Notice**"). If TGC fails to deliver the Second Option Exercise Notice by the Second Option Deadline and this Agreement has not otherwise been terminated, then the Company shall provide written notice of such failure. Upon delivery of such notice and provided the Second Option Conditions are satisfied, TGC will have thirty (30) days to deliver the Second Option Exercise Notice to the Company and if it does not, then the Second Option will terminate in accordance with Section 5.6(c).

Provided that TGC has met its obligations as set out to Sections 5.2 above, TGC may accelerate the Expenditures payable thereunder on the Properties such that, once the Expenditures have been paid, TGC will have acquired the Second Option, subject to TGC providing the Company the Second Option Exercise Notice as set forth in this Section. Upon receipt thereof, the Company's additional 25% Earned Interest rights, title and interest in and to the Properties will immediately vest in TGC.

5.4 TGC's Election to Terminate

For greater certainty, the fulfillment of the Second Option Conditions and the giving of the Second Option Exercise Notice are within the sole discretion of TGC and TGC may elect at any time to terminate the Second Option by delivering written notice to that effect to the Company ("**Second Option Termination Notice**").

5.5 Formation of Joint Venture

At any time during the Second Option Period, TGC shall have the right elect to form the Joint Venture referenced in Section 10, with such joint venture being formed and to be effective on the date of delivery thereof of a written election to the Company.

5.6 Second Option Termination

The Second Option will be of no further force or effect and will automatically terminate if:

(a) subject to TGC first being given the opportunity to remedy pursuant to Section 5.2, the Second Option Notice is not delivered to the Company at the time specified in Section 5.2(a);

(b) TGC has not satisfied one or more of the Second Option Conditions as required by the Second Option Deadline; or

(c) subject to TGC first being given the opportunity to remedy pursuant to Section 5.3, TGC fails to deliver the Second Option Exercise Notice by the Second Option Deadline; or

(d) TGC delivers the Second Option Termination Notice to the Company.

5.7 Termination Consequences

If the Second Option is terminated pursuant to Section 5.6, then:

(a) TGC will have no further right under this Agreement to acquire any additional Earned Interest and shall not be entitled to reimbursement of any Expenditures incurred or monies paid and the Company shall have no obligation to return any of the TGC Shares, or refund any monies paid or expended under this Agreement to TGC or to surrender or transfer any of the TGC Shares issued.

(b) any Expenditures incurred by TGC after fulfilling the Second Expenditure Condition will be booked as Joint Venture Expenditures on behalf of TGC being a party to the JVA and the Company will have their respective deemed Joint Venture Expenditures adjusted such that the respective proportions of the Participating Interests as set out in clause 4.1 of the JV Terms;

(c) the Participating Interests under the JVA will continue to be as set out in clause 4.1 of the JV Terms, subject to future dilution pursuant to the terms of the JVA;

(d) the Joint Venture Expenditures contributed by TGC and the Company continue to be as set out in clause 4.3 of the JV Terms, subject to adjustment pursuant to Section 5.8(b); and

(e) this Agreement will terminate and the terms of the JVA will continue to govern the relationship between the Parties.

5.8 Excess Expenditures

If in any given year, TGC has funded Expenditures in excess of the amounts under Section 5.2, then the amount of the excess Expenditures in that year will be credited to the following year. If TGC has funded Expenditures in excess of the amount of the Second Expenditure Condition as required under Section 5.2, then the amount of the excess Expenditures will be credited against the Third Expenditure Condition to be funded by TGC. If TGC does not deliver the Third Option Notice or if the Third Option is terminated in pursuant to Section 6.6, then, any Expenditures incurred by TGC after fulfilling the Second Expenditure Condition will be booked as a Joint Venture Expenditures as set out in Section 5.7.

SECTION 6: THIRD OPTION

6.1 Grant of Third Option

The Company hereby grant to TGC the sole and exclusive right and option, in accordance with the other provisions of this Section 6, on or before the sixth (6th) anniversary of the Effective Date ("**Third Option Deadline**"), to acquire an additional 24% Earned Interest, for an aggregate 100% Earned Interest, free and clear of all Encumbrances except the Existing Royalties ("**Third Option**").

6.2 Conditions of Exercise of the Third Option

The right of TGC to exercise the Third Option and acquire the additional 24% Earned Interest is conditional on TGC incurring Expenditures ("**Third Expenditures Condition**"), causing the issuances of TGC Shares and delivery of the Preliminary Economic Assessment, all in the amounts and at the times specified below:

(a) having exercised the Second Option and, concurrently with the delivery of the Second Option Exercise Notice, delivering written notice to the Company stating its intention to pursue the Third Option ("**Third Option Notice**");

(b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares on or before the sixth anniversary of the Effective Date;

(c) incurring not less than $2,000,000 in Expenditures on or before the sixth anniversary of the Effective Date; and

(d) delivering the Preliminary Economic Assessment to the Company on or before the Third Option Deadline.

(collectively, the "**Third Option Conditions**").

If TGC fails to deliver the Third Option Notice concurrently with the delivery of the Second Option Exercise Notice and this Agreement has not otherwise been terminated, then the Company may provide written notice of such failure. Upon delivery of such notice, TGC will have thirty (30) days to deliver the Third Option Notice the Company and if it does not, then the Third Option will terminate in accordance with Section 6.6(a).

If TGC does not deliver the Third Option Notice or if the Third Option is terminated in pursuant to Section 6.6, then any Expenditures incurred by TGC during the Third Option Period will be booked as a Joint Venture Expenditures as set out in Section 6.7(b).

6.3 Exercise of Third Option

Subject to TGC satisfying the Third Option Conditions, TGC may, on or before the Third Option Deadline, exercise the Third Option by delivering to the Company a written notice confirming such satisfaction and confirming exercise of the Third Option ("**Third Option Exercise Notice**"). If TGC fails to deliver the Third Option Exercise Notice by the Third Option Deadline and this Agreement has not otherwise been terminated, then the Company shall provide written notice of such failure. Upon delivery of such notice and provided the Third Option Conditions are satisfied, TGC will have thirty (30) days to deliver the Third Option Exercise Notice to the Company and if it does not, then the Third Option will terminate in accordance with Section 6.6(c).

Provided that TGC has met its obligations as set out to Sections 6.2 above, TGC may accelerate the Expenditures payable thereunder on the Properties such that, once the Expenditures have been paid, TGC will have acquired the Third Option, subject to TGC providing the Company the Third Option Exercise Notice as set forth in this Section. Upon receipt thereof, the Company's additional 24% Earned Interest rights, title and interest in and to the Properties will immediately vest in TGC.

6.4 TGC's Election to Terminate

For greater certainty, the fulfillment of the Third Option Conditions and the giving of the Third Option Exercise Notice are within the sole discretion of TGC and TGC may elect at any time to terminate the Third Option by delivering written notice to that effect to the Company ("**Third Option Termination Notice**").

6.5 Formation of Joint Venture

At any time during the Third Option Period, TGC shall have the right elect to form the

Joint Venture referenced in Section 10, with such joint venture being formed and to be effective on the date of delivery thereof of a written election to the Company.

6.6 Third Option Termination

The Third Option will be of no further force or effect and will automatically terminate if:

(a) subject to TGC first being given the opportunity to remedy pursuant to Section 6.2, the Third Option Notice is not delivered to the Company at the time specified in Section 6.2(a);

(b) TGC has not satisfied one or more of the Third Option Conditions as required by the Third Option Deadline; or

(c) subject to TGC first being given the opportunity to remedy pursuant to Section 6.3, TGC fails to deliver the Third Option Exercise Notice by the Third Option Deadline; or

(d) TGC delivers the Third Option Termination Notice to the Company.

6.7 Termination Consequences

If the Third Option is terminated pursuant to Section 6.6, then:

(a) TGC will have no further right under this Agreement to acquire any additional Earned Interest and shall not be entitled to reimbursement of any Expenditures incurred or monies paid and the Company shall have no obligation to return any of the TGC Shares, or refund any monies paid or expended under this Agreement to TGC or to surrender or transfer any of the TGC Shares issued.

(b) any Expenditures incurred by TGC after fulfilling the Third Expenditure Condition will be booked as Joint Venture Expenditures on behalf of TGC being a party to the JVA and the Company will have their respective deemed Joint Venture Expenditures adjusted such that the respective proportions of the Participating Interests as set out in clause 4.1 of the JV Terms;

(c) the Participating Interests under the JVA will continue to be as set out in clause 4.1 of the JV Terms, subject to future dilution pursuant to the terms of the JVA;

(d) the Joint Venture Expenditures contributed by TGC and the Company continue to be as set out in clause 4.3 of the JV Terms, subject to adjustment pursuant to Section 6.8(b); and

(e) this Agreement will terminate and the terms of the JVA will continue to govern the relationship between the Parties.

SECTION 7: ROYALTY OPTION PURCHASE

7.1 Option to Purchase Part of Existing Royalties

If TGC exercises the Third Option, then TGC shall, for a period of 90 days following the delivery of the Third Option Exercise Notice, have the right, on written notice ("**Purchase Notice**") to the Company, to purchase one-third (1/3) of the Existing Royalties ("**Royalty Purchase**") for the sum of $1,500,000 ("**Royalty Purchase Price**").

7.2 Allocation of Royalty Purchase Price

Richard Coglon and Robert Sim agree that the Royalty Purchase Price is to be paid to the following Parties in the following proportions:

Coglon	–	$750,000
Sim	–	$750,000

Provided that the Royalty Purchase Price is paid to the Coglon and Sim in the above proportions, it will be deemed final and in full satisfaction of the obligations of TGC with respect to the Royalty Purchase.

7.3 Payment of Royalty Purchase Price

Payment of the Royalty Purchase Price, allocated in the amounts listed in Section 7.2 must accompany each Purchase Notice that TGC may deliver to Coglon and Sim.

7.4 Existing Royalties After Purchase

If TGC completes the Royalty Purchase, then:

(a) 1% of the net smelter returns that is the subject of the Royalty Purchase will transfer to TGC; and

(b) the proportions of the Existing Royalties payable will be adjusted to be as follows:

(i) a 1% net smelter returns royalty on the minerals from the Mineral Rights described in Schedule A payable to Coglon; and

(ii) a 1% net smelter returns royalty on the minerals from the Mineral Rights described in Schedule A payable to Sim.

SECTION 8: MANAGEMENT COMMITTEE

8.1 Composition

A committee (the "**Management Committee**") will be established on or forthwith after the Effective Date, consisting of consisting of four representatives appointed under Section 8.3.

8.2 Authority

The Management Committee will have the exclusive right and authority to:

(a) consider and approve every proposed Program and any material amendments to any Program, and oversee the Expenditures which will be incurred;

(b) consult with the Operator in a technical capacity with respect to the preparation of such Programs and any amendments thereof;

(c) receive and review and approve all reports on the Operations, including the Quarterly Reports and the Annual Reports;

(d) establish and modify its own rules of procedure in a manner not inconsistent with this Agreement;

(e) approve the parameters of any Preliminary Economic Assessment to be commissioned by TGC for the purpose of satisfying the Third Option Conditions; and

(f) approve any Mine Proposal.

8.3 Representatives

The Management Committee shall consist of one (1) representative appointed from the Company and two (2) representatives appointed by TGC. The Company will provide written notice to TGC's of its appointed representative to the Management Committee. The Company and TGC may change their respective representatives and any alternate representatives at any time on written notice.

8.4 Meetings

The Operator will call the first Management Committee meeting within 180 days after the Effective Date and thereafter at least once every three months, and in any event within 21 days after being requested to do so by the Company.

8.5 Notice of Meetings

The Operator will give written notice, specifying the time and place of, and the agenda for, each Management Committee meeting to all representatives at least ten days before the time appointed for the meeting. Management Committee meetings may be held by telephone conference call.

8.6 Waiver of Notice

Notice of a meeting may be waived if one representative from each of the Company and TGC are at the meeting and all the representatives present at the meeting agree upon the waiver and upon the proposed agenda.

8.7 Quorum

A quorum for any Management Committee meeting will be present if one representative appointed by the Company and one representative appointed by TGC is present or participating by telephone. If a quorum is present at the meeting, the Management Committee will be competent to exercise all of the authorities, powers and discretions bestowed upon it under this Agreement. No business other than the election of a chairman, if any, and the adjournment or termination of the meeting may be transacted at any meeting unless a quorum is present at the commencement of the meeting, but the quorum need not be present throughout the meeting. If within half an hour from the time appointed for a meeting, a quorum is not present, the meeting will, at the election of those representatives who are present:

(a) be dissolved; or

(b) be adjourned to the same place but on a date and at a time, to be fixed by the chairman of the meeting before the adjournment, which will be not less than seven days following the date for which the meeting was called. Written notice of the adjourned meeting will be given to the representatives of the Company and TGC forthwith after the adjournment of the meeting. If at the adjourned meeting, a quorum is not present within half an hour from the time appointed, then the representative or representatives present and entitled to attend and vote at the meeting, will constitute a quorum, unless an absent representative can

demonstrate that his or her attendance was prevented by reasons beyond the control of such representative and of his or her appointor.

8.8 Agenda

No material item of business will be transacted at a Management Committee meeting unless:

(a) the item appears on the agenda circulated by the Operator; and

(b) at least one representative appointed by the Company and one representative appointed by TGC is present or participating by telephone and those representatives unanimously agree to the item being added to the agenda.

8.9 Voting

With the exception of approval of the matters described in Sections 8.2(e) and (f), each of which shall require unanimity, the Management Committee will decide every question submitted to it by simple majority with the representative or representatives of each Party that is present being entitled to cast one (1) vote. The Management Committee shall not arbitrarily withhold its approval of Programs or amendments to Programs, but shall be entitled to withhold its approval thereof or require that changes be made with respect thereto if, in the Management Committee's opinion established by a majority vote or a deadlock, the Program or amendment in question:

(a) calls for Operations or Expenditures which would not be a wise and judicious use of funds;

(b) calls for Operations or Expenditures which are technically difficult or not practicable; or

(c) calls for Operations or Expenditures which are otherwise not in accordance with sound business judgment and mining practice.

Save in respect of approval of the matters detailed in Sections 8.2(e) and (f), each of which shall require unanimity, if TGC is of the opinion that the Management Committee is deadlocked or improperly withholding its approval hereunder, contrary to the provisions hereof, so that Operations cannot proceed on the Properties, then TGC may, on written notice to the Management Committee,

(a) if the source of disagreement regarding the Program or amendment to a Program is solely related to location or concentration of Exploration drilling, activities or techniques then, provided that the Exploration drilling, activities and techniques are proposed to be conducted in a manner that is consistent with the Operator's obligations pursuant to Section 10.2, TGC will have a casting vote and may proceed with the Program or amendments to the Program; or

(b) refer the matter to Arbitration; provided however, TGC's representatives appointed to the Management Committee must have voted unanimously in favor of the proposed Program in order for TGC refer the matter to Arbitration. The arbitrator's decision shall, subject as hereinafter provided, be limited to a determination as to whether the Management Committee was acting improperly in withholding its approval and such determination shall be final and binding on the Parties and, if such determination is that the Management Committee was improperly withholding its approval, then the Operator shall proceed with the Program or amendment in question. The arbitrator shall have the power, in his discretion, to award costs and, if appropriate, extend the times referred to in Sections 4, 5, or 6 by a period of time up to that which has elapsed from the date the Dispute Notice was

delivered by TGC to the other Parties to the date of the arbitrator's final determination.

8.10 Chairman

A representative of TGC will be the chairman of Management Committee meetings, but the chairman has no second or casting vote.

8.11 Written Resolutions

Any decision of the Management Committee evidenced by the consent in writing of the representative appointed by the Company and the representatives appointed by TGC is as valid as a decision made at a duly called and held meeting of the Management Committee.

8.12 Expenses

TGC will bear all reasonable expenses incurred by all the designated representatives in attending meetings of the Management Committee. Any such expenses so incurred by TGC on behalf of the designated representatives of the Company will constitute Expenditures hereunder.

8.13 Additional Rules

The Management Committee may establish such other rules of procedure not inconsistent with this Agreement as the Management Committee deems fit.

SECTION 9: PROGRAMS AND EXPENDITURE STATEMENTS

9.1 Proposed Programs

All Operations and Expenditures shall be in accordance with a Program prepared by the Operator and delivered to and approved by the Management Committee at least 30 days prior to the date such Operations are to commence. The term of each Program will not exceed 12 months unless the Parties otherwise agree. Each draft Program will contain a statement in reasonable detail of the proposed Operations and a budget containing estimates of all Expenditures anticipated to be incurred. Any amendments to a Program shall similarly be delivered to and approved by the Management Committee at least 30 days prior to the date such amendments are to take effect.

9.2 Work Program Approval

The Management Committee will review the draft Programs submitted and, if it so determines, approve a Program with any amendments it deems appropriate.

9.3 Annual Expenditure Statement and Audit

Within 60 days following the expiry of each annual anniversary during the Option Period, TGC must provide the Company with an itemized statement of Expenditures incurred during the previous year. An itemized statement of Expenditures completed in any period certified to be correct by an officer of TGC and delivered to the Company, will be conclusive evidence of the making of such Expenditures unless within 90 days of receipt of such statement the Company ("**Objecting Party**") delivers an objection to the statement to TGC. If the Objecting Party delivers an objection within such 90-day period, then the Objecting Party will be entitled to request that the auditors of TGC, audit the Expenditures provided for in the statement of Expenditures that is the subject of the objection. At the conclusion of such audit:

(a) in the case of determining Expenditures for the purposes of Sections 4.2, 5.2 or 6.2,

(i) if the auditors determine that the statement of Expenditures exceed the Expenditures actually incurred by more than 3% of those stated, then the costs of the audit will be borne by TGC and only the Expenditures so determined to have been actually made will constitute Expenditures for the purposes of Sections 4.2, 5.2 or 6.2, as the case may be;

(ii) if the auditors determine that the statement of Expenditures was accurate within 3% of the Expenditures actually incurred or the statement of Expenditures understate the Expenditures actually incurred by greater than a 5% margin, then the costs of the audit will be borne by the Objecting Party;

(b) if any such auditors' determination results in a deficiency in the amount of Expenditures obliged to be completed under Section 4.2, as the case may be, then TGC may pay to the Company in proportions listed under Section 4.4, within 30 days after such determination, the dollar amount equal to the shortfall in Expenditures, and such payment will be deemed to be a payment of cash in lieu of Expenditures (as provided for in under Section 4.3) made in advance of the relevant due date specified in Section 4.2, as the case may be; and

(c) if any such auditors' determination results in a deficiency in the amount of Expenditures obliged to be completed under Sections 5.2, or 6.2, then the Second Option or Third Option, as the case may be, will automatically terminate in accordance with Section 5.6(b) or 6.6(b), respectively;

(d) in the case of determining the amount of Expenditures that would constitute Construction Costs (as defined in the JV Terms):

(i) if the auditors determine that the statement of Expenditures exceed the Expenditures actually incurred by more than 2% of those stated, then the costs of the audit will be borne by TGC and only the Expenditures so determined to have been actually made will constitute Construction Costs (as defined in the JV Terms); or

(ii) if the auditors determine that the statement of Expenditures was accurate within 2% of the Expenditures actually incurred or the statement of Expenditures understate the Expenditures actually incurred by greater than a 5% margin, then the costs of the audit will be borne by the Objecting Party.

For greater certainty, the costs of any such audit will not constitute Expenditures under this Agreement.

SECTION 10: RIGHTS AND OBLIGATIONS

10.1 Operator

Commencing upon the Effective Date, TGC will become the Operator and will continue to be the Operator throughout the Option Period and the Company shall co-operate with TGC in respect to the delivering to TGC copies of all records in the Company's possession pertaining to the Properties.

10.2 Operator's Obligations

The Operator is obligated to:

(a) consider, develop and submit Programs for consideration by the Management Committee and implement approved Programs;

(b) pay all Expenditures properly incurred promptly as and when due;

(c) conduct all work on or with respect to the Properties and the Area of Interest and collect, handle, store and record all data related thereto, all in a manner consistent with good exploration, engineering and mining practice and in compliance with the applicable laws, rules, orders and regulations and to NI 43-101 standards;

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

(e) permit the directors, officers, employees and designated consultants and agents of the Company, at their own expense and risk, access to the Properties and all records and accounts in respect of Operation on the Properties at all reasonable times;

(f) permit the Company to inspect, twice per calendar year, and more frequently if required by them to meet their reporting obligations under NI 43-101, all geological, geophysical and geochemical information, maps, diagrams, documents, reports, records and databases in the possession or under the control of the Operator and related to the Properties, along with any samples or drill core obtained therefrom, and access at all reasonable times, at its own sole risk and expense, to the Properties;

(g) perform such assessment work or make payments in lieu thereof and pay such rentals, taxes or other payments and do all such other things as may be necessary to maintain the Properties and related assets in good standing including, without limitation, staking and re-staking Mineral Rights, and applying for additional Mineral Rights and Other Rights;

(h) maintain true and correct books, accounts and records of Expenditures, in accordance with International Financial Reporting Standards, consistently applied;

(i) deliver to the Company, within 15 days after the end of each calendar quarter, a Quarterly Report, provided that Quarterly Reports will not be required during such quarters in which no work was conducted, and no Expenditures incurred;

(j) deliver to the Company, within 45 days after the end of each calendar year, an Annual Report;

(k) conduct all appropriate consultation, in respect to the Project, with local community groups including appropriate aboriginal groups, if any;

(l) provide responsible environmental management to the Project within the rules and guidelines operative of the appropriate Governmental Authorities having jurisdiction thereover;

(m) to provide to the Company with copies of all of the environmental, heritage, and

archaeology studies, and monitoring reports prepared for government organizations and brief the Company in such regard on a regular basis;

(n) transfer all data, documents, reports, records, accounts, samples and assays in its possession or control, and relating to the Operations, the Project or the Properties, to an incoming Operator; and

(o) during the Option Period, permit and provide the Company and their respective representatives access as and when required to all scientific and technical data and information in its possession or control relating to the Properties, copies of any scoping, pre-feasibility, feasibility or similar studies, results of Operations conducted on or in relation thereto and all planned Operations thereon as may be required by the Company in order to assist such member to fulfill its obligations under NI 43–101 and report any material exploration results or adverse events to the Company without delay.

10.3 Emergency Expenditures during the Option Period

Notwithstanding any other provision of this Agreement, the Operator will be entitled to incur as Expenditures all costs and expenses necessary to preserve or protect life, limb, property or the environment in respect of the Properties or otherwise in the course of Exploration or development activities.

10.4 Obligations to Inform

During the Option Period, each Party will have the following obligations:

(a) it will promptly deliver to the other Parties any notices, demands or other material communications relating to any of the Assets that such Party receives;

(b) it will obtain the prior written approval of the other Parties to the sending of any notice, demand or other material communications relating to any of the Assets to any adjacent property owner or any government or regulatory authority; and

(c) it will refrain from disposing of its interest in any of the Assets except in accordance with Section 13.

10.5 Registered Title during the First Option Period, the Second Option Period and the Third Option Period

(a) During the First Option Period, the Company will remain the recorded holder of the Mineral Rights comprising the Properties, however forthwith upon receipt of the First Option Exercise Notice, the Company will transfer 51% of the Mineral Rights to TGC and TGC shall hold the same.

(b) During the Second Option Period, the Company will remain the recorded holder of 49% the Mineral Rights comprising the Properties, however forthwith upon receipt of the Second Option Exercise Notice, the Company will transfer an additional 25% of the Mineral Rights to TGC and TGC shall hold 76% of such Mineral Rights.

(c) During the Third Option Period, the Company will remain the recorded holder of the 24% of the Mineral Rights, however forthwith upon receipt of the Third Option Exercise Notice, the Company will transfer an additional 24% of the Mineral Rights to TGC and TGC shall

hold 100% of such Mineral Rights.

10.6 Abandonment of Mineral Rights during Option Period

If, during the Option Period, the Company, proposes to surrender or abandon any Mineral Rights comprised in the Properties then it will notify TGC of its intent, and such Mineral Rights may only be surrendered, abandoned or transferred with the consent of TGC. Following a surrender, abandonment or transfer made pursuant to such consent then the Mineral Rights so surrendered, abandoned or transferred will thereafter cease to form part of the Properties and will no longer be subject to this Agreement, save and except with respect to such obligations or Liabilities of the Parties as have accrued to the date of such surrender, abandonment or transfer.

10.7 Project Funding

TGC shall be obliged to solely fund all Expenditures during the Option Period after which funding shall:

(a) if the First Option has been terminated pursuant to Section 4.13, revert solely to the Company; and

(b) if the Joint Venture Election has been deemed delivered, be borne pursuant to the terms of the JVA.

SECTION 11: JOINT VENTURE

11.1 Formation of Joint Venture

Upon the deemed delivery of a Joint Venture Election or deemed Joint Venture Election, pursuant to the terms of this Agreement, TGC and the Company will be deemed to have formed a joint venture effective on the date of delivery thereof for the purposes of and on general terms and conditions consistent with the JV Terms ("**Joint Venture**"). Notwithstanding such deeming, the Parties agree that the JV Terms are intended to evidence the preliminary understanding which the Parties have reached regarding the Joint Venture and their mutual intent to negotiate and execute a definitive joint venture agreement (the "**JVA**"). The Parties shall forthwith negotiate in good faith to execute a definitive JVA consistent with the general intention of the JV Terms. However, if and until such JVA is executed, the JV Terms shall be deemed to constitute such agreement, save in all respects to matters arising hereunder and for a period not exceeding six (6) months:

(a) before the deemed formation of the Joint Venture; and

(b) so long as the Second Option or Third Option remain unexercised and have not otherwise expired or been terminated, Sections 5, 6, 7, 8,9. 10, 13, 14, 15, 16, 17 and 18, and any other provision of the Agreement which expressly or by implication from its nature is intended to be in effect during the such Option Period, which shall survive, the JVA shall supplant this Agreement (and for greater certainty, during the Option Period certain provisions of JVA shall be inoperable as set out clause 1(2) of the JV Terms).

For greater certainty and without restricting the generality of the foregoing, in the event the Parties fail to negotiate and execute such JVA within the six (6) month period, such will constitute a Dispute to be resolved in accordance with Section 15.

11.2 Joint Venture Company

The Parties agree to give good faith consideration, taking into account tax, accounting, legal and other issues, to the possibility that the Joint Venture be conducted by a Joint Venture Company or other legal vehicle and if such is agreed then the Joint Venture shall be constituted by way of a shareholders or other agreement *(mutatis mutandis)* and the Parties shall in a timely manner agree upon the terms of such agreement and execute same, but in any event generally on the JV Terms modified as necessary to adapt to the nature of the corporate entity selected.

SECTION 12: T R A N S F E R S

12.1 Limitations on Transfers

No Party will transfer, convey, assign, mortgage or grant an option in respect of or grant a right to purchase or in any manner transfer, alienate or otherwise dispose of (in this Section, to "**Transfer**") any or all of its interest in the Assets or transfer or assign any of its rights under this Agreement (in this Section, such interests and rights, collectively, the "**Holdings**") without the prior written consent of the non-transferring Party, such consent not to be unreasonably withheld. After the formation of the Joint Venture, this Section 12 shall have no further force or effect and the JV Terms or the JVA, as the case may be, shall govern all of the foregoing.

12.2 Exceptions

Nothing in Section 12.1 applies to or restricts in any manner:

(a) a disposition by the transferring Party of all or a portion of its Holdings to an Affiliate of the transferring Party, provided that such Affiliate first assumes and agrees to be bound by the terms of this Agreement and agrees with the other Parties in writing to retransfer the Holdings to the transferring Party before ceasing to be an Affiliate of the transferring Party; or

(b) an amalgamation or corporate reorganization involving the transferring Party which has the effect in law of the amalgamated or surviving corporation possessing all the property, rights and interests and being subject to all the Liabilities of each amalgamating or predecessor corporation; or

(c) a sale, forfeiture, charge, withdrawal, transfer or other disposition or Encumbrance which is otherwise specifically required or permitted under this Agreement.

12.3 Conditions of Transfers

As a condition of any Transfer other than to another Party, the transferee must covenant and agree in writing to be bound by this Agreement, including this Section 12, and prior to the completion of any such Transfer, the transferring Party will deliver to the other Parties evidence thereof in a form satisfactory to such other Parties in which case the transferring Party will be released from its obligations and Liabilities hereunder with the exception of firstly any outstanding obligations and Liabilities arising prior to the Transfer and secondly pursuant to Section 16, and Section 17, for which the transferring Party will remain liable.

SECTION 13: FORCE MAJEURE

13.1 Events

Notwithstanding any other provisions contained herein, a Party will not be liable for its failure to perform any of its obligations under this Agreement due to a cause beyond its control (except those caused by its own lack of funds) including, but not limited to: acts of God, fire, flood, explosion, disease, epidemic, pandemic, strikes, lockouts or other industrial disturbances; laws, rules and regulations or orders of any duly constituted court or governmental authority; government act; war; or protests, demonstrations or other events causing work stoppages by environmental lobbyists, NGOs or local community groups (in this Section, each an "**Intervening Event**").

13.2 Effect of Intervening Events

All time limits imposed by this Agreement (other than for the payment of monies) will be extended by a period equivalent to the period of delay resulting from an Intervening Event described in Section 13.1, provided in the event an Intervening Event persists for more than eighteen (18) months and has the effect of TGC being unable to incur the Expenditures, then either TGC or the Company may, at any time thereafter so long as the Intervening Event continues, deliver to the other Parties a written termination notice and this Agreement will, upon delivery of such notice, terminate.

13.3 Obligation to Remove Intervening Events

A Party relying on the provisions of this Section 13 will take all reasonable steps to eliminate any Intervening Event and, if possible, will perform its obligations under this Agreement 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 Intervening Event renders completion impossible.

13.4 Giving Notice

A Party relying on the provisions of this Section 13 will give written notice to the other Parties forthwith upon the occurrence of the Intervening Event and forthwith after the end of the period of delay when such Intervening Event has been eliminated or rectified.

SECTION 14: CONFIDENTIAL INFORMATION

14.1 Confidential Information

Except as specifically otherwise provided for herein, the Parties will keep confidential all data and information respecting this Agreement and the Assets and will refrain from using it other than for the activities contemplated hereunder or publicly disclosing it unless required by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction, or with the consent of the other Parties, such consent not to be unreasonably withheld.

14.2 Fraudulent or Negligent Disclosure

A Party will not be liable to the other Parties for the fraudulent or negligent disclosure of information by any of the Parties' Representatives, provided that the Party has taken reasonable steps to ensure the preservation of the confidential nature of such information.

14.3 Information in Public Domain

The provisions of this Section 14 do not apply to information which is or becomes part of the public domain other than through a breach of the terms hereof.

14.4 Press Release

The Parties will consult with each other prior to issuing any press release or other public statement regarding the Assets, or the activities of the Parties with respect thereto. In addition, each Party will obtain prior consent from the other Parties before issuing any press release or public statement except if such disclosure is required by law or by the rules and regulations of any regulatory authority or stock exchange having jurisdiction. Notwithstanding the above, where a Party requests consent from the other Parties of any press release or public statement and the other Parties have not responded to such request within two Business Days, then the Party proposing the press release or public statement will be entitled to proceed with its disclosure as if it had received consent from the other Parties. However, any consent by a Party to the other Party issuing a press release or public statement, will not be considered an approval or certification of the consenting Party to the accuracy of the information in such press release or public statement, or a confirmation that such press release or public statement complies with the rules, policies, by-laws and disclosure standards of the applicable regulatory authorities or stock exchanges.

14.5 Request to Disclose

Where a request is made for permission under this Section 14 to disclose confidential information or issue a press release or other public statement, a reply thereto will be made as soon as possible and in any event within two Business Days after receipt of such request, failing which the Party requesting will be entitled to disclose such information in the limited circumstances specified in such request as if such consent had been given.

SECTION 15: DISPUTE RESOLUTION

15.1 Arbitration

(a) The Parties shall use their best efforts to resolve any dispute, controversy or claim arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination (a "**Dispute**"). To this effect, any Party may provide the other Parties with written notice of a Dispute (a "**Dispute Notice**"), after which the Dispute shall be referred for resolution between TGC, the Company, and if applicable, Coglon and Sim, who shall consult and negotiate with each other in good faith and understanding of their mutual interests, on a without prejudice basis, to reach a just and equitable solution satisfactory to all Parties.

(b) If the Parties do not reach an agreement which finally disposes of the Dispute pursuant to Section 15.1(a) within 10 Business days of the delivery of the Dispute Notice, the Dispute shall be referred to and finally resolved by arbitration pursuant to the *Arbitration Act* (British Columbia) and in accordance with the remaining provisions of this Section 15.

(c) No arbitration proceeding may be commenced outside of the time period permitted for actions by the applicable statute of limitations.

(d) Save in the circumstances described in Sections 15.1(g) or 15.1(h), any Dispute referred in terms of Section 15.1(b) shall be finally resolved by arbitration conducted under the Rules and:

(i) subject to Section 15.1(d)(ii), unless each Party to the Dispute agrees otherwise, the number of arbitrators will be 3 and will be appointed by the President of the BCICAC (or its nominee);

(ii) if the Dispute is in respect of an amount equal to or less than $2,000,000 (exclusive of interest or legal fees), the Dispute will be heard and determined by 1 arbitrator, who will be appointed by the President of the BCICAC (or its nominee);

(iii) the arbitrator must be independent of the Parties with expertise in the subject matter of the Dispute and have no less than 10 years' experience pertaining to North American mining exploration practices;

(iv) the place of arbitration will be Vancouver, Canada;

(v) the language of the arbitration will be English;

(vi) any award or determination of the arbitration panel will be final and binding on the Parties and, except for any appeal on the grounds of material misconduct by the arbitral panel (including by corruption, fraud, bias or breach of the rules of natural justice), there will be no appeal on any ground, including, for greater certainty, any appeal on a question of law, a question of fact, or a question of mixed fact and law;

(vii) the arbitration panel may apportion the costs of the arbitration, including the reasonable fees and disbursements of each Party who participated in the arbitration, in such manner as the arbitrators consider reasonable; and

(viii) the arbitration panel will be bound by the provisions of the Agreement, which will prevail in case of conflict (of interpretation or otherwise) between the Agreement and the Rules.

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

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

(g) Nothing in this Section 15. will preclude any Party from seeking interim relief from any competent court having jurisdiction pending the institution of any arbitration proceedings in terms of this Section 15.

(h) If the Parties are unable to agree solely on the amount payable by either Party to the other in terms of any provision of this Agreement, the matter may be submitted for determination by an independent adjudicator agreed on by the Parties or, failing agreement, a chartered accountant appointed for the purpose at the instance of either Party by the President for the time being of the Canadian Institute of Chartered Accountants or successor body. The independent adjudicator will act as an expert and not as an arbitrator, and, absent manifest error, his determination will be binding on the Parties.

(i) Except to the extent necessary to enforce this Agreement or the arbitrators' award, to enforce other rights of the Parties, or as required by law, the Parties, their Representatives,

counsel and expert witnesses, shall maintain as confidential the fact of the arbitration proceeding, the arbitral award, contemporaneous or historical documents exchanged or produced during the arbitration proceeding, and memorials, briefs or other documents prepared for the arbitration.

(j) The obligations of the Parties under this Section 15. shall survive the expiry or earlier termination for any reason of this Agreement.

SECTION 16: AREA OF INTEREST

16.1 All Parties

(a) From the Execution Date until termination of this Agreement, the Parties and each of their respective Affiliates will not acquire any Mineral Rights (or an interest therein) or Other Rights (or an interest therein) located wholly or in part within the Area of Interest ("**Acquired Interest**") unless acquired in accordance with Section 16.1(b);

(b) If a Party or any of its Affiliates acquires or proposes to acquire an Acquired Interest, within thirty (30) days after such acquisition or proposed acquisition, as the case may be, such Party (and if it is an Affiliate of a Party, the applicable Party) shall notify the other Parties in writing of such acquisition or proposed acquisition. Such notice shall describe in detail the Acquired Interest, the acquiring Party or Affiliate and the cost thereof. In addition to such notice, the acquiring Party shall make any and all information concerning the Acquired Interest available for inspection by the other Parties. Within thirty (30) days after receiving the notice and information, any other Party may notify the acquiring Party in writing of its election to include such Acquired Interest in the Properties, and if it so elects then such Acquired Interest will be deemed an Additional Property and TGC will bear the costs of such acquisitions. If the other Parties all do not want to include such Acquired Interest as part of the Properties, then the Party which gave such notice and any of its Affiliates will be free to acquire or otherwise deal with such Acquired Interest for their own account, and such Acquired Interest will be deemed not subject to this Agreement or the Joint Venture.

16.2 TGC

(a) For a period of one year after the termination of this Agreement, if such termination is by TGC prior to and other than by TGC acquiring an Earned Interest, then TGC and each of its Affiliates will not acquire any Mineral Rights (or an interest therein) or Other Rights (or an interest therein) located wholly or in part within the Area of Interest ("**Acquired Interest**") unless acquired in accordance with Section 16.2(b);

(b) If TGC or any of its Affiliates acquires or proposes to acquire an Acquired Interest, within thirty (30) days after such acquisition or proposed acquisition, as the case may be, TGC (and if it is an Affiliate of TGC, the applicable Affiliate) shall notify the Company in writing of such acquisition or proposed acquisition. Such notice shall describe in detail the Acquired Interest, the acquiring Affiliate, if applicable, and the cost thereof. In addition to such notice, TGC shall make any and all information concerning the Acquired Interest available for inspection by the Company. Within thirty (30) days after receiving the notice and information, the Company shall notify TGC in writing of its election to acquire the Acquired Interest, such notice to be signed by the Company, and if it so elects then the Company to acquire such Acquired Interest at its cost, by directing TGC or its Affiliate to transfer the Acquired Interest to the designate as indicated in the notice. If the Company

does not wish to acquire the Acquired Interest then TGC and any of its Affiliates will be free to acquire or otherwise deal with such Acquired Interest for its own account.

SECTION 17: INDEMNITY DURING OPTION PERIOD

17.1 Indemnity

From and after the Effective Date, TGC shall indemnify and hold the Company and their respective Affiliates, directors, officers and Representatives harmless against and in respect of any and all Liabilities suffered or incurred and arising from, relating to or connected in any way with its activities or Operations including without limitation for the following:

(a) any loss of life, injury to persons or property or damage to the Assets or any part thereof, the natural environment or natural resources arising out of work or Operations conducted on the Properties including, without limitation any Environmental Claim arising in connection with the Properties; and

(b) any clean up and remediation including, without limitation, all studies, tests, reports and investigations associated with the cleanup and remediation of hazardous substances released, disposed of or discharged on the Properties.

17.2 Survival

This Section 17 shall survive termination of this Agreement.

SECTION 18: NOTICE

18.1 Notice

All notices and other communications under this Agreement will be in writing and may be delivered personally or transmitted by facsimile or email as follows:

If to TGC:

921 Beaumont Drive
North Vancouver, BC V7R 1P5

Attention: Lori Walton
Telephone: [**redacted - personal information**]
Email: [**redacted - personal information**]

If to the Company:

921 Beaumont Drive
North Vancouver, BC, V7R 1P5

Attention: Robert Sim
Telephone: [**redacted - personal information**]
Email: [**redacted - personal information**]

If to Coglon:

5548 Parthenon Place
West Vancouver, BC, V7W 2V7

Telephone: [**redacted - personal information**]
Email: [**redacted - personal information**]

If to Sim:

921 Beaumont Drive
North Vancouver, BC, V7R 1P5

Telephone: [**redacted - personal information**]
Email: [**redacted - personal information**]

or to such addresses as each Party may from time to time specify by notice. Any notice will be deemed to have been given and received:

(a) if personally delivered, then on the day of personal service to the recipient Party, provided that if such date is a day other than a Business Day such notice will be deemed to have been given and received on the first Business Day following the date of personal service;

(b) if sent by facsimile or email transmission and successfully transmitted prior to 4:00 pm on a Business Day (recipient Party time), then on that Business Day, and if transmitted after 4:00 pm on that day then on the first Business Day following the date of transmission.

SECTION 19: GENERAL

19.1 Other Activities and Interests

This Agreement and the rights and obligations of the Parties hereunder are strictly limited to the Properties and the Area of Interest. Save as herein specifically set out, 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 Parties or inviting or allowing the other to participate including, without limitation, involving Mineral Rights.

19.2 No Waiver

No consent or waiver expressed or implied by any Party in respect of any breach or default by the other in the performance by such other of its obligations hereunder will be deemed or construed to be a consent to, or a waiver of, any other breach or default.

19.3 Further Assurances

The Parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interests from time to time of the Parties in the Assets.

19.4 Manner of Payment

All payments required to be made in cash under this Agreement must be tendered at the recipient's option either by:

(a) An uncertified solicitor's trust cheque or a bank draft or certified cheque drawn by a bank as defined in the Bank Act (Canada); or

(b) by way of direct transfer of immediately available funds to the bank account nominated prior to the due date for payment by the Party to whom the payment is due.

19.5 Enurement

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

19.6 Special Remedies

Each of the Parties agrees that its failure to comply with the covenants and restrictions set out in Section 10.6 (*Abandonment of Mineral Rights During Option Period*), Section 12 (*Transfers*), Section 14 (*Confidential Information*), or Section 16 (*Area of Interest*) would constitute an injury and cause damage to the other Parties impossible to measure monetarily. Therefore, in the event of any such failure, the other Parties will, in addition and without prejudice to any other rights and remedies that it may have at law or in equity, be entitled to injunctive relief restraining, enjoining or specifically enforcing the provisions of Section 10.6, Section 12, Section 13 or Section 16, as the case may be, and any Party intending to breach or which breaches the provisions Section 10.6, Section 12, Section 13 or Section 16 hereby waives any defense it may have in law to such injunctive or equitable relief.

19.7 Governing Law

(a) Except for matters of title to the Properties or its assignment or transfer, which will be governed by the law of the Yukon Territory, the Agreement will be governed by and interpreted in accordance with, and all Disputes arising under or in connection with the Agreement must be resolved in accordance with, the law in force in the Province of British Columbia (excluding its conflict of law rules) and the laws of Canada applicable in British Columbia.

(b) Subject to Section 15, the Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in British Columbia, and any court that may hear appeals from any of those courts, for any proceeding in connection with the Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

19.8 Survival

Section 3, Section 5.14, Section 7, Section 14, Section 15 and Section 16 and all limitations of liability and rights accrued prior to completion, termination, or expiration of this Agreement will not merge on completion, termination, or expiration of this Agreement, but will continue in full force and effect after any termination or expiration of this Agreement as will any other provision of the Agreement which expressly or by implication from its nature is intended to survive the termination or expiration of the Agreement.

19.9 Time of the Essence

Time is of the essence in the performance of each obligation under this Agreement.

19.10 Counterparts

This Agreement may be executed in any number of counterparts and all such counterparts, taken together, will be deemed to constitute one and the same instrument. This Agreement may be signed by facsimile.

IN WITNESS WHEREOF this Agreement has been executed as of the date first above given.

TAURUS GOLD CORP.

Per: (signed) *"Lori Walton"*
President

1011308 BC LTD.

Per: (signed) *"Robert Sim"*
President

ROYALTY INTEREST HOLDERS:

(signed) *"Richard Coglon"*
RICHARD COGLON

(signed) *"Robert Sim"*
ROBERT SIM

SCHEDULE A
<u>PROPERTIES</u>

[Attached]

GRANT_#	LEASE_#	CLAIM NAME_#	OWNER	STATUS	DISTRICT	AREA_ha
04241	OW00044	ROSE	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.4
04278	OW00045	GOLDEN EAGLE	1011308 B.C. Ltd - 100%	Active	Whitehorse	21.0
04279	OW00046	WAR EAGLE	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.8
04354	OW00047	SHAMROCK	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.7
04361	OW00049	SPOT	1011308 B.C. Ltd - 100%	Active	Whitehorse	21.9
04368	OW00051	ARLEP	1011308 B.C. Ltd - 100%	Active	Whitehorse	14.5
04369	OW00052	PHYLLIS	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.3
55633	OW00054	RUB	1011308 B.C. Ltd - 100%	Active	Whitehorse	1.8
55663	OW00056	PUB	1011308 B.C. Ltd - 100%	Active	Whitehorse	1.9
55665	OW00057	SUN DOG	1011308 B.C. Ltd - 100%	Active	Whitehorse	3.2
55666	OW00058	CUB	1011308 B.C. Ltd - 100%	Active	Whitehorse	1.3
55890	OW00059	JAM	1011308 B.C. Ltd - 100%	Active	Whitehorse	0.5
55892	OW00060	PAM	1011308 B.C. Ltd - 100%	Active	Whitehorse	2.6
YE63027		NICOLA 0	1011308 B.C. Ltd - 100%	Active	Whitehorse	4.4
YE63028		NICOLA 1	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.5
YE63029		NICOLA 2	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.6
YE63030		NICOLA 3	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.7
YE63031		NICOLA 4	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.6
YE63039		NICOLA 5	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.9
YE63040		NICOLA 6	1011308 B.C. Ltd - 100%	Active	Whitehorse	6.7
YE63038		NICOLA 8	1011308 B.C. Ltd - 100%	Active	Whitehorse	3.0
YE63036		NICOLA 9	1011308 B.C. Ltd - 100%	Active	Whitehorse	5.1
YE63037		NICOLA 10	1011308 B.C. Ltd - 100%	Active	Whitehorse	4.9
YE63041		NICOLA 11	1011308 B.C. Ltd - 100%	Active	Whitehorse	1.7
73537		DOME 1	1011308 B.C. Ltd - 100%	Active	Whitehorse	15.1
73538		DOME 2	1011308 B.C. Ltd - 100%	Active	Whitehorse	15.5
73539		DOME 3	1011308 B.C. Ltd - 100%	Active	Whitehorse	17.3
73540		DOME 4	1011308 B.C. Ltd - 100%	Active	Whitehorse	18.0
73542		DOME 6	1011308 B.C. Ltd - 100%	Active	Whitehorse	17.3
73543		DOME 7	1011308 B.C. Ltd - 100%	Active	Whitehorse	25.3
73694		DOME 8	1011308 B.C. Ltd - 100%	Active	Whitehorse	12.5
73700		DOME 14	1011308 B.C. Ltd - 100%	Active	Whitehorse	21.1
73702		DOME 16	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.6
73703		DOME 17	1011308 B.C. Ltd - 100%	Active	Whitehorse	18.4
73704		DOME 18	1011308 B.C. Ltd - 100%	Active	Whitehorse	18.6
73705		DOME 19	1011308 B.C. Ltd - 100%	Active	Whitehorse	16.7
73706		DOME 20	1011308 B.C. Ltd - 100%	Active	Whitehorse	13.4
77746		DOME 25	1011308 B.C. Ltd - 100%	Active	Whitehorse	15.2
77747		DOME 26	1011308 B.C. Ltd - 100%	Active	Whitehorse	22.5
77748		DOME 27	1011308 B.C. Ltd - 100%	Active	Whitehorse	20.3
77749		DOME 28	1011308 B.C. Ltd - 100%	Active	Whitehorse	21.7
77754		DOME 33	1011308 B.C. Ltd - 100%	Active	Whitehorse	25.5
77755		DOME 34	1011308 B.C. Ltd - 100%	Active	Whitehorse	21.5

77756	DOME 35	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	22.4
77757	DOME 36	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	24.0
77758	DOME 37	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	14.2
77759	DOME 38	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	18.5
77760	DOME 39	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	15.0
77761	DOME 40	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.5
77762	DOME 41	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.8
77763	DOME 42	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.0
77764	DOME 43	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.5
77770	DOME 49	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	8.2
77771	DOME 50	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	18.8
77772	DOME 51	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	19.0
77773	DOME 52	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	21.8
77774	DOME 53	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	22.8
77775	DOME 54	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	9.5
77776	DOME 55	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	13.1
77777	DOME 56	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	13.4
77778	DOME 57	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.5
77779	DOME 58	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	15.1
77781	DOME 60	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.1
77782	DOME 61	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	18.9
77784	DOME 63	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	19.8
77785	DOME 64	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.9
77786	DOME 65	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	19.1
77787	DOME 66	1011308 B.C. Ltd - 100%	5/8/1962	2/6/2026	Active	Whitehorse	20.8
81842	DOME 78	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	25.4
81843	DOME 79	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	24.1
81844	DOME 80	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	24.2
81845	DOME 81	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	22.5
81846	DOME 82	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	23.3
81847	DOME 83	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	18.7
81848	DOME 84	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	19.4
81850	DOME 86	1011308 B.C. Ltd - 100%	9/18/1962	2/6/2026	Active	Whitehorse	20.8
74283	JOANNE 1	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	19.8
74284	JOANNE 2	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	19.5
74285	JOANNE 3	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	20.4
74286	JOANNE 4	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	14.8
74287	JOANNE 5	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	19.8
74288	JOANNE 6	1011308 B.C. Ltd - 100%	7/28/1959	2/6/2026	Active	Whitehorse	19.7
YA24813	HIW 1	1011308 B.C. Ltd - 100%	7/30/1979	2/6/2026	Active	Whitehorse	4.7
YA24814	HIW 2	1011308 B.C. Ltd - 100%	7/30/1979	2/6/2026	Active	Whitehorse	5.2
YA24819	HIW 7	1011308 B.C. Ltd - 100%	7/30/1979	2/6/2026	Active	Whitehorse	3.0
YA23835	HIW 9	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	19.4
YA23836	HIW 10	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	15.2
YA23837	HIW 11	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	14.0
YA23838	HIW 12	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	16.8

YA23839	HIW 13	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	16.6
YA23840	HIW 14	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	19.6
YA23841	HIW 15	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	20.1
YA23842	HIW 16	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	19.9
YA23843	HIW 17	1011308 B.C. Ltd - 100%	10/27/1978	2/6/2026	Active	Whitehorse	19.9
YA59596	DD 1	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	20.6
YA59597	DD 2	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	22.3
YA59610	DD 15	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.2
YA59611	DD 16	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.2
YA59612	DD 17	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.4
YA59613	DD 18	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.8
YA59614	DD 19	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	20.2
YA59615	DD 20	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.9
YA59616	DD 21	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.6
YA59617	DD 22	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.2
YA59618	DD 23	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	18.7
YA59619	DD 24	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	18.3
YA59620	DD 25	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	18.2
YA59621	DD 26	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	17.7
YA59622	DD 27	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	19.5
YA59623	DD 28	1011308 B.C. Ltd - 100%	2/6/1981	2/6/2026	Active	Whitehorse	18.7
YA86696	TBR 7	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2026	Active	Whitehorse	16.0
YA86697	TBR 8	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2026	Active	Whitehorse	21.8
YA87204	ONT 38	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.3
YA87206	ONT 40	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	18.3
YA87208	ONT 42	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	5.7
YA87210	EEK 1	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	21.1
YA87211	EEK 2	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.1
YA87212	EEK 3	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.7
YA87213	EEK 4	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.7
YA87214	EEK 5	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.8
YA87215	EEK 6	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	19.6
YA87216	EEK 7	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.0
YA87217	EEK 8	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	21.9
YA87218	EEK 9	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	22.6
YA87223	EEK 14	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	21.4
YA87224	EEK 15	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	21.2
YA87225	EEK 16	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	21.8
YA87226	EEK 17	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.0
YA87227	EEK 18	1011308 B.C. Ltd - 100%	6/19/1985	2/6/2026	Active	Whitehorse	20.7
YA92655	ONT 44	1011308 B.C. Ltd - 100%	7/10/1985	2/6/2026	Active	Whitehorse	16.8
YA92656	ONT 45	1011308 B.C. Ltd - 100%	7/10/1985	2/6/2026	Active	Whitehorse	12.9
YA92657	ONT 46	1011308 B.C. Ltd - 100%	7/10/1985	2/6/2026	Active	Whitehorse	18.5
YA92658	ONT 47	1011308 B.C. Ltd - 100%	7/10/1985	2/6/2026	Active	Whitehorse	14.4
YA86690	TBR 1	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	20.3
YA86691	TBR 2	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	0.4

YA86692	TBR 3	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	19.0
YA86693	TBR 4	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	6.3
YA86694	TBR 5	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	18.3
YA86695	TBR 6	1011308 B.C. Ltd - 100%	5/17/1985	2/6/2027	Active	Whitehorse	14.9
						Total	**2317.8**

SCHEDULE B
JV TERMS

1. JOINT VENTURE FORMATION

(1) The option agreement between Taurus Gold Corp. and 1011308 B.C. LTD to which this Schedule B is attached (the "Agreement") contemplates the Parties forming a joint venture on general terms and conditions consistent with the JV Terms set out in this Schedule B. The terms set out in this Schedule B are intended to evidence the preliminary understanding which the Parties have reached regarding their mutual intention to negotiate and execute the JVA and is not exhaustive nor complete. The Parties shall forthwith negotiate in good faith to execute a definitive JVA, however, until such time as the JVA is executed, the JV Terms shall be deemed to constitute such agreement for a period not exceeding six (6) months; and

(2) The Parties acknowledge that upon the deemed delivery of a Joint Venture Election or termination of the Agreement in accordance with Section 5.10 or Section 6.5 thereof, as the case may be, TGC and the Company will be deemed to have formed a joint venture effective on the date of delivery thereof for the purposes of and on the terms of this JVA.

2. DEFINITIONS

Any capitalized terms not herein specifically defined shall have the meaning ascribed to it in the Agreement (as such term is defined) to which this Schedule B is attached. Unless the context otherwise requires, in the JV Terms:

(1) "**Agreement**" has the meaning given in clause 1;

(2) "**Approved Budget**" means a budget of estimated Joint Venture Expenditures approved by the Management Committee relating to the carrying out of an Approved Program or otherwise to be incurred during the period to which an Approved Budget relates;

(3) "**Approved Program**" means a program of Joint Venture Activities approved by the Management Committee;

(4) "**Available Cash Flow**" means all the net proceeds of sale of a Participant's share of Mineral Product in a month that are attributable to its respective Participating Interest less that Participant's share of Costs of Joint Venture operations for the month that are Operating Costs under International Financial Reporting Standards.;

(5) "**Carried Interest**" has the meaning given in clause 4.5(1)(a);

(6) "**Carry Amount**" has the meaning given in clause 4.5(1)(a);

(7) "**Cash Call Notice**" has the meaning given in clause 6.2;

(8) "**Chargee**" has the meaning given in clause 11.2;

(8) "**Completion Date**" means the date determined by the Management Committee on which it is demonstrated to the satisfaction of the Management Committee that the preparing and equipping of a Mine is complete and is the date on which Commercial Production commences.

(9) "**Construction**" means every kind of work carried out during the Construction Period by the Operator in accordance with a Feasibility Study and Mine Plan related thereto, as approved by the Management Committee.

(10) "**Construction Decision**" means a decision by the Management Committee that a Mine be constructed, in accordance with a Feasibility Study and an approved Mine Proposal.

(11) "**Construction Period**" means, the period beginning on the date a Construction Decision is made and ending on the Completion Date.

(12) "**Costs**" means all items of outlay and expense whatsoever, direct or indirect, incurred under or in connection with the JVA, recorded by the Operator and shall include all Liabilities incurred or to be incurred with respect to the protection of the environment such as future decommissioning, reclamation and long-term care and monitoring, even if not then due and payable so long as the amounts can be estimated with reasonable accuracy, and whether or not a mine reclamation trust fund has been established. Without limiting generality, the following categories of Costs shall have the following meanings:

(a) "**Acquisition Costs**" has the meaning given in clause 15.4;

(b) "**Construction Costs**" means those Costs recorded by the Operator during the Construction Period, including, without limiting generality, the Operator's Fee and direct cost attributable to any Project Financing, including the commitment fee and interest charges incurred for such Project Financing;

(c) "**Exploration Costs**" means those Costs recorded by the Operator during the Exploration Period, including, without limiting generality, the Operator's Fee;

(d) "**Mine Costs**" means Acquisition Costs and Construction Costs; and

(e) "**Operating Costs**" means those Costs recorded by the Operator subsequent to the Completion Date, including, without limiting generality, working capital, the Operator's Fee and the Existing Royalties,

(13) "**Defaulting Participant**" means a Participant which is in material breach of any of the provisions of the JVA;

(14) "**Effective Date**" means the date on which the Joint Venture was formed pursuant to the Agreement;

(15) "**Expenditure**" in addition to cash expenditure includes Costs, obligations and Liabilities incurred or properly accrued but not yet met;

(16) "**Exploration Period**" means, if applicable, the period beginning when the Agreement is terminated prior to exercise of the Second Option and ending the date a Construction Decision is made.

(17) "**Joint Venture Activities**" means all and any activities directed to the achievement of the purposes of the Joint Venture as set out in clause 3;

(18) "**Joint Venture Expenditures**" means each Expenditure incurred under or in connection with Costs. Joint Venture Expenditures will not include administrative, general costs of each Participant;

(19) "**Joint Venture Property**" means:

(a) the Assets;

(b) any Mine;

(c) any Operations;

(d) all fixtures, tools, vehicles, spare parts, consumable stores, machinery, plant, equipment and supplies acquired, provided, gained or developed under the JVA;

(e) all mining, materials supply, power supply, water supply and maintenance contracts and agreements entered into for the purposes of the JVA;

(f) all information in relation to the Project acquired, provided, gained or developed under the JVA or in the possession or under the control of any of the Participants and the Operator (if not a Participant); and

(g) all other property or rights of any description (including intellectual property rights), whether real or personal, acquired, provided, gained or developed under the JVA other than saleable Mineral Product;

(20) "**Management Committee**" has the meaning given in clause 7.1;

(21) "**Mineral Product**" means any Minerals in any form or compound whatsoever;

(22) "**Non-charging Participant**" has the meaning given in clause 11.2;

(23) "**Non-Operator**" means any Participant which, at the relevant time, is not the Operator;

(24) "**Operator**" has the meaning given in clause 8.1;

(25) "**Operator's Fee**" has the meaning given in clause 8.6;

(26) "**Participating Interest**" means in relation to a Participant:

(a) the proportionate interest (expressed as a percentage) of the Participant as tenant in common in the Joint Venture Property;

(b) the right, subject to the Agreement, to take in kind and separately dispose of its proportion of all saleable Mineral Product produced by the Joint Venture under the JVA; and

(c) its proportionate interest (expressed as a percentage) of all other rights under the JVA,

subject to the obligations attaching to the foregoing and imposed on that Participant under the JVA;

(27) "**Participant**" means a party to the JVA that has a Participating Interest;

(28) "**Project Financing**" means any financing unanimously approved, concurrently with or after a Construction Decision has been made, by the Management Committee and obtained by the Participants for the purpose of placing a mineral deposit situated on the Properties into

Commercial Production but shall not include any financing obtained individually by either Participant to finance payment or performance of its obligations under the JVA.

(29) "**Security**" has the meaning given in clause 11.2;

(30) "**Selling Participant**" means a Participant who desires or is compelled to sell, transfer, assign or dispose of the whole or any part of its Participating Interest;

(31) "**Unanimous Resolution**" means a resolution passed at a meeting of the Management Committee in favour of which 100% of votes cast represent 100% of the votes allocated to the Participating Interests; and

(32) a reference to a clause is to a clause of this Schedule B.

3. SCOPE OF JOINT VENTURE

The Participants will associate themselves in and constitute, with effect on and from the Effective Date, a contractual joint venture for the following purposes:

(1) to carry out exploration of the Properties for Minerals;

(2) if results justify so doing, to make technical, commercial and economic feasibility studies to establish whether or not a Mine is economically viable in or on the Properties;

(3) if any Mine is considered technically, commercially and economically viable, to develop one or more Mines and to commence and continue production of saleable Mineral Product on a commercial scale;

(4) acquiring Mineral Rights, Other Rights and equipment;

(5) marketing, selling and delivering Mineral Product derived from the Properties; and

(6) any other activity in connection with or incidental to any of the foregoing including the beneficiation, processing or refining of Mineral Product.

4. INITIAL PARTICIPATING INTERESTS AND JOINT VENTURE EXPENDITURES

4.1 Participating Interests

Upon the formation of a Joint Venture in accordance with Section 11 of the Agreement, the Participating Interests of the Participants shall be each parties' Earned Interest as determined in the Agreement, subject to adjustment as set forth in clause 4.2 hereof.

4.2 Participating Interest Adjustment

In addition to the dilution provisions contained in clause 10, the Participating Interests specified in clause 4.1 are subject to adjustment by one or more of the following event:

(1) the exercise of the Second Option, with such adjustment to each Participant's respective Participating Interest being as contemplated by Section 5 of the Agreement;

(2) the termination of the Second Option, as set out in Section 5 of the Agreement;

(3) the exercise of the Third Option, with such adjustment to each Participant's respective Participating Interest being as contemplated by Section 6 of the Agreement; or

(4) the termination of the Third Option, as set out in Section 6 of the Agreement.

4.3 Joint Venture Expenditures

Upon the formation of the Joint Venture, the Joint Venture Expenditures contributed by TGC shall be determined as the total expenditures incurred by TGC in accordance with the terms of the Agreement;

5. RIGHTS AND LIABILITIES OF PARTICIPANTS

5.1 Rights and Liabilities Several not Joint

As between the Participants the rights, duties, obligations and Liabilities arising out of the Joint Venture will be several and not joint, it being the express purpose and intention of the Participants that the ownership of their respective interests in all Joint Venture Property must be as tenants in common in proportion to their Participating Interests and that all Liabilities and obligations to third parties arising out of Joint Venture Activities will be borne by the Participants in proportion to their respective Participating Interests.

5.2 Right to Mineral Production

Each Participant will own and have the right to take in kind and separately dispose of and, unless agreed otherwise, must take in kind a share proportionate to its Participating Interest of the saleable Mineral Product produced under the Joint Venture.

5.3 Participants not Fiduciaries

Nothing contained in the JVA may be construed as imposing any fiduciary duty on any Participant with respect to any activities carried out or decisions made as contemplated in the JVA.

5.4 Holding of Joint Venture Property

All Joint Venture Property, whether acquired before or after the Effective Date, must wherever practicable be held by the Operator as a bare nominee and bare trustee, in trust, pursuant to the terms of the JVA, for the Participants as tenants in common in proportion to their respective Participating Interests for the time being and from time to time. All Joint Venture Property held by the Operator must be held, used, dealt with or applied solely for the purposes of the Joint Venture or as otherwise permitted under the JVA. Any Participant will be entitled to request, and the Operator must comply with any reasonable request so made, that a declaration of trust or other such documentation in a form satisfactory to counsel for the Participants, evidencing such a trust arrangement be prepared and executed by the Operator and the Participants.

6. CONTRIBUTION TO JOINT VENTURE EXPENDITURES

6.1 Obligation to Contribute

Subject to clause 10.1, each Participant must contribute to all Joint Venture Expenditures incurred in conducting Approved Programs and otherwise incurred as contemplated by Approved Budgets or otherwise incurred in a manner provided for in the JVA in proportion to its Participating Interest on each date on which a contribution is due to be made.

6.2 Timing of Contributions

If contributions to Joint Venture Expenditures are required to be made by a Participant under the JVA, then the Operator must issue a notice to each Participant ("**Cash Call Notice**") for each calendar quarter. Any Cash Call Notice must not be issued more than 40 Business Days but not less than 30 Business Days in advance of the calendar quarter to which the Cash Call Notice relates.

6.3 Operator's Cash Call Notices

All contributions to Joint Venture Expenditures required to be made by a Participant under the JVA must be made by that Participant paying to the Operator, on or up to 30 days before the first day of the calendar quarter to which the Cash Call Notice relates, the amount stated in the Cash Call Notice as being the amount due to be contributed by that Participant.

7. MANAGEMENT COMMITTEE

7.1 Establishment

A management committee must be established as soon as reasonably possible and within one month of the Effective Date to direct the Operator and all Joint Venture Activities ("**Management Committee**").

7.2 Number of Members

The Management Committee must consist of 3 members.

7.3 Appointment of Members

The Participant with the largest Participating Interest must appoint 2 of the members. The other Participant must each appoint 1 member. Each Participant may remove any person so appointed by it and appoint another person in his or her place. Each appointment and removal of a member must be affected by notice in writing signed by an authorized signatory of the appointing Participant. An alternate member may attend all meetings and an alternate member may act in place of a Participant's appointed member in such member's absence.

7.4 Quorum

A quorum at a meeting of the Management Committee must comprise 2 members representing at least 2 Participants the aggregate of whose Participating Interests is not less than 50%.

7.5 Votes

(1) The members appointed by a Participant will have between them 1 vote for each whole percentage point of their appointor's Participating Interest.

(2) If TGC votes against a Program and Budget but the Program and Budget is still approved by the Management Committee, then, prior to the date TGC must otherwise make an election under clause 10.1, TGC may, on written notice to the Management Committee, require that the Approved Program and Budget not proceed on the basis that the Approved Program and Budget in question:

(a) calls for Joint Venture Activities or Joint Venture Expenditures which would not

be a wise and judicious use of funds;

(b) calls for Joint Venture Activities or Joint Venture Expenditures which are technically difficult or not practicable; or

(c) calls for Joint Venture Activities or Joint Venture Expenditures which are otherwise not in accordance with sound business judgment and mining practice,

and if TGC provides such notice to the Management Committee, the matter will be referred to Arbitration. During the course of the Arbitration the Approved Program and Budget will be suspended and no Cash Call Notices in respect of such Program and Budget will be issued. The arbitrator's decision shall, subject as hereinafter provided, be limited to a determination as to whether one or more of circumstances in paragraphs (a) through (c) exist and such determination shall be final and binding on the Participants. If

such determination is that none of circumstances in paragraphs (a) through (c) exist then the Approved Program and Approved Budget will be reinstated and TGC must immediately make an election under clause 10.1. If such determination is that one or more of circumstances in paragraphs (a) through (c) exist, then the Operator or Participant who proposed the disputed Program and Budget shall amend the Program Budget accordingly and resubmit the amended Program and Budget to the Management Committee for approval. The arbitrator shall have the power, in his discretion, to award costs.

If an Approved Program and Approved Budget is suspended and referred to Arbitration pursuant to this clause 7.5(2) such that there will be no current Program and Budget relating to Joint Venture Activities during a certain period and the Participants do not prior to the commencement of that period reach some contrary agreement, then the Management Committee will be deemed to have approved a Program and Budget for the continuation of the Joint Venture Activities at the level of the last Approved Program and last Approved Budget (excluding any capital Expenditure) but with escalated at the annual rate of inflation until the Approved Program and Approved Budget that is subject to the Arbitration is reinstated or an amended Program and Budget is approved by the Management Committee.

7.6 Chairperson

A member of the Management Committee appointed by the Participant entitled to be Operator will be the Chair of Management Committee meetings. The Chair shall be entitled to appoint the secretary for the meeting. The secretary of the meeting shall take minutes of that meeting and circulate copies thereof to each member and each alternate member.

7.7 Decisions by Majority Vote

Except where a provision of the JVA requires a special resolution or a Unanimous Resolution, all questions before the Management Committee will be decided by a simple majority of the votes cast. For greater certainty, the Chair of the Management Committee shall not have any additional voting rights on any matter requiring special or Unanimous Resolution other than its vote as an appointed member of a Participant.

7.8 Unanimous Resolutions

In addition to any other decisions of the Management Committee which by any other provision of the JVA requires a Unanimous Resolution, a Unanimous Resolution will be required for the following:

(1) the institution, defense, compromise or settlement of any court or arbitral proceedings involving the Joint Venture involving an amount in excess of $100,000;

(2) the compromise or settlement of any insurance claim involving an amount in excess of $100,000;

(3) any matter going to the fundamental operation of the Joint Venture or the relationship between the Participants including any decision that the Joint Venture be conducted as a Joint Venture Company or to list the shares of such Joint Venture Company on any stock exchange;

(4) any decision to cease production of Mineral Product from a Mine;

(5) any decision to abandon, sell or otherwise dispose of the Properties, or any part thereof;

(6) creation of, or the granting of permission to remain, any lien upon any of the Assets, except for any liens which are customary in the circumstances of a mining joint venture;

(7) the making of any changes to the Operator's Fee set out in clause 8.6;

(8) irrespective of whether expressly contemplated in an Approved Program or Approved Budget, approval of the sale or disposal of Joint Venture Property having an aggregate market value in excess of $100,000;

(9) the making of a contract between the Participants as joint venturers and a Party or an Affiliate of a Party;

(10) a change to the accounting procedure of the Joint Venture including the appointment and removal of auditors;

(11) approval of the terms and conditions of any Preliminary Economic Assessment proposed to be commissioned;

(12) approval of the terms and conditions of any Project Financing, a Mine Proposal or the parameters of a Feasibility Study proposed to be commissioned;

(13) approval of any significant capital expansion of the Project;

(14) any decision to establish, implement or vary any policy relating to the management or hedging of commodity price, foreign currency or interest rate raise;

(15) any decision pertaining to the cessation or material variation of any material aspect of the Joint Venture's business or the diversification of the Joint Venture's business into other business;

(16) any decision to engage in exploration or other activities which are not agreed between Parties for the Project and which are otherwise outside the ordinary course of the business;

(17) any re-structuring of the Joint Venture, merger of the Joint Venture with any other Person and the entering into any joint venture agreements; and

(18) the liquidation or winding up of the Joint Venture, whether voluntary or otherwise or any

application for its judicial management.

7.9 Disposal of Properties

If the Management Committee has unanimously consented to the abandonment, sale or other disposal of any of the Properties, then the Operator may dispose of such of the Properties by giving each non-Operator 60 days written notice of the proposed disposal. On receipt of such notice, each non-Operator may elect to bid in order to acquire all of that part of the Properties subject to the proposed disposal by delivering a notice to the Operator to this effect and stating its bid amount at least 15 days before the expiry of such 60 day notice period. On receipt of the notice from the non-Operators and on expiry of such 60-day notice period, the Operator shall promptly transfer the part of the Properties subject to the proposed disposal to the non-Operator with the highest bid for the bid amount. The non-Operator shall pay for all transfer costs. Upon completion of the transfer of the part of the Properties subject to the proposed disposal to the non- Operator, the part of the Properties subject to the proposed disposal will no longer be subject to this Agreement, except that the non-Operator shall indemnify and save harmless the Operator on its own behalf and as trustee for its shareholders, directors, officers, employees, agents, contractors and representatives from and against all suits and other proceedings and Liabilities (including lawyers' fees and disbursements) which the Operator may suffer or incur in respect of the part of the Properties subject to the proposed disposal.

7.10 Meetings of Management Committee

Management Committee meetings are to be held at least quarterly and are permitted by telephone and efforts will be made to schedule meetings at times and places mutually agreeable to all appointed members of the Management Committee.

8. OPERATOR

8.1 Operator and Removal of Operator

(1) Subject to any agreement by the Participants otherwise, and to the creation of a Joint Venture Company, the Participant with largest Participating Interest will be operator of the Joint Venture ("**Operator**") and will remain so unless the Operator's Participating Interest ceases to be the largest or the Operator resigns or is removed for default or by simple majority vote of the Management Committee or if the Operator is generally not able to pay its debts as such debts become due or admits in writing its inability to pay its debts generally as such debts become due or makes a general assignment for the benefit of creditors or any proceedings are instituted by or against it under any bankruptcy, insolvency or similar law.

(2) Any Non-Operator Participant may refer questions of Operator default to Arbitration if it is outvoted on a Management Committee motion to remove the Operator for default.

8.2 Operator Obligations

(1) The Operator, among other usual and standard obligations, must keep the Properties in good standing and free of any Encumbrances, comply with applicable law, maintain proper books and accounts and adequate insurance and operate according to good mining practices.

(2) The Operator must conduct Joint Venture Activities in accordance with Approved Programs and Approved Budgets.

(3) The Operator must deliver the following reports to the Management Committee:

(a) a quarterly progress report indicating the status of any Approved Program being conducted on the Properties and disclosing any significant technical data learned or obtained in connection with such work, along with an estimate of the Expenditure incurred during that month, but progress reports will only be required quarterly during those periods in which there is no work being conducted;

(b) as soon as practical after verification by the Operator, a report in respect of any material exploration results or adverse events.

(4) The Operator must provide to each Participant access as and when required to all scientific and technical data and information in its possession or control relating to the Joint Venture Property, results of work conducted on or in relation thereto and all planned work thereon as may be required by the Participant in order to assist that Participant to fulfill its obligations under NI 43–101, if applicable, and report any material exploration results or adverse events to the Participants without delay.

8.3 Prohibitions

The Operator must not, except with the prior approval of the Management Committee or except in an emergency or as necessary to protect property and persons:

(1) knowingly enter into any contract or arrangement in connection with the Joint Venture with a Participant or an Affiliate of a Participant;

(2) except where sufficient details are provided in an Approved Program or Approved Budget enter into any contract or subcontract involving a commitment to Expenditure, whether capital or operating, in excess of $100,000;

(3) subject to clauses 7.8(6) and 7.9 and except where expressly contemplated in an Approved Program or Approved Budget, sell or otherwise dispose of any Joint Venture Property having a market value exceeding $100,000;

(4) institute, defend, compromise or settle any court or arbitral proceedings or insurance claim involving an amount in excess of $100,000; or

(5) except as necessary to comply with law or the requirements of any Governmental Authority having jurisdiction, suspend or curtail any Operations.

8.4 Indemnification of Operator

Each Participant must indemnify the Operator from and against any Liability, injury or death (including legal fees) suffered, sustained or incurred by the Operator which arises out of or as a consequence of the performance by the Operator or its officers, employees or agents of the Operator's obligations under the JVA.

8.5 Apportionment of Liability

A Participant's Liability to indemnify the Operator (whether under clause 8.4 or otherwise) will be reduced proportionally to the extent that any negligent act, omission or wilful misconduct of the Operator or its officers, employees or agents has caused or contributed to any Liability, injury or

death. Notwithstanding the foregoing, the Operator shall not be indemnified nor held harmless by any of the Participants for any Liability, injury or death (including, without limiting the generality of the foregoing, legal fees) resulting solely from the negligence or wilful misconduct of the Operator or its officers, employees or agents. The obligation of the Participants to indemnify and save the Operator harmless shall be in proportion to their respective Participating Interest as at the date that the Liability, injury or death occurred or arose.

8.6 Operator's Fee

Subject to clause 7.8(7), the Operator may charge a fee (the "**Operator's Fee**") for management of the Joint Venture, which fee will be as follows:

(1) with respect to Exploration Costs:

(a) 2% for each individual contract which expressly includes an overhead charge by the party contracted;

(b) 5% for each individual contract which exceeds $50,000 and is not subject to clause 8.6(1)(a) hereof; or

(c) 10% of all other Exploration Costs not included in clauses 8.6(1)(a) and 8.6(1)(b); and

(2) with respect to Construction Costs and, subsequent to the Completion Date, additional Mine expansion Costs and Operating Costs:

(a) 0.25% for each individual contract which expressly includes an overhead charge by the party contracted;

(b) 1% for each individual contract which exceeds $250,000 and is not subject to clause 8.6(2)(a) hereof; or

(c) 2% of all other Construction Costs, additional Mine expansion Costs and Operating Costs not included in clauses 8.6(2)(a) and 8.6(2)(b);

9. PROGRAMS AND PRODUCTION PROGRAMS

9.1 Annual Programs and Budgets

The Operator must submit annual programs and budgets for Management Committee approval. The proposed budget must contain quarterly Expenditure projections.

9.2 Right of Participant to propose Program and Budget

If the Operator fails to submit an annual program and budget with budgeted Expenditure equal to or greater than $100,000, then a Participant who is not the Operator may propose to the Management Committee an annual program and budget with budgeted Expenditure equal to or greater than $100,000. Such a program and budget is deemed to be an Approved Program and Approved Budget and if the Participant that is the Operator elects not to participate in the Approved Program and make contributions to the Expenditure required by the Approved Budget, then the Non-Operator Participant may elect to become Operator of the Joint Venture for the purposes of carrying out that Approved Program. Thereafter, the Participant with the largest Participating Interest will have the first right to propose an annual program and budget.

9.3 Operator's Authority

The approval of a program and budget by the Management Committee will be authority for the Operator to undertake the Joint Venture Activities specified in and incidental to the program and to incur on behalf of the Participants the Joint Venture Expenditures estimated in and incidental to the budget but the Operator must not incur Expenditure in the performance of the Joint Venture Activities specified in an Approved Program and an Approved Budget in an amount which exceeds by more than 10% the total of the Joint Venture Expenditures estimated within an Approved Program and an Approved Budget except:

(1) in an emergency, as considered by the Operator necessary to maintain and preserve the Joint Venture Property or to preserve or protect life, limb, property or the environment in respect of the Joint Venture Property;

(2) to effect and maintain required insurances;

(3) in accordance with a prior approval obtained from the Management Committee; or

(4) as necessary to comply with any law or requirement of a Governmental Authority having jurisdiction where reference to the Management Committee is impracticable and until such reference becomes practical.

10. DILUTION

10.1 Election to Dilute

Each Participant may, by notice in writing to the other Participant and the Operator given within 10 Business Days after the approval by the Management Committee of a program and budget, elect:

(1) not to contribute to the Joint Venture Expenditures to be incurred during the period to which that Approved Budget relates; or

(2) to reduce its contribution to the Joint Venture Expenditures to be incurred during the period to which that Approved Budget relates by contributing less than the amount that it would, but for this clause 10.1(2), be required to contribute under clause 6.1.

10.2 Consequence of Election

If a Participant gives notice as permitted by clause 10.1 then:

(1) in the case where that Participant gives notice under clause 10.1(1), it will not be entitled or obliged to contribute to Joint Venture Expenditures incurred from the commencement of the period covered by the Approved Budget in relation to which the notice was given until it becomes entitled and obliged to recommence contributing to Joint Venture Expenditures;

(2) in the case where that Participant gives notice under clause 10.1(2), it will only be entitled and obliged to contribute to Joint Venture Expenditures in the reduced amount specified in the notice given by it under clause 10.1(2) until completion of the Approved Program to which the notice relates; and

(3) during the period for which a Participant is not entitled nor obliged to so contribute, its Participating Interest will dilute.

10.3 Dilution

During any period in which the Participating Interest of a Participant is diluting Participating Interests of the Participants will be calculated as follows:

$$PI = 100 \times \frac{PTE}{TE}$$

where:

PI is the Participating Interest of a Participant

PTE is that Participant's Total Expenditure as at date of calculation of the Participating Interest

TE is Total Expenditure of all Participants as at date of calculation of the Participating Interest

10.4 Operator to Make Calculations

If a Participant's Participating Interest is diluting in accordance with clause 10.3, then calculations of Participating Interests must be made in each calendar quarter by the Operator at the same time as it prepares a Cash Call Notice in respect of a calendar quarter (and such a determination must also be made immediately upon a Participant, whose Participating Interest has been diluting, again becoming entitled and obliged to contribute to Joint Venture Expenditures). The Operator must, after having made such a calculation, notify the Participants of their respective Participating Interests and of the date on which the calculation of the Participating Interest was made by incorporating that information within the Cash Call Notice referred to above.

10.5 Failure to pay Contributions to Expenditure

A Participant's failure to contribute to the Joint Venture Expenditures after electing to contribute constitutes default and will result in dilution at double the rate provided in clause 10.3. In other words, the contributions of the non-defaulting party will be valued at $2.00 for every $1 spent on the relevant Approved Program by the non-defaulting party.

10.6 Small Interests

If a Participant's Participating Interest in the Joint Venture is diluted (whether by operation of clause 10.3 or otherwise) to less than 4%, then its Participating Interest in the Joint Venture will be converted to a 0.4% NSR in exchange for the assignment of the Participating Interest of that Participant to the remaining Participant, or, in the case of multiple Participants, pro rata on the basis of their then existing Participating Interest. `

11. CHARGING AND PROJECT FINANCING

11.1 Grant of Lien and Security Interest

(1) Subject to clause 11.3, each Participant will grant to the other Participant a lien upon and a security interest in its Participating Interest, including all of its right, title and interest in the Joint Venture Property, whenever acquired or arising, and the proceeds from and accessions to the foregoing.

(2) The liens and security interests that are granted pursuant to clause 11.1(1) shall secure every obligation or liability of the Participant granting such lien or security interest created under the JVA. Each Participant will take all action necessary to perfect such lien and security interest and will appoint the other Participants as its attorney-in-fact to execute,

file and record all financing statements and other documents necessary to perfect or maintain such lien and security interest.

11.2 Charging by Individual Participant

Subject to clause 11.3, each Participant may charge, mortgage, assign by way of security or otherwise encumber its Participating Interest if and only if the chargee, mortgagee, assignee or encumbrance ("**Chargee**") agrees in a legally enforceable manner with the other Participants ("**Non charging Participant**") that the rights and interests of the Non-charging Participants in the Joint Venture Property will not be subject to or prejudiced by the charge, mortgage, assignment or other encumbrance ("**Security**") and that the Chargee and any liquidator, receiver, receiver and manager, assignee or transferee taking an interest in or relating to the Joint Venture Property under the Security or in the Participating Interest of the Participant granting the Security will be bound by the terms of the JVA and will take subject to the rights and interests in the Joint Venture Property of the Non-charging Participants, including the a liens and a security interests created by clause 11.1(1).

11.3 Project Financing and Subordination of Interests

(1) Each Participant shall, from time to time, take all necessary actions, including execution of appropriate agreements, to pledge its Participating Interest and, subject to clause 11.3(2). any other right or interest it holds with respect to the Joint Venture Property to secure the Project Financing, and to subordinate any liens it may hold which are created under the JVA to any secured borrowings relating to the Project Financing, and any modifications or renewals thereof.

(2) For greater certainty, the Existing Royalties do not form part of the Joint Venture Property and any pledge or subordination of the Existing Royalties under the terms of any proposed Project Financing will not be required from any of the Parties.

(3) If required by the Management Committee's choice of Project Financing structure, all Participants will also provide any guarantees to financiers for the benefit of each of the other Participants for Project Financing, providing an individual Participant being so required to provide may reorganize into a special purpose entity.

11.4 No other Encumbrances

Except as specified in clauses 11.1, 11.2, 11.3 or by operation of clause 10.6, no Participant may give or create any Encumbrance in or over its Participating Interest or the Joint Venture Property.

12. ASSIGNMENT

12.1 Assignment to Affiliates

(1) Each Participant may at any time assign its Participating Interest to an Affiliate of that Participant as long as the Affiliate enters into an agreement with the remaining Participants on terms to their satisfaction including terms by which:

(a) it agrees to be bound by the JVA;

(b) if an Affiliate to which a Participant has assigned the whole or any part of its Participating Interest ceases to be an Affiliate of the assigning Participant it must

immediately re-transfer that Participating Interest to the assigning Participant; and

(c) the assigning Participant remains liable for its obligations under the Agreement despite any assignment by the assigning Participant of its Participating Interest to an Affiliate.

12.2 General Pre-emptive Rights

Subject to clause 12.3, any Participant may at any time and from time to time sell or assign its Participating Interest to a third party as long as the Participant which wishes to sell its Participating Interest, gives notice to such effect to the other Participants and in such notice details the nature of the proposed transaction and the price therefor and shall be accompanied by a copy of the offer or the contract for sale. If the consideration for the intended transfer is, in whole or in part, other than monetary, the notice shall describe such consideration and its monetary equivalent (based upon the fair market value of the nonmonetary consideration and stated in terms of cash or currency) and the following provisions will apply:

(1) within 5 Business Days after receipt of a notice under this clause 12.2 any other Participant may object in writing to a determination of the cash value of the consideration subject matter of the offer or the contract for sale and upon such an objection being made all of the Participants must seek to agree upon that cash value but if they cannot reach agreement within 5 Business Days after the date of objection, then that cash value will constitute a Dispute to be resolved in accordance with clause 15.3 (the cost of which determination must be borne, if the cash value determined is less than that determined by the Selling Participant, by the Selling Participant and in any other case by the Participant which objects to the Selling Participant's determination);

(2) any Participant other than the Selling Participant will have an option exercisable by notice in writing to the Selling Participant within 20 Business Days of the date of the Selling Participant's notice under this clause 12.2 to acquire upon the same terms and conditions as are contained in the offer or contract for sale and for the consideration expressed therein or in lieu of any part of that consideration which is not a cash consideration, the cash value of it as determined or agreed in accordance with clause 12.2(1), the Participating Interest of the Selling Participant;

(3) the option granted under clause 12.2(2) will be capable of being exercised by all or any one or more of the Participants (other than the Selling Participant) and if it is exercised by more than one of them then they must purchase as between them in proportion to their Participating Interests inter se or in such other proportions as they may agree;

(4) subject to the provisions of all Security, if the option granted under clause 12.2(2) is not duly exercised, then the Selling Participant may, subject to compliance with clause 12.3, within 90 days after the expiry of the option complete a sale of its Participating Interest without any alteration from the offer or contract for sale; and

(5) if a sale is not completed within the time allowed in clause 12.2(4) or any material alteration of the offer or contract for sale is proposed the Selling Participant must not complete a sale after that time or as so altered without first having again complied with the foregoing provisions of this clause 12.2.

12.3 General Requirements

No assignment of a Participating Interest to a third person (including an Affiliate) will be effective unless it is for the entirety of such Participating Interest (except in circumstances where other Participants are exercising their rights to acquire a proportionate share of the Selling Participant's Participating Interest under clauses 12.2) and until:

(1) the assignee agrees with the other Participants (in form and terms satisfactory to that Participants) to assume and perform the duties, Liabilities, terms and conditions by the JVA binding on the assigning Participant in relation to the Participating Interest being assigned; and

(2) the assignee secures any and all necessary approvals of any Governmental Authority to that assignment.

13. DEFAULT

13.1 Prior to Commercial Production

If at any time before the commencement of Commercial Production a Participant is a Defaulting Participant and the default is capable of remedy and the Defaulting Participant does not remedy that default within 20 Business Days after the Operator or a Non-defaulting Participant gives notice to the Defaulting Participant specifying the default and requiring it to be remedied then upon the expiration of the 20 Business Days referred to above, the Non-defaulting Participant will have an option to purchase the Defaulting Participant's Participating Interest for a price equal to 80% of the average of the independent valuations of the defaulting Participant's Participating Interest performed by 2 independent experts nominated by the Non-defaulting Participant. If the option granted under this clause 13.1 is not exercised, then the Non-defaulting Participant must use reasonable efforts to dispose of the Defaulting Participant's Participating Interest for the price reasonably obtainable from a purchaser willing to comply with clause 12.4. All costs of the independent valuation and the costs of sale are to be borne by the Defaulting Participant and may be deducted from any proceeds of sale.

13.2 After Commercial Production

If at any time after the commencement of Commercial Production a Participant becomes a Defaulting Participant the saleable Mineral Product to which it is entitled under the JVA will, while it remains a Defaulting Participant, vest in the Operator upon trust for sale and any excess of proceeds and any unsold saleable Mineral Product will be paid and delivered to the Defaulting Participant when its default has been remedied and the Operator's costs of sale have been deducted.

13.3 Continuing Default after Commercial Production

If, despite action taken under clause 13.2, a Defaulting Participant continues to be in default (including, a default in respect of the payment of a contribution or other sum due in respect of the Joint Venture) and that default continues for 20 Business Days after a trust for sale arises under clause 13.2 or, on a fourth occasion within any continuous period of 2 years, a Participant becomes a Defaulting Participant, then, at the expiration of the period of 15 Business Days after notice is given by a Non-defaulting Participant to the Defaulting Participant that either of the foregoing events have occurred, if the Defaulting Participant is then still a Defaulting Participant the Participating Interest (including the right to saleable Mineral Product of the Defaulting Participant) will vest in the Operator, in trust, for sale and the trust for sale under clause 13.2 will cease. After

a trust for sale arises under this clause 13.3, the non-defaulting Participant will have an option to purchase the Defaulting Participant's Participating Interest for a price equal to the average of the independent valuations of the defaulting Participant's Participating Interest performed by 2 independent experts. If the option granted under this clause 13.3 is not exercised, the Operator must use reasonable efforts to dispose of the Participating Interest held in trust for sale for the best price reasonably obtainable from a purchaser willing to comply with clause 12.4.

14. WITHDRAWAL AND WINDING UP

There shall be no withdrawal by a Participant or winding up of the Joint Venture without adequate payment of, or security for, reclamation and closure Costs.

15. OTHER

15.1 Force Majeure

Force majeure provisions substantially as in Section 13 of the Agreement, provided however that the occurrence of an Intervening Event shall not result in the termination of the JVA.

15.2 Confidentiality

Confidentiality provisions substantially as in Section 14 of the Agreement.

15.3 Dispute Resolution

As in Section 15 of the Agreement.

15.4 Area of Interest

No Participant will acquire any Mineral Rights (or an interest therein) or Other Rights (or an interest therein) located wholly or in part within the Area of Interest (the "**Acquired Interest**") unless acquired in accordance with this clause 15.4.

If a Participant or any of its Affiliates acquires or proposes to acquire an Acquired Interest, within 30 days after such acquisition or proposed acquisition, as the case may be, such Participant (and if it is an Affiliate of a Participant, the applicable Participant) shall notify the other Participants of such acquisition or proposed acquisition. Such notice shall describe in detail the Acquired Interest, the acquiring Participant or Affiliate and the cost thereof ("**Acquisition Costs**"). In addition to such notice, the acquiring Participant shall make any and all information concerning the Acquired Interest available for inspection by the other Participant. Within 30 days after receiving the notice and information, any other Participant may notify the acquiring Participant of its election to include such Acquired Interest in the Joint Venture Property, and if it so elects then such Acquired Interest will be deemed Joint Venture Property and the Participants will bear the Acquisition Costs in accordance with their respective Participating Interest regardless of whether they elected to include the Acquired Interest or not. If all of the other Participants all do not want to include such Acquired Interest as part of the Joint Venture Property, then the Participant which gave such notice and any of its Affiliates will be free to acquire or otherwise deal with such Acquired Interest for their own account, and such Acquired Interest will be deemed not subject to the Joint Venture.

15.5 No Partition

No Participant may seek or obtain partition of any of the Assets, including the Properties, or any

interest therein whether by way of physical partition, sale or otherwise. No statute, regulation or law providing for partition, or partition and sale, shall apply to any of the Assets.

15.6 No Restriction on Other Activities

Each Participant has the unrestricted right to engage in, and receive the full benefit of, any activity outside the scope of the Joint Venture, without consulting with, or accounting to, the other Parties, or permitting the other Parties to participate in such activity.

15.7 Government Assistance

Any grant or other form of governmental financial assistance received by a Party with respect to Operations shall be shared by the Parties, in the proportion of their respective Participating Interests at the time that such grant or financial assistance is received.

15.8 Additional Provisions

Such other provisions as may be customary and reasonable in mining ventures of this type.

<u>**AMENDING AGREEMENT**</u>

THIS AGREEMENT dated the 18th day of October 2020 (the "**Amending Agreement**")

BETWEEN:

TAURUS GOLD CORP.
a body corporate existing under to the laws of Alberta
(hereinafter referred to as the "**TGC**")

-and-

1011308 BC LTD.
a body corporate existing under the laws of Alberta,
(hereinafter referred to as the "**Company**")

WHEREAS TGC and the Company are parties to an Option Agreement dated August 18, 2020 (the "**Option Agreement**");

AND WHEREAS capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Option Agreement;

AND WHEREAS pursuant to section 2.4(b) of the Option Agreement TGC and the Company have agreed to enter into this Amending Agreement to extend the Effective Date therein;

NOW THEREFORE in consideration of the premises and the mutual covenants herein contained **IT IS HEREBY MUTALLY COVENANTED, AGREED AND ACKNOWLEDGED** by and between the parties as follows:

1. Except as otherwise expressly amended by this Amending Agreement, the Option Agreement remains in full force and effect between the parties in accordance with its terms. The Option Agreement and this Amending Agreement shall hereafter be read together and shall collectively constitute one (1) agreement.

2. Section 1.1 is amended to add the following definition:

   (a) "Initial Public Offering" means an initial public offering (whether on a treasury or secondary basis) of TGC common shares pursuant to a prospectus filed and declared effective under applicable securities laws and a concurrent listing of the common shares for trading on a recognized exchange);

3. Section 2.1 of the Option Agreement is hereby deleted in its entirety and replaced with the following:

   "This Agreement and the obligations of the Parties under it are subject to TGC, as soon as possible, but no later than that date that is the earlier of (i) five (5) Business Days following the date upon which the company has completed the Initial Public Offering, and (ii) March 15, 2021 (the "**Effective Date**") having met the following conditions precedent ("**Conditions Precedent**"):

   (a) paying to the Company $250,000 ("Initial Payment"); and

(b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares at a deemed price of $0.05 per Share ("Initial TGC Shares");

Provided the Conditions Precedent are fulfilled, on or before the Effective Date, TGC will provide written notice to the Company to that effect along with the Initial Payment and the Initial TGC Shares issuance.

4. This Amending Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

5. This Amending Agreement is in full force and effect as of the day and year first written above.

6. This Amending Agreement may be executed in several counterparts and by facsimile or other electronic means, each of which so executed shall be deemed to be an original and such counterparts together shall be one and the same instrument.

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

TAURUS GOLD CORP.

Per: (signed) *"Lori Walton"*
Name: Lori Walton
Title: CEO

1011308 BC LTD.

Per: (signed) *"Robert Sim"*
Name: Robert Sim
Title: President

SECOND AMENDING AGREEMENT

THIS AGREEMENT dated the 15th day of March 2021 (the "**Second Amending Agreement**")

BETWEEN:

TAURUS GOLD CORP.
a body corporate existing under to the laws of Alberta
(hereinafter referred to as the "**TGC**")

-and-

1011308 BC LTD.
a body corporate existing under the laws of Alberta,
(hereinafter referred to as the "**Company**")

WHEREAS TGC and the Company are parties to an Option Agreement dated August 18, 2020, as amended by an amending agreement dated October 18, 2020 (collectively, the "**Option Agreement**");

AND WHEREAS capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Option Agreement;

AND WHEREAS pursuant to section 2.4(b) of the Option Agreement, TGC and the Company have agreed to enter into this Amending Agreement to extend the Effective Date therein;

NOW THEREFORE in consideration of the premises and the mutual covenants herein contained **IT IS HEREBY MUTALLY COVENANTED, AGREED AND ACKNOWLEDGED** by and between the parties as follows:

1. Except as otherwise expressly amended by this Amending Agreement, the Option Agreement remains in full force and effect between the parties in accordance with its terms. The Option Agreement and this Second Amending Agreement shall hereafter be read together and shall collectively constitute one (1) agreement.

2. Section 2.1 of the Option Agreement is hereby deleted in its entirety and replaced with the following:

   "This Agreement and the obligations of the Parties under it are subject to TGC, as soon as possible, but no later than that date that is the earlier of (i) five (5) Business Days following the date upon which the company has completed the Initial Public Offering, and (ii) March 15, 2022 (the "**Effective Date**") having met the following conditions precedent ("**Conditions Precedent**"):

   (a) paying to the Company $250,000 ("**Initial Payment**"); and

   (b) issuing and allotting to, or as directed by, the Company, 10,000,000 TGC Shares at a deemed price of $0.05 per Share ("**Initial TGC Shares**");

   Provided the Conditions Precedent are fulfilled, on or before the Effective Date, TGC will provide written notice to the Company to that effect along with the Initial Payment and the Initial TGC Shares issuance.

3. Section 14.4 of the Option Agreement is hereby deleted in its entirety.

4. This Second Amending Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

5. This Second Amending Agreement is in full force and effect as of the day and year first written above.

6. This Second Amending Agreement may be executed in several counterparts and by facsimile or other electronic means, each of which so executed shall be deemed to be an original and such counterparts together shall be one and the same instrument.

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

TAURUS GOLD CORP.

Per: (signed) *"Lori Walton"*
Name: Lori Walton
Title: President

1011308 BC LTD.

Per: (signed) *"Robert Sim"*
Name: Robert Sim
Title: President