

## PROPERTY OPTION AGREEMENT

**THIS AGREEMENT** is made effective as of September 1, 2020.

### **BETWEEN:**

**NORTHBOUND CAPITAL CORP.**, a corporation having an office at #301 – 220 Brew Street, Port Moody, British Columbia, V3H 0E5

(the **“Optionor”**)

### **AND:**

**GOLDEN SPIKE RESOURCES CORP.**, a corporation having an office at 94 Linden Court, Port Moody, British Columbia, V3H 5C1

(the **“Optionee”**)

### **WHEREAS:**

- A. Optionor is the legal and beneficial owner of a 100% interest in and to the Property (as defined herein); and
- B. Optionor desires to grant, and Optionee wishes to acquire, the sole and exclusive right to acquire a 100% right, title and interest in and to the Property, in accordance with the terms and subject to the conditions set out in this Agreement.

**THEREFORE**, in consideration of the mutual promises, covenants, conditions, representations and warranties herein set out, the parties agree as follows:

## **ARTICLE 1 - DEFINITIONS**

- 1.1 For the purposes of this Agreement the following words and phrases will have the following meanings, namely:
  - (a) **“Affiliate”** will have the meaning attributed to such term in the *Business Corporations Act* (British Columbia);
  - (b) **“Agreement”** means this Agreement, as amended from time to time;
  - (c) **“Business Day”** means a day other than a Saturday, Sunday or any day on which chartered banks in the City of Vancouver, British Columbia are not open for business during normal banking hours;
  - (d) **“Commercial Production”** means, and is deemed to have been achieved, when the concentrator processing ores, for other than testing purposes, has operated for a period of 45 consecutive production days at an average rate

of not less than 70% of design capacity or, if a concentrator is not erected on the Property, when ores have been produced for a period of 45 consecutive production days at the rate of not less than 70% of the mining rate specified in a feasibility study or any similar study recommending placing the Property in production;

- (e) **“Effective Date”** means the date of this Agreement, as first set out above;
- (f) **“Encumbrance”** means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien, charge, royalty, restrictive covenant or other encumbrance or claim of any nature, whether registered or unregistered, and whether arising by agreement, statute or otherwise;
- (g) **“Exchange”** means the Canadian Securities Exchange;
- (h) **“Expenditures”** means any amounts spent by a party, directly or indirectly, on or in connection with the Property for the purposes of ascertaining the existence, location, quality, quantity or commercial value of deposits of Minerals on the Property, including:
  - (i) prospecting, exploration, geology and related interpretation, geochemical surveys and analysis, geophysical surveys and interpretation, drilling, geotechnical work, open pits, blasting, underground activities and workings, shafts, adits, drifts, bulk sampling, camp costs, evaluation, independent resource estimates, economic studies, assessment reports; and
  - (ii) all other expenses directly benefiting the mineral claims comprising the Property and the prospecting, exploration, evaluation and development thereof, including those incurred for environmental and other studies (field and lab studies), charges incurred for site preparation, engineering, surveying, equipment rental, third-party contractor services, construction of roads, costs of equipment and supplies, labour costs and all direct salary and field expenses of exploration personnel, and transportation costs;
- (i) **“Listing Date”** means the date the Shares are listed on the facilities of the Exchange;
- (j) **“Minerals”** means all materials of commercial value produced or derived from the Property and all base metals and minerals, all precious metals and minerals, all rare earth, non-metallic minerals including diamonds, all industrial minerals and all ores, concentrates, precipitates, beneficiated products, and solutions containing any of the aforementioned metals or minerals, and all forms in which such metals and minerals may occur, be found, extracted or produced on, in or under the Property;

- (k) **“Net Smelter Returns”** has the meaning set out in Schedule “B”;
- (l) **“NSR Royalty”** has the meaning set out in Section 4.1;
- (m) **“Operations”** means all activities carried out in connection with the prospecting, exploring, evaluation, development, and mining of Minerals on the Property, including prospecting, exploration, the development of a mine, the mining, extraction, treatment, storage and processing of Minerals, distribution of Minerals, the acquisition and relinquishment of properties or the construction of any improvements, fixtures or equipment reasonably necessary therefor, and any other activities or operations related to or necessary for exploration, development, and mining of Minerals on, in or under the Property;
- (n) **“Operator”** means Optionee;
- (o) **“Option”** has the meaning attributed to such term in Section 3.1;
- (p) **“Option Period”** means the period commencing on the Effective Date and ending on the earlier of (i) the date that the Option is deemed to have been exercised by Optionee in accordance with the terms of this Agreement and (ii) the date that this Agreement is terminated in accordance with its terms;
- (q) **“Optionee”** means Golden Spike Resources Corp.;
- (r) **“Optionor”** means Northbound Capital Corp.;
- (s) **“Property”** means the mineral claims set out in Schedule A, comprising approximately 2,132.4 Ha located in the Red Lake Mining District, northwest of Ear Falls in Ontario, Canada, and all mining leases and other interests derived from such claims together with any and all substitute or successor titles to any of the foregoing. Property also includes any mineral claims or other interests that become part of the Property by operation of the AOI Property provided for herein; and
- (t) **“Shares”** means common shares in the capital of Optionee.

## 1.2 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter herein and supersedes all prior arrangements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal, express or implied.

**1.3 Headings**

The Articles, Sections, subsections and other headings contained herein are included solely for convenience, are not intended to be full or accurate descriptions of the content of this Agreement and will not be considered part of this Agreement.

**1.4 Currency**

Unless otherwise indicated, all dollar amounts contained in this Agreement are and will be construed to be in dollars in the lawful currency of Canada.

**ARTICLE 2– REPRESENTATIONS, WARRANTIES AND COVENANTS**

**2.1** Optionor represents and warrants to, and covenants with Optionee that:

- (a) it is a company duly organized, validly existing and in good standing under the laws of the Province of British Columbia;
- (b) it has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to herein or contemplated hereby and to consummate the transactions contemplated hereby;
- (c) neither the execution and delivery of this Agreement, nor any of the agreements referred to herein or contemplated hereby, 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;
- (d) the execution and delivery of this Agreement and the agreements referred to herein or contemplated hereby will not violate or result in the breach of the laws of any jurisdiction applicable to it or its constating documents;
- (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder;
- (f) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms;
- (g) Optionor owns an undivided 100% legal, beneficial and recorded interest in and to the Property and has the exclusive right to enter into this Agreement and all necessary authority to dispose of an undivided 100% interest in and to the Property in accordance with the terms of this Agreement;
- (h) the Property is properly and accurately described in Schedule A to this Agreement, and the mineral claims comprising the Property have been

properly located and staked pursuant to the applicable laws and regulations of the Province of Ontario and are in good standing;

- (i) the Property is in good standing and the mineral claims comprising the Property are free and clear of any Encumbrances or third party interests or other interest whatsoever in production from any part of the Property and no royalty is payable in respect of any part of the Property, and Optionor is not aware of any agreements or options to grant or convey any interest or rights in the Property or to pay any royalties with respect to the Property in force as of the date hereof, other than the NSR Royalty;
- (j) other than this Agreement, Optionor it is not a party to any outstanding agreements or options to acquire, purchase or sell the Property or any portion thereof or any interest therein;
- (k) no part of the Property is subject to any area of common interest or similar obligation to or with a third person;
- (l) there is no adverse claim or challenge against or to the ownership of or title to any part of the Property, and no party has any right, title, claim or other interest in the Property, nor to the knowledge of Optionor after due inquiry is any of the foregoing pending or threatened nor is there any basis therefor;
- (m) all fees, taxes, assessments, rentals, levies or other payments, and all reports and other filings, required to be made to such date relating to the Property have been made in a timely manner;
- (n) to Optionor's knowledge, there are no actions, or claims, investigations, suits, proceedings or inquiries (judicial or otherwise) pending or threatened against or relating to the Property before or by any governmental or regulatory agency or board, which would reasonably be expected to have a materially adverse effect on the ability of Optionor to perform its obligations hereunder;
- (o) there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste on, into, under or affecting the Property and no such contaminant, pollutant, dangerous or toxic substance, or hazardous waste is stored in any type of container on, in or under the Property and there is no outstanding directive or order or similar notice issued by any regulatory agency, including agencies responsible for environmental matters, affecting the Property or Optionor nor to the knowledge of Optionor after due inquiry is there any basis therefor or any reason to believe that such an order, directive or similar notice is pending;

- (p) no reclamation, rehabilitation, clean-up, closure, other environmental corrective, restoration or abandonment obligations exist directly or indirectly with respect to the Property;
- (q) Optionor has not received from any governmental or regulatory agency or board, any notice of or communication relating to any actual or alleged environmental claims, and there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Property or any operations carried out on the Property;
- (r) to the best of its knowledge, (i) there are no pending or ongoing actions taken against Optionor by or on behalf of any aboriginal councils, groups or individuals pursuant to the assertion of any land claims or rights with respect to the Property; (ii) Optionor has not entered into any impact and benefits agreements, memorandums of understanding, other agreements of the same nature or any other contracts with any aboriginal individuals, groups or councils in relation to the Property and none have been proposed; and (iii) no aboriginal councils, groups or individuals or other stakeholders have informed Optionor that they oppose the exploration of the Property or the development of a mining project thereon;
- (s) all work carried out on the Property by or under Optionor's direction has been done in full compliance with all applicable laws and regulations and it has no reason to believe that all prior work carried out on the Property by third parties has not been done in full compliance with all applicable laws and regulations;
- (t) to the best of Optionor's knowledge, information and belief, no part of the Property lies within any protected area, rescued area, reserve, reservation or reserved area or other designated area, that would impair the development of a mining project thereon;
- (u) Optionor is a resident of Canada for the purposes of the *Income Tax Act* (Canada); and
- (v) Optionor has provided to Optionee data, maps, interpretive data, samples and other materials relevant to the Property for evaluation in the possession or control of Optionor and Optionor will permit Optionee to retain possession of such materials and information during the Option Period, it being understood that these materials will remain in Optionee's possession in the event the Option is exercised and, if the Option is not exercised, returned to Optionor; and
- (w) during the Option Period, Optionor will immediately notify Optionee of any defaults with respect to ownership of the Property and will not abandon any portion of the Property without the prior written consent of Optionee.

- 2.2 Optionee represents and warrants to, and covenants with Optionor that:
- (a) it is a company duly organized, validly existing and in good standing under the laws of the Province of British Columbia;
  - (b) it has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to herein or contemplated hereby and to consummate the transactions contemplated hereby;
  - (c) neither the execution and delivery of this Agreement, nor any of the agreements referred to herein or contemplated hereby, 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;
  - (d) the execution and delivery of this Agreement and the agreements referred to herein or contemplated hereby will not violate or result in the breach of the laws of any jurisdiction applicable to it or its constating documents;
  - (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder;
  - (f) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms; and
  - (g) upon termination of this Agreement, Optionee will return or assign to Optionor all technical information and data, maps, interpretive data, samples and other material relevant to the Property and in its possession.
- 2.3 The representations, warranties and covenants set out in this ARTICLE 2 are conditions on which the parties have relied in entering into this Agreement, and will survive the exercise of the Option or the termination of this Agreement in accordance with its terms, whichever will first occur, for a period of one year. Each party will indemnify and save the other harmless from all losses, damages, costs (including reasonable legal expenses, but not including losses of profits or opportunity or punitive or incidental damages), actions and suits arising out of or in connection with any breach of any representation or warranty contained in this Agreement, and each party will be entitled, in addition to any other remedy to which it may be entitled, to set off any such loss, damage or costs suffered by it as a result of any such breach against any payment required to be made by it to any other party hereunder.

### ARTICLE 3 - GRANTING AND EXERCISE OF OPTIONS

- 3.1 Optionor hereby grants to Optionee the sole and exclusive option to acquire an undivided 100% legal and beneficial right, title and interest in and to the Property free and clear of all Encumbrances save and except for the NSR Royalty.
- 3.2 In order to exercise the Option and to maintain the Option in good standing, Optionee will:
- (a) make cash payments to Optionor totalling \$75,000, as follows:
    - (i) \$30,000 on the Effective Date; and
    - (ii) an additional \$45,000, on or before the Listing Date; and
  - (b) issue a total of 1,250,000 Shares to Optionor, as follows:
    - (i) 500,000 Shares on or before the Listing Date; and
    - (ii) an additional 750,000 Shares, on or before the date which is 12 months after the Listing Date.

All payments and issuances of Shares described in this Section 3.2 may be accelerated at Optionee's option. There is no partial vesting of the Property.

- 3.3 This Agreement is for an option only and, for greater certainty, nothing in this Agreement will be construed as obligating Optionee to do any acts, make any payments or issue any Shares hereunder, and any act done or Share issued hereunder will not be construed as obligating Optionee to do any further act or make any further payment.
- 3.4 Once Optionee has fulfilled the obligations in Section 3.2, Optionee will be deemed to have exercised the Option and will be vested with an undivided 100% legal and beneficial right, title and interest in and to the Property free and clear of all Encumbrances save for the NSR Royalty.
- 3.5 Upon the exercise of the Option, Optionor will execute and deliver or cause to be executed and delivered within 10 Business Days of the exercise date of the Option to Optionee, or register or cause to be registered with all applicable agencies or places of record, transfers of the Property in favour of Optionee, which transfers may be recorded by Optionee at all such agencies or places of record as may be appropriate or desirable to effect the legal or recorded transfer of the Property to Optionee. Until such transfers are completed, Optionee will be entitled to register or record this Agreement or other evidence of its rights hereunder against title to the Property, and Optionor will promptly execute and deliver, or cause to be executed and delivered, all documents, deeds and other instruments reasonably requested by Optionee for the purpose of facilitating such registration or recording.



- 3.6 Optionor acknowledges and agrees that the Shares issued pursuant to this Agreement will be subject to applicable securities laws and the rules and policies of the Exchange, including any resale restrictions imposed thereby.
- 3.7 In the event of the issue of Shares pursuant to this Agreement after the occurrence of one or more events involving the capital reorganization, reclassification, subdivision or consolidation of the Shares, or the merger, amalgamation or other corporate combination of the Optionee with one or more other entities, or of any other events in which new securities of any nature are delivered in exchange for the issued Shares and such issued Shares are cancelled (a "**Fundamental Change**"), in lieu of issuing the Shares which, but for such Fundamental Change and this provision, would have been issued, the Optionee or its successor will issue instead such number of new securities as would have been delivered as a result of the Fundamental Change in exchange for those Shares which Optionor would have been entitled to receive if such issue had occurred prior to the Fundamental Change.

#### **ARTICLE 4 - NET SMELTER RETURNS ROYALTY**

- 4.1 If Optionee exercises the Option and acquires an undivided 100% legal and beneficial right, title and interest in and to the Property, Optionor will thereafter be entitled to a 3% Net Smelter Returns royalty with respect to the Property on the terms set out in Schedule "B" (the "**NSR Royalty**"), payable upon the commencement of Commercial Production, provided that Optionee will have the right to purchase from Optionor a 2% Net Smelter Returns royalty upon payment of the sum of \$1,000,000 to Optionor at any time.

#### **ARTICLE 5 - ACTIVITIES OF THE OPERATOR**

- 5.1 During the Option Period, the Operator will have full right, power and authority to do everything necessary or desirable to determine the manner of exploration and development of the Property, including the right, power and authority to:
- (a) regulate access to the Property subject only to the right of the representatives of Optionor to have access to the Property at all reasonable times and on reasonable notice, for the purpose of inspecting work being done thereon but at their own risk and expense;
  - (b) employ and engage such employees, agents and independent contractors as the Operator may consider necessary or advisable to carry out its duties and obligations hereunder and in this connection to delegate any of its powers and rights to perform its duties and obligations hereunder;
  - (c) remove any Minerals from the Property for sampling and testing purposes as may be necessary in accordance with its operations on the Property; and

- (d) exercise any other such rights in respect of the Property as are held by Optionor.
- 5.2 The Operator will not have the right to remove materials for any bulk sampling or test mining unless permitted in accordance with the terms of the mineral claims comprising the Property.

#### **ARTICLE 6 - OBLIGATIONS OF THE OPERATOR**

- 6.1 During the Option Period, the Operator will, in regard to the Property:
- (a) permit Optionor, at their own expense, reasonable and timely access to the results of the work done on the Property;
  - (b) keep the Property free and clear of all liens, charges and encumbrances of every character arising from its operation hereunder (except for liens for taxes not then due, other inchoate liens and liens diligently contested in good faith by the Operator), and proceed with all reasonable diligence to contest or discharge any lien that is filed;
  - (c) pay, when due and payable, all wages or salaries for services rendered in connection with the Property and all accounts for materials supplied on or in respect of any work or operation performed on the Property;
  - (d) do or cause to be done all work on the Property, including any clean-up work, in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any applicable governmental authority; and
  - (e) at all times during the Option Period, keep the Property in good standing, including making all claim payments required by law, in accordance with applicable laws and regulations.
- 6.2 During the Option Period, Optionor will cooperate with the Operator in its efforts to satisfy its obligations under this Agreement.

#### **ARTICLE 7 - AREA OF COMMON INTEREST**

- 7.1 If at any time during the term of this Agreement, Optionor or an Affiliate of Optionor acquires, directly or indirectly, any interest in any property which is all or partly within two kilometres of the outermost boundary of the Property (the "**AOI Property**"), then Optionor or its Affiliate, as applicable, must disclose the acquisition (including all costs and information it has relating to the AOI Property) promptly to Optionee, and Optionee may, by notice to Optionor or its Affiliate, as applicable, within thirty days of receipt of notice of the acquisition, elect to include the AOI Property within the Property.

- 7.2 If Optionee elects to include the AOI Property as part of the Property in accordance with this ARTICLE 7, then the acquisition costs of the AOI Property will, upon verification by Optionee, be reimbursed to Optionor, and such AOI Property will be included as part of the Property without the payment of any additional consideration by the Optionee.

#### **ARTICLE 8 - TERMINATION**

- 8.1 Optionee may, at any time prior to its exercise of the Option and subject to any survival terms and conditions provided in this Agreement, terminate this Agreement in its entirety on written notice to Optionor and except for the obligations set out in Section 8.4 hereof and any liability for any obligation incurred prior to such termination, will thereafter have no liability to Optionor as a result of such termination.
- 8.2 If at any time Optionee fails to perform any obligation required to be performed by it hereunder, or Optionee is otherwise in breach of a warranty or a covenant given by it hereunder, then Optionor may terminate this Agreement, but only after it will have first given written notice of default to Optionee and Optionee has not cured the default within (a) 5 Business Days following delivery of the notice of default if the default is a failure to timely pay money, or (b) within 30 calendar days following delivery of the notice of default if the default is other than a failure to timely pay money.
- 8.3 Upon termination of this Agreement, Optionee will have no legal or beneficial interests in or to the Property.
- 8.4 Notwithstanding any other provisions of this Agreement, in the event of termination of this Agreement, Optionee will:
- (a) have the right and obligation to remove from the Property within 180 calendar days of the effective date of such termination all equipment erected, installed or brought upon the Property by or at the instance of Optionee; and
  - (b) perform all reclamation work on the Property required under applicable mining, exploration and environmental laws as a result of Operations carried out by or on behalf of Optionee.

#### **ARTICLE 9 - TRANSFERS**

- 9.1 Except in the event of a transfer to an Affiliate, Optionee will not be permitted to transfer all or any part of its rights or obligations under this Agreement without the prior written consent of Optionor, which consent may be granted or withheld by Optionor in their sole discretion.

#### **ARTICLE 10 - FORCE MAJEURE**

- 10.1 If any party to this Agreement is at any time prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lock-outs, labour shortages, power shortages, fuel shortages, fires, wars, insurrection, terrorist activities, inability to gain or maintain surface access not related to the misconduct of such party, acts of God, governmental regulations restricting normal operations, including as a result of or related to the COVID-19 pandemic, shipping delays or any other extraordinary reason or reasons beyond the control of such party, other than lack of funds, the effect of which would be to halt work on any or all of the Property, the time limited for the performance by such party of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay, but nothing herein will discharge such party from its obligations hereunder to maintain any and all Property in respect of which it is the Operator in good standing.
- 10.2 Each party will give prompt notice to the other of each event of force majeure under Section 10.1 hereof and upon cessation of such event will furnish to the other party notice to that effect together with particulars of the number of days by which the obligations of the notifying party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

#### **ARTICLE 11 - CONFIDENTIAL INFORMATION**

- 11.1 The parties to this Agreement will keep confidential all books, records, files and other information supplied by any party to the other party or its employees, agents or representatives in connection with this Agreement or in respect of the activities carried out on the Property by any party, or related to the sale of Minerals, or other products derived from any Property, including all analyses, reports, studies or other documents prepared by any party or its employees, agents or representatives, which contain information from, or otherwise reflects such books, records, files or other information. The parties will use their reasonable efforts to ensure that their employees, agents or representatives do not disclose, divulge, publish, transcribe, or transfer such information, in whole or in part, other than to an Affiliate where such disclosure is for routine corporate purposes, and other than to its contractors, legal, accounting and other advisors, financiers, potential investors and potential transaction partners who require such information, without the prior written consent of the other party, which consent may not be arbitrarily or unreasonably

withheld and which will not apply to such information or any part thereof to the extent that:

- (a) it is required to be publicly disclosed pursuant to applicable securities or corporate laws or rules or requirements of any stock exchange, in which event the party seeking to make such disclosure will provide to the non-disclosing party, at least 24 hours prior to making such disclosure, a written copy of such proposed disclosure, unless mutually agreed otherwise, and will include any comments the non-disclosing party may have, acting reasonably, on such proposed disclosure;
- (b) the disclosure is reasonably required to be made to a taxation authority in connection with the taxation affairs of the disclosing party; or
- (c) such information becomes generally disclosed to the public, other than as a consequence of a breach of this Agreement by one of the parties to this Agreement.

11.2 Notwithstanding any other provision hereof each party to this Agreement agrees to provide to the other party to this Agreement the text of any proposed news release or information update with respect to this Agreement or the Property at least 24 hours prior to release of such information to third parties. The party receiving such proposed news release or information update will review and comment on the text thereof within 24 hours of receipt. The party proposing the new release or information update will in good faith review the comments provided and will take reasonable steps to modify the release or update according to the concerns raised.

#### **ARTICLE 12 - DISPUTE RESOLUTION**

- 12.1 All disputes arising out of or in connection with this Agreement, or in respect of any defined legal relationship associated with or derived therefrom, will be referred to and finally resolved by arbitration by one arbitrator under the rules of the British Columbia International Commercial Arbitration Centre.
- 12.2 The appointing authority will be the British Columbia International Commercial Arbitration Centre and the case will be administered at Vancouver, British Columbia, by the British Columbia International Commercial Arbitration Centre in accordance with its "Procedures for Cases under the BCICAC Rules".

#### **ARTICLE 13 - COVENANT TO REGISTER AGREEMENT**

- 13.1 Forthwith upon the acquisition of an interest in any land or mineral rights pursuant to this Agreement, either party to this Agreement will, if requested by the other by notice in writing, cooperate with such other party in taking such steps as are necessary for the registration of the interests of the parties to this Agreement with the appropriate authorities, governmental agencies or registry offices to properly

evidence this Agreement in the jurisdiction in which the Property is located and protect to the extent possible, the rights and interests of the parties acquired hereunder from time to time from adverse claims by third parties.

#### **ARTICLE 14 - NOTICES**

14.1 Any notice or other writing required or permitted to be given hereunder or for the purposes of this Agreement to either Optionor or Optionee, will be sufficiently given if delivered personally or transmitted by email or other form of recorded communication capable of producing a printed copy:

- (a) In the case of a notice to Optionor, at their address as shown on the first page of this Agreement, or by email to Lai Lai Chan at lailaichanl@hotmail.com;
- (b) In the case of a notice to Optionee, at their address as shown on the first page of this Agreement, or by email to Keith Anderson, CEO, at keith.silversandscorp@gmail.com,

or at such other address or addresses as the parties to whom such writing is to be given will have last notified the party giving the same in the manner provided in this Section 14.1. Any notice delivered to the party to whom it is addressed as provided in this Agreement will be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day, then the notice will be deemed to have been given and received on the Business Day next following such day. Any notice transmitted by facsimile or other form of recorded communication will be deemed to be given and received on the first Business Day after its transmission.

#### **ARTICLE 15 - GENERAL**

- 15.1 Each of the parties hereto will bear its own costs in connection with the negotiation, preparation and finalization of this Agreement and any required approvals in connection herewith.
- 15.2 This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 15.3 No waiver of any term of this Agreement by a party is binding unless such waiver is in writing and signed by the party entitled to grant such waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term.

- 15.4 No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by each Party.
- 15.5 All statements contained in any certificate or other instrument delivered by or on behalf of any party pursuant to this Agreement or in connection with the transactions contemplated by this Agreement will be deemed to be made by such party hereunder.
- 15.6 The parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully and effectively the intent and purpose of this Agreement or to record wherever appropriate the respective interests from time to time of the parties in the Property.
- 15.7 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, except for matters concerning legal title to the Property, which will be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 15.8 Time will be of the essence in this Agreement.
- 15.9 The preamble, Recitals and Schedules to this Agreement will be deemed to be incorporated in, and to form part of, this Agreement.
- 15.10 Wherever the neuter and singular is used in this Agreement it will be deemed to include the plural, masculine and feminine, as the case may be.
- 15.11 The word "or" will not be exclusive and the word "including" will not be limiting (whether or not non-limiting language such as "without limitation" or "but not limited to" or other words of similar import is used with reference thereto).
- 15.12 If any provisions of this Agreement will be invalid, illegal or unenforceable in any respect under any applicable law, such provision may be severed from this Agreement, and the validity, legality and enforceability of the remaining provisions hereof will not be affected or impaired by reason thereof.
- 15.13 This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof. This Agreement supersedes and replaces all prior agreements between the parties hereto with respect to the Property, which said prior agreements will be deemed to be null and void upon the execution hereof.
- 15.14 Optionor acknowledges and agrees that this Agreement has been prepared by DuMoulin Black LLP, as legal counsel to Optionee, and that at no time has DuMoulin Black LLP given legal advice to Optionee in connection with the entering into of this Agreement. Optionor further acknowledges that they have been advised to seek

independent legal advice in connection with the entering into of this Agreement, and that by executing this Agreement they confirm that they have either sought the requisite legal advice or waived their right thereto.

- 15.15 This Agreement may be signed by the parties in counterparts and may be delivered by facsimile or other form of electronic transmission, each of which when delivered will be deemed to be an original and all of which together will constitute one instrument.

*[Signature Page to Follow]*



IN WITNESS WHEREOF the parties to this Agreement have executed this Agreement as of the day and year first above written.

**GOLDEN SPIKE RESOURCES CORP.**

By:           "Keith Anderson"            
Keith Anderson, Chief Executive Officer

**NORTHBOUND CAPITAL CORP.**

By:           "Blair Naughty"            
Blair Naughty, Chief Executive Officer

**SCHEDULE "A" - DESCRIPTION OF THE PROPERTY**

<b>Claim Title</b>	<b>No. Claims</b>	<b>Issue Date</b>	<b>Expiry Date</b>	<b>Required Work Expenditures</b>	<b>Registered Licence Holder</b>
554486	1	2019-07-18	2021-07-18	\$8,320	Northbound Capital Corp.
554487	1	2019-07-18	2021-07-18	\$8,320	Northbound Capital Corp.
554488	1	2019-07-18	2021-07-18	\$8,320	Northbound Capital Corp.
554489	1	2019-07-18	2021-07-18	\$8,320	Northbound Capital Corp.
554497	1	2019-07-18	2021-07-18	\$8,320	Northbound Capital Corp.
<b>TOTAL</b>	<b>5</b>			<b>\$41,600</b>	

## SCHEDULE "B" – NET SMELTER RETURNS ROYALTY

1. The NSR Royalty described in the Agreement to which this Schedule "B" is attached will be 3% of the Net Smelter Returns (as determined pursuant to Section 1 below) and will be paid to Optionor by the Operator of the Property in accordance with the terms of this Schedule "B".
2. The "**Net Smelter Returns**" will be calculated on a calendar quarter basis and will be equal to Gross Revenue (as hereinafter defined) less Permissible Deductions (as hereinafter defined) for such quarter.
3. In this Schedule "B", the following words have the following meanings:
  - (a) "**Gross Revenue**" means the aggregate of the following revenues (without duplication) actually received in each quarterly period:
    - (i) the revenue from arm's length purchasers of all Mineral Products;
    - (ii) the fair market value of all Mineral Products sold to persons not dealing at arm's length with the owner of the Property from which the Mineral Products are produced; and
    - (iii) any proceeds of insurance on Mineral Products;
  - (b) "**Mineral Products**" means all valuable metals, minerals and refined or semi-refined products produced from the Property;
  - (c) "**Payor**" means the Operator of the Property;
  - (d) "**Payee**" means the holder of the NSR Royalty described in the Agreement to which this Schedule "B" is attached and which is entitled to receive payment thereunder;
  - (e) "**Permissible Deductions**" means the aggregate of the following charges (without duplication) that are paid or accrued with respect to the Mineral Products in each quarterly period:
    - (i) all costs, expenses, charges and penalties of any nature whatsoever which are paid or incurred in connection with mining, refinement or beneficiation of Mineral Products, including all extraction and mining costs, all processing, minting, smelter, milling and refinery charges and all weighing, sampling, assaying, handling, representation and storage costs, any umpire charges, and any interest, penalties and provisional settlement fees charged by the processor, mint, refinery, mill or smelter;
    - (ii) transportation costs for Mineral Products from the Property to the place of beneficiation, processing, minting, smelting, milling, refining

or treatment and thence to the place of delivery of Mineral Products to a purchaser thereof, including shipping, freight, security, insurance, transaction taxes, port, demurrage, delay, handling and forwarding expenses;

- (iii) all marketing, sales charges and brokerage costs levied by any sales agent on the sale of Mineral Products;
  - (iv) all insurance on Mineral Products; and
  - (v) any sales, excise, production, import, export, use, ad valorem, use severance, net proceeds of mine and other taxes and levies, including mining taxes on such Mineral Products (but excluding income taxes);
- (f) **"Trading Activities"** means forward sales, futures trading or commodity options trading, and other price hedging, price protection or speculative arrangements that may involve the possible delivery of base or precious metals produced from the site in question; and
- (g) All terms which are defined in the Agreement to which this Schedule "B" is attached and are used herein will have the same meaning as defined in the Agreement, unless the context expressly requires otherwise.
4. For greater certainty, and without limiting the generality of the foregoing, all charges deducted by an arm's length purchaser of metals or minerals whether for smelting, treatment, handling, refining, milling, minting, processing, storage or any other operation on or service relating to the Mineral Products that occurs after the point of sale will be considered to be legitimate deductions in arriving at the Net Smelter Returns amount. Similar deductions at their fair market value will be permitted for charges by a non-arm's length purchaser.
5. Payor will have the right to commingle ore or concentrates produced from the Property with ores or concentrates produced from other mineral properties in which the Payor may have an interest, provided that Payor will (i) adopt and employ reasonable practices and procedures for weighing, determining moisture content, sampling and assaying such ore or concentrates and recording such data; and (ii) utilize reasonably accurate recovery factors to determine the amount of Mineral Products allocable to the Property. Payee or its authorized representatives will have the right at all reasonable times during normal business hours to examine and audit from time to time at its own expense the records of the Payor relative to the commingling of ores and concentrates produced from the Property.
6. Payor agrees to maintain up-to-date and complete records for any operations carried out on the Property and in respect of which a NSR Royalty is payable. If treatment and/or smelting of the Mineral Products derived from such operations is performed off the Property, accounts, records, statements and returns relating to

such treatment and smelting arrangements will be maintained by Payor or the owner. Payee or its agents will have the right at all reasonable times during normal business hours to inspect such accounts, records, statements and returns and make copies thereof at its own expense for the sole purpose of verifying the amount of NSR Royalty payments.

7. The NSR Royalty will be calculated and paid within 90 days after the end of each calendar quarter. Smelter settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation (the "**Statement**") must be submitted with the payment.
8. If final amounts required for the calculation of the NSR Royalty are not available within the time period referred to in Section 6 of this Schedule, then provisional amounts will be estimated and the NSR Royalty paid on the basis of this provisional calculation. Positive or negative adjustments will be made to the NSR Royalty payment of the succeeding quarter.
9. Subject to the adjustment provisions of this Schedule, all NSR Royalty payments will be considered final and in full satisfaction of all obligations of Payor with respect thereto, unless Payee delivers to Payor a written notice ("**Objection Notice**") describing and setting forth a specific objection to the calculation thereof within sixty days after receipt by Payee of this Statement. If Payee objects to a particular Statement as herein provided, Payee will, for a period of sixty days after Payor's receipt of such Objection Notice, have the right, upon reasonable notice and at a reasonable time, to have Payor's accounts and records relating to the calculation of the NSR Royalty in question audited by the auditors of Payee. If such audit determines that there has been a deficiency or an excess in the payment made to Payee such deficiency or excess will be resolved by adjusting the next quarterly NSR Royalty payment due hereunder. Payee will pay all the costs and expenses of such audit unless a deficiency of five percent or more of the amount due is determined to exist. Payor will pay the costs and expenses of such audit if a deficiency of five percent or more of the amount due is determined to exist. All books and records used and kept by Payor to calculate the NSR Royalty due hereunder will be kept in accordance with Canadian generally accepted accounting principles. Failure on the part of Payee to make claim against Payor for adjustment in such sixty day period by delivery of an Objection Notice will conclusively establish the correctness and sufficiency of the Statement and NSR Royalty payments for such quarter, and forever preclude the filing of exceptions thereto or making of claims for adjustment thereon by Payee. Nothing herein will limit Payee's rights arising out of fraud.
10. Payor may engage in Trading Activities. Payee will not be entitled to participate in the proceeds or be obliged to share in any losses generated by Payor's Trading Activities. If valuable metals produced from the Property are actually delivered pursuant to such Trading Activities, such valuable metals will, for the purposes of calculating the NSR Royalty payable hereunder, be deemed to be sold and delivered at a price equal to the average weekly price (for the week immediately preceding

the deemed sale) for the metal contained in such Mineral Products quotes as the "COMEX" price, first position, by *Platts Metals Week* or an authoritative alternative publication reasonably designated by Payor that publishes such prices on a weekly or daily basis. Such sale will be conclusively deemed to be a sale at a fair market value to an arm's length purchaser FOB the refinery for the Mineral Product.

11. Payor will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so. Payor will owe the Payee no duty to explore, develop or mine the Property, or to do so at any rate or in any manner other than that which the Payor may determine in its sole and unfettered discretion.