

SKYGOLD PROPERTY OPTION AGREEMENT

This Agreement is dated effective (the “Effective Date”) the 10th day of September, 2019.

BETWEEN: DIVITIAE RESOURCES LTD. of 1304 Steeple Drive, Coquitlam, B.C, V3E 1K2

(the “Optionor”)

AND: GOLD TREE RESOURCES LTD., #21 – 2986 Coast Meridian Rd
Port Coquitlam, British Columbia V3B 3M8

(the “Optionee”)

WHEREAS the Optionor is the recorded and beneficial owner of a 100% legal and beneficial interest in and to certain mining claims situated in the Quesnel Terrane in north central British Columbia, more particularly described in Schedule “A” attached hereto (collectively the “Property”);

AND WHEREAS the Optionor wishes to grant and the Optionee wishes to be granted an option to acquire a 100% undivided beneficial right, title and interest in and to the Property upon the terms and conditions in this Agreement.

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. GRANT OF OPTION

The Optionor hereby grants to the Optionee the sole, exclusive and irrevocable right and option (the “Option”) to acquire an undivided 100% right, title and interest in and to the Property, in accordance with the terms of this Agreement.

2. OPTION ONLY

The Option is an option only and, except as specifically provided otherwise, nothing in this Agreement will be interpreted as obligating the Optionee to do any acts or make any payments hereunder and any acts or payments made hereunder, will not be construed as obligating the Optionee to do any further act or make any further payments.

If the Option is terminated before the Option is exercised, the Optionee will not be bound thereafter in debt, damages or otherwise under this Agreement, except as provided for in this Agreement. All payments paid by the Optionee to the Optionor and all share issuances issued to the Optionor to the date of termination will be retained by the Optionor for its own use absolutely.

3. TERMS OF THE OPTION

In order to maintain the Option in good standing and earn a 100% right, title and undivided interest in and to the Property, the Optionee, subject to paragraph 2, will pay certain amounts to the Optionor, issue an aggregate of 2,000,000 common shares in the capital of the Optionee (“Shares”) and complete minimum work expenditures as follows:

- (a) make cash payments to and as directed by the Optionor, as follows:
 - (i) \$8,000 within six (6) months of the Effective Date;
 - (ii) An additional \$10,000 on or before the first anniversary of the Effective Date;
 - (iii) an additional \$20,000 on or before the second anniversary of the Effective Date;
 - (iv) an additional \$40,000 on or before the third anniversary of the Effective Date;
 - (v) an additional \$100,000 on or before the fourth anniversary of the Effective Date;
- (b) allot and issue to the Optionor, as fully paid and non-assessable, 2,000,000 Shares, as follows:
 - (i) 100,000 Shares on or before the first anniversary of the Effective Date;
 - (ii) an additional 200,000 Shares on or before the second anniversary of the Effective Date;
 - (iii) an additional 400,000 Shares on or before the third anniversary of the Effective Date;
 - (iv) an additional 1,300,000 Shares on or before the fourth anniversary of the Effective Date;
- (c) complete minimum work expenditures on the Property as follows:
 - (i) \$20,000 on or before the first anniversary of the Effective Date;
 - (ii) \$40,000 on or before the second anniversary of the Effective Date; and
 - (iii) \$60,000 on or before the third anniversary of the Effective Date.

The Optionee confirms that the Optionor has the right to direct the Optionee to register the issuance of common shares pursuant to Section 3(b) to the ownership of any party it chooses (provided such registration does not in any way breach applicable securities or companies laws, rules or regulations including those in NI 45-106).

The term “expenditures” as used in this Section 3 includes any and all exploration or development expenditures directly or indirectly incurred by the Optionee in determining the exploration potential of the Property or developing it or both including, without limiting

the generality of the foregoing, funds expended to: (i) keep the Property in good standing; (ii) further the geological knowledge of the Property including by way of assessing geological information related generally to the Property, assessing exploration results, completing assays, completing internal or external technical reports; and (iii) any other expenditures by the Optionee customarily considered to be “expenditures” for the purposes of mineral property option agreements in the Province of British Columbia.

4. EXERCISE OF THE OPTION

When the Optionee has made all the cash payments, issued all 2,000,000 Shares and made the minimum expenditures in Section 3, which cash payments, minimum expenditures and share issuances may be accelerated by the Optionee at any time, the Optionee will be deemed to have exercised the Option and will have acquired an undivided 100% beneficial right, title and interest in and to the Property, subject only to the Royalty Interest reserved to the Optionor pursuant to Section 6 hereof.

The Optionor agrees that it will, upon exercise of the Option, transfer to the Optionee registered title, right and interest in and to the Property and will make any and all commercially reasonable efforts necessary to transfer to the Optionee all core samples, assays, geological information, exploration information and similar assets or information associated with the Property which it has in its possession or over which it has direct or indirect control.

5. OPERATOR

During the term of the Option, the Optionee will be the operator for purposes of developing and executing exploration programs.

6. ROYALTY INTEREST

Upon exercise of the Option, the Optionor will be entitled to receive, and the Optionee will pay to the Optionor, a royalty equal to 1.5% of the net smelter returns (the “Royalty Interest”) calculated and payable from the Property in accordance with the provisions of Schedule “B” attached hereto.

The Optionee may at any time purchase 1% of the Royalty Interest (being 2/3 of the Royalty Interest) from the Optionor for \$1,000,000, thereby leaving the Optionor with a 0.5% Royalty Interest.

7. RIGHT OF ENTRY

During the term of this Option, the Optionee and its employees, agents, directors, officers, consultants and any other person duly authorized by the Optionee will have the sole and exclusive right to:

- (a) enter in, under and upon the Property;

- (b) have exclusive and quiet possession of the Property subject to the rights of the Optionor hereunder;
- (c) do such prospecting, exploration, development or other mining work thereon and thereunder as the Optionee in its sole discretion may consider desirable;
- (d) bring upon and erect upon the Property such mining equipment, facilities and personnel as the Optionee may consider advisable; and
- (e) remove from the Property and dispose of reasonable quantities of ores, minerals and metals for the purposes of sampling, obtaining assays or making other tests.

8. NOTICE OF DEFAULT AND TERMINATION BY OPTIONOR

If the Optionee should be in default in making any payments or performing any other of its obligations hereunder, the Optionor may give written notice to the Optionee specifying the default. The Optionee will not lose any rights granted under this Agreement so long as, within thirty (30) days after the giving of such notice of default by the Optionor, the Optionee will cure the specified default. If the Optionee fails to cure the default within the thirty (30) day period, this Agreement will terminate (a "Default Termination").

9. NO PRODUCTION OBLIGATION

The Optionee will be under no obligation whatsoever to place the Property into production.

10. TRANSFER OF PROPERTY

The Property will be transferred from the Optionor to the Optionee upon the exercise of the Option.

11. EXCLUSION OF PROPERTY

The Optionee will have the right at any time and from time to time to elect to exclude from this Agreement any portion of the Property (an "Excluded Portion") by giving not less than thirty (30) days prior written notice to the Optionor of this election. If requested by the Optionor in writing, the Optionee will deliver to the Optionor recorded transfers or quit claims (the "Excluded Portion Transfers") for the Excluded Portion in favour of the Optionor and will comply with Section 15 hereof. The Excluded Portion will subsequently be excluded from the definition of "Property" hereunder.

12. COVENANTS OF THE OPTIONEE

During the term of this Agreement, the Optionee will:

- (a) keep the Property in good standing including by the doing and filing of all required assessment work or by making payments in lieu thereof if permitted by the laws of the Province of British Columbia applicable to the Property, and by doing all other acts and things and making all other payments which may be necessary in that regard;

- (b) permit the Optionor, or its representatives, duly authorized by it in writing, at their own risk and expense, access to the Property at all reasonable times and to all records prepared by the Optionee in connection with work done or with respect to the Property, provided the Optionor will not, without the prior written consent of the Optionee, such consent not to be unreasonably withheld, disclose any information obtained by it or communicated to it, to any third party except as may be required by regulatory bodies having jurisdiction over its affairs; and
- (c) conduct all work on or with respect to the Property in a careful and workmanlike manner and in compliance with the applicable laws of the jurisdiction in which the Property is located and indemnify and save the Optionor harmless from any and all claims, suits, damages or actions made or brought against the Optionor as a result of work done by the Optionee on or with respect to the Property.

13. COVENANTS OF THE OPTIONOR

During the term of this Agreement, the Optionor covenants and agrees with the Optionee to:

- (a) not do or permit or suffer to be done any act or thing which would or might in any way adversely affect the rights of the Optionee hereunder;
- (b) make available to the Optionee and its representatives all records and files relating to the Property in its possession and permit the Optionee and its representatives to take abstracts therefrom and make copies thereof;
- (c) co-operate with the Optionee in obtaining any water appropriation license, surface licenses and any other rights or licenses on or related to the Property that the Optionee deems necessary or desirable; and
- (d) promptly provide the Optionee with any and all notices and correspondence from government or regulatory agencies in respect of the Property.

14. REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR

The Optionor hereby represents and warrants to the Optionee that:

- (a) the Optionor is the legal and beneficial owner of the Property;
- (b) the Property consists of those mining claims more particularly described in Schedule "A", all of which were duly and validly located and recorded in accordance with the applicable laws of British Columbia and are valid and subsisting as of the date of execution and delivery of this Agreement;
- (c) the Property is in good standing, free and clear of all liens, charges and encumbrances;
- (d) there are no pending or threatened actions, suits, claims or proceedings regarding the Property; and

- (e) the Optionor has the exclusive right and authority to enter into this Agreement and to dispose of the Property in accordance with the terms hereof, and that no other person, firm or corporation has any proprietary or other interest in the same.

The representations and warranties of the Optionor herein before set out form a part of this Agreement, are conditions upon which the Optionee has relied on in entering into this Agreement and will survive the exercise of the Option by the Optionee or the termination of this Agreement.

The Optionor will indemnify and save the Optionee harmless from all loss, damages, costs, claims, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition of the Optionor contained in this Agreement. The Optionor acknowledges and agrees that the Optionee has entered into this Agreement relying on the warranties and representations and other terms and conditions of this Agreement and that no information which is now known or which may hereafter become known to the Optionee or its officers, directors, consultants, employees or professional advisors will limit or extinguish the right to indemnity hereunder. The Optionee may deduct and set off the amount of any such loss or damage from any amounts payable by it to the Optionor hereunder.

15. OPTIONEE TERMINATION AND DUTIES IN THE EVENT OF TERMINATION OR ABANDONMENT

The Optionee may at any time terminate (an "Optionee Termination") this Agreement by giving thirty (30) days' notice in writing of such termination to the Optionor, and in the event of such termination, the Optionee will not earn any interest in the Property, and this Agreement will, subject to Section 16, terminate.

If the Optionee, after exercise of the Option, chooses to abandon all or any part of the Property, it shall first provide the Optionor with sixty (60) days notice (the "Notice Period") of its intent to do so and, if the Optionor advises the Optionee during the Notice Period that it wishes to acquire that part of the Property being abandoned, then the Optionee will, after completing any required environmental or other remediation required for exploration activities to the date of the reconveyance and after making any payments or required work to keep the Property in good standing for a minimum of ninety (90) days after any reconveyance, reconvey (the "Property Abandonment Reconveyance") to the Optionor that part of the Property being abandoned.

In the event of any Default Termination, Property Abandonment Reconveyance, Excluded Portion Transfer or Optionee Termination (collectively, a "Property Surrender"), the Optionee will, unless otherwise agreed between it and the Optionor:

- (a) give to the Optionor all right, title and interest to any geological information, core samples, assay samples, reports, results of exploration and similar rights, titles and interests which would customarily accompany such a Property Surrender in the mining industry in Canada;
- (b) ensure that the Optionor has, after the Property Surrender, exclusive and quiet possession of the Property that is the subject of the Property Surrender, in good standing and free and clear of all liens, charges and encumbrances, including required work, for a period of 12 months after the Property Surrender.

- (c) complete, for exploration activities to the date of the Property Surrender and in a workmanlike manner, any required environmental or other remediation or work required on the Property, or part thereof, that is the subject of the Property Surrender

For greater clarity, “required environmental or other remediation” activities must be completed within a timely manner and in no case later than the end of the next summer exploration season in the area of the Property.

16. TERMS SURVIVING TERMINATION

The provisions of Sections 14, 15 and 16, together with any other terms for which survival is necessary to give effect to them, will survive termination of this Agreement.

17. FORCE MAJEURE

If the Optionee is prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lockouts, labour shortages, power shortages, fires, wars, acts of God, governmental regulations restricting normal operations, title disputes (including claims from First Nations or other indigenous persons, groups, governments or communities), inability to gain access or surface rights to a material part of the Property (due to inclement weather, forest fire, natural disaster or otherwise), or any other reason or reasons beyond the control of the Optionee, the time limited for the performance of the various provisions of this Agreement as set out above will be extended by a period of time equal in length to the period of such prevention and delay plus any reasonable period of time required due to the seasonality of mineral property exploration. The Optionee, insofar as is possible, will promptly give written notice to the Optionor of the particulars of the reasons for any prevention or delay under this paragraph, and will take all reasonable steps to remove the cause of such prevention or delay.

18. NOTICE

Any notice required to be given under this Agreement will be deemed to be well and sufficiently given if delivered by courier to, or by email to the commonly used email address of, a party. Any notice given will be deemed to have been given, if sent by email, when emailed, or if by courier, on the date delivery is first attempted at the address of a party. Either party may from time to time by notice in writing or by email change its address or email address for the purpose of this paragraph.

19. FURTHER ASSURANCES

The parties hereto agree to execute all such further or other assurances and documents and to do or cause to be done all acts reasonably necessary to implement and carry into effect the provisions and intent of this Agreement.

20. TIME OF ESSENCE

Time will be of the essence of this Agreement.

21. CAPITAL ADJUSTMENTS IMPACTING SHARES ISSUABLE UNDER SECTION 3

In the event of: (i) any subdivision or re-division of the common shares in the capital of the Optionee at any time while this Agreement is outstanding into a greater number of such shares; (ii) in the event of any consolidation or change of the common shares in the capital of the Optionee at any time during the term of this Agreement into a lesser number of common shares; or (iii) in the event of any consolidation or merger of the Optionee with or into another corporation (other than a merger with a wholly owned subsidiary in which merger the Optionee is the continuing corporation and which does not result in any re-classification or change of outstanding common shares) (collectively, a “Capital Adjustment”), the number of Shares subsequently issuable by the Optionee to the Optionor pursuant hereto will be adjusted to the extent required that the numbers of Shares issuable will reflect the Capital Adjustment.

22. SCHEDULES

The Schedules to this Agreement will form a part of this Agreement to the same extent as if they were contained in the body hereof.

23. VOID OR INVALID PROVISION

If any term, provision, covenant or condition of this Agreement, or any application thereof, should be held by a court of competent jurisdiction to be invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement, and all applications thereof not held invalid, void or unenforceable will continue in full force and effect and in no way be affected, impaired or invalidated thereby.

24. SUCCESSORS AND ASSIGNS

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors, assigns, heirs, executors or administrators as the case may be.

25. APPROVALS

The performance by the Optionee of its obligations hereunder is subject to any necessary regulatory approvals and the parties agree that any Shares issued pursuant to this Agreement will be subject to the rules and policies of regulatory agencies having jurisdiction over the affairs of the Optionee or the Optionor including, without limiting the generality of the foregoing, the rules and policies of any stock exchange on which the Optionee may in the future list its securities for trading and any securities laws, rules, regulations or policies restricting the resale of the Shares by the Optionor.

26. ARBITRATION

If any question, difference or dispute (a “Dispute”) will arise between the parties or any of them in respect of any matter arising under or in connection with the subject matter of this Agreement, or in relation to the construction hereof, the same will be determined by the award of a single arbitrator under the Arbitration Act of the Province of British Columbia (the “Act”), and the

decision of the arbitrator will in all respects be conclusive and binding upon all the parties. In the event that the parties cannot agree on an arbitrator within thirty (30) days of one party giving notice to the other party that it wishes to refer a Dispute to arbitration, those provisions of the Act providing for the appointment of an arbitrator in such an event will apply.

27. ASSIGNMENT

The Optionee may at any time during the term of the Option sell, assign, transfer, option, grant or otherwise dispose of all or any portion of its interest in or its rights under this Agreement; provided that any purchaser, grantee, optionee, assignee or transferee (collectively, an "Assignee") of any such interest or rights delivers to the Optionor its agreement related to this Agreement and to the Property, containing:

- (a) a covenant by such Assignee to perform all the obligations of the Optionee to be performed under this Agreement in respect of the interest or rights to be acquired by it from the Optionee to the same extent as if this Agreement had been originally executed by such Assignee as a party hereto; and
- (b) a provision subjecting any further sale, transfer or other disposition of such interest or rights or any portion thereof to the restrictions contained in this Section;

and further provided that any Shares delivered to the Optionor in connection with the exercise of the Option must be shares of the Optionee, unless otherwise agreed in writing by the Optionor.

28. AFTER-ACQUIRED PROPERTY

The area which is within five (5) kilometers of any boundary of the Property will be deemed to be an area of interest (the "Area of Interest"). During the term of this Agreement, commencing on the date hereof, any mineral claim, lease or other mineral right or interest acquired by or on behalf of the Optionee, the Optionor or their related parties, associates, affiliates or Assignees, by staking within the Area of Interest will be deemed to have been acquired on behalf of and for the benefit of the parties pursuant to the terms of this Agreement. This Agreement will not extend beyond the Area of Interest and will not affect mineral properties which the parties now hold or hereafter stake or acquire adjacent to but outside of the Area of Interest.

29. GOVERNING LAW

This Agreement will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the parties agree, subject to Section 26, to attorn to the courts thereof for the resolution of any dispute hereunder including a Dispute.

30. PRIOR AGREEMENTS

This Agreement contains the entire agreement between the parties in respect of the Property and supersedes all prior agreements between the parties hereto with respect to the Property.

31. EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts and in electronic form (including by email) with the same effect as if all parties had signed the same document.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the day and year first above written.

DIVITIAE RESOURCES LTD.

s/ "Adrian Smith"

GOLD TREE RESOURCES LTD.

s/"Kosta Tsousis"

SCHEDULE "A"

The Property consists of 3 mining claims in the Quesnel Terrane of British Columbia. The following lists the tenure numbers, claim names, area in hectares and the expiry dates:

Tenure #	Claim Name	Area in [ha]	Expiry Date
1067441	SKYGOLD 1	1910.28	2020/MAR/25
1069344	SKYGOLD 2	1910.95	2020/JUN/27
1069345	SKYGOLD 3	1911.01	2020/JUN/27
	TOTAL [ha.]	5732.24	



SCHEDULE "B"

NET SMELTER RETURNS

1. The Royalty Interest which may be payable to the Optionor (the "Payee") by the Optionee (the "Payor") pursuant to the Agreement to which this is attached as a Schedule will be one and a half (1.5%) percent of the Net Smelter Revenue (as hereinafter defined) and will be calculated and paid to the Payee by the Payor in accordance with the terms of this Schedule "B". Terms having defined meanings in the Agreement and used herein will have the same meanings in this Schedule as assigned to them in the Agreement unless otherwise specified or the context otherwise requires.
2. The Net Smelter Revenue will be calculated on a calendar quarterly basis and will, subject to paragraph 8 of this Schedule "B", be equal to Gross Revenue less Permissible Deductions for such quarter.
3. The following words will have the following meanings:
 - (a) "Gross Revenue" means the aggregate of the following amounts received in each quarterly period:
 - (i) the revenue received by the Payor from arm's length purchasers of all metals, bullion or concentrates (hereinafter referred to as "Product"),
 - (ii) the fair market value of all Product sold by the Payor in such quarter to persons not dealing at arm's length with the Payor, and
 - (iii) any proceeds of insurance on Product; and
 - (b) "Permissible Deductions" means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are paid in each quarterly period:
 - (i) sales charges levied by any sales agent on the sale of Product,
 - (ii) transportation costs for Product from the Property to the place of beneficiation, processing or treatment and thence to the place of delivery of Product to a purchaser thereof, including shipping, freight, handling and forwarding expenses,
 - (iii) all costs, expenses and charges of any nature whatsoever which are either paid or incurred by the Payor in connection with refinement or beneficiation of Product after leaving the Property, including all weighing, sampling, assaying and representation costs, metal losses, any umpire charges, and any penalties charged by the processor, refinery or smelter, and

- (iv) all insurance costs on Product, and any government royalties, production taxes, severance taxes and sales and other taxes levied on ore, Product or on the production or value thereof (other than any Federal or Provincial taxes levied on the income or profit of the Payor),

provided that where a cost or expense otherwise constituting a Permissible Deduction is incurred by the Payor in a transaction with a party with whom it is not dealing at arm's length (as that term is defined in the *Income Tax Act* (Canada)), such cost or expense may be deducted, but only as to the lesser of the actual cost incurred by the Payor or the fair market value thereof, calculated at the time of such transaction and under all the circumstances thereof.

4. The Payor will not have the right to commingle, with ores from the Property, ore produced from other properties.
5. The Royalty Interest will be calculated and paid within thirty (30) days after the end of each calendar quarter if reasonably possible. 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.
6. All Royalty Interest payments will be considered final and in full satisfaction of all obligations of the Payor with respect thereto, unless the Payee delivers to the Payor a written notice (the "Objection Notice") describing and setting forth a specific objection to the calculation thereof within sixty (60) days after receipt by the Payee of the Statement. If the Payee objects to a particular Statement as herein provided, the Payee will, for a period of sixty (60) days after the Payor's receipt of such Objection Notice, have the right, upon reasonable notice and at reasonable times, to have the Payor's accounts and records relating to the calculation of the payment in question audited by the auditors of the Payor. If such audit determines that there has been a deficiency or an excess in the payment made to the Payee, such deficiency or excess will be resolved by adjusting the next monthly Royalty Interest payment due hereunder. The Payee will pay all the costs and expenses of such audit unless a deficiency of three (3%) percent or more of the amount due is determined to exist. The Payor will pay the cost and expenses of such audit if a deficiency of three (3%) percent or more of the amount due is determined to exist. All books and records used and kept by the Payor to calculate the Royalty Interest due hereunder will be kept in accordance with Canadian IFRS or other applicable Canadian accounting principles. Failure on the part of the Payee to make claim against the Payor for adjustment in such sixty (60) day period by delivery of an Objection Notice will conclusively establish the correctness and sufficiency of the Statement and payment on account of the Royalty Interest for such quarter.
7. At the election of the Payee made in writing at least ninety (90) days prior to the first payment on account of the Royalty Interest (which election may not be rescinded without the consent of the Payor, such consent not to be unreasonably withheld) the Payee may elect to receive the Royalty interest in kind, provided that any extra costs or expenses incurred by the Payor as a result of such election and payment of the Royalty Interest in kind will be for the account of the Payee and will be due on demand.



8. All profits and losses resulting from the Payor engaging in any commodity futures trading, option trading, metals trading, transactions with respect to Product which is a precious metal (collectively, "Hedging Transactions") are specifically excluded from calculations of the Royalty Interest pursuant to this Schedule "B" (it being the intent of the parties that the Payor will have the unrestricted right to market and sell Product to third parties in any manner it chooses and that the Payee will not have any right to participate in such marketing activities or to share in any profits or losses therefrom). All Hedging Transactions by the Payor and all profits or losses associated therewith, if any, will be solely for the Payor's account, irrespective of whether or not Product is delivered in fulfillment of such obligations. The amount of Net Smelter Revenue derived from all Product subject to Hedging Transactions by the Payor will be determined pursuant to the provisions of this paragraph 8 and not paragraph 2. As to precious metals subject to Hedging Transactions by the Payor, Net Smelter Revenue will be determined without reference to Hedging Transactions and will be determined by using, for gold, the monthly average price of gold, which will be calculated by dividing the sum of all London Bullion Market Association P.M. Gold Fix prices reported for the calendar month in question by the number of days for which such prices were quoted, and for silver, the monthly average price of silver, which will be calculated by dividing the sum of all New York Commodity Exchange ("COMEX") prices for silver quoted by and at the closing of COMEX reported for the calendar month in question by the number of days for which such prices were quoted, less, in each case, an amount reasonably equivalent to the deductions permitted by paragraph 3 (b). Any Product subject to Hedging Transactions will be deemed to be sold, and revenues received therefrom, only on the date of final settlement of the amount of refined Product allocated to the account of the Payor by a third party refinery in respect of such transactions.

9. The Payee will appoint, and will deliver to the Payor a document executed by the Payee appointing, a single agent or trustee of all such parties to whom the Payor will make all payments on account of the Royalty Interest. The Payor will have no responsibility as to the division of the Royalty Interest payments among such parties, and if the Payor makes a payment or payments on account of the Royalty Interest in accordance with the provisions of this paragraph 9, it will be conclusively deemed that such payment or payments have been received by the parties entitled thereto. All charges of the agent or trustee will be borne solely by the parties receiving payments on account of the Royalty Interest.

