

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made effective the 25th day of January, 2021.

AMONG:

1250598 B.C. Ltd.,

a corporation existing under the laws of the Province of British Columbia, having a registered office at [Redacted - Personal Contact Information]

(hereinafter referred to as the “**Purchaser**”)

- and -

TERA BALKANIKA D.O.O. BEOGRAD – STARI GRAD

a corporation existing under the laws of Serbia, having a registered office at [Redacted - Personal Contact Information] with the registration number 21540382

(hereinafter referred to as “**TB**”)

-and-

The common shareholders of TB listed in the attached Schedule “A” (which shareholders, together, if applicable, with any persons that become shareholders of TB prior to Closing, hereinafter collectively referred to as, the “**Shareholders**”, and individually as, a “**Shareholder**”)

WHEREAS:

- A. The Shareholders are collectively the legal and beneficial owners of all of the shares in the capital of TB and any interest therein (the “**TB Shares**”);
- B. The Purchaser has agreed to purchase all of the outstanding TB Shares (the “**Transaction**”) on the terms and conditions set forth in this Agreement; and
- C. The Shareholders who have executed this Agreement have agreed to the Transaction.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the respective covenants and agreements herein contained, the parties hereto covenant and agree as follows:

**ARTICLE I
INTERPRETATION**

1.01 Definitions

In this Agreement, unless otherwise defined, capitalized words and terms shall have the following meanings:

- (a) **"Agreement"** means this share exchange agreement as the same may be supplemented or amended from time to time, with any such amendment being subject to written agreement of all parties;
- (b) **"Alternative Transaction"** means any of the following (and excludes the transactions contemplated by this Agreement): (a) any merger, amalgamation, arrangement, share exchange, take-over bid, tender offer, recapitalization, consolidation or other business combination directly or indirectly involving TB or the Purchaser, or any analogous transaction; (b) any acquisition of all or substantially all of the assets of TB or the Purchaser (or any lease, long-term supply agreement, exchange, mortgage, pledge or other arrangement having a similar economic effect); (c) any acquisition of beneficial ownership of 50% or more of TB's or the Purchaser's common shares in a single transaction or a series of related transactions; (d) solely with respect to TB, any acquisition by TB of any assets or capital stock of another person (other than acquisitions of capital stock or assets of any other person that are not, individually or in the aggregate, material to TB); or (e) any bona fide proposal to, or public announcement of an intention to, do any of the foregoing on or before the Termination Date;
- (c) **"Applicable Laws"** means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby;
- (d) **"Books and Records"** means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporation and its business;
- (e) **"Business Day"** means a day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia or the Republic of Serbia;
- (f) **"Closing"** means the completion of the Transaction in accordance with the terms and conditions of this Agreement;
- (g) **"Closing Date"** means the date of Closing, which shall be the sixth Business Day following the satisfaction or waiver of all conditions to the obligations of the parties to consummate the Transaction (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or earlier or later date as the Purchaser and TB may mutually determine;
- (h) **"Common Shares"** means common shares without par value in the capital of the Purchaser;

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- (i) **“Contracts”** (individually, a **“Contract”**) means all written and outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a party is bound or under which a party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (j) **“Corporate Records”** means the corporate records of a corporation, including (i) its articles, notice of articles or other constating documents, any unanimous shareholders agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, directors and any committee thereof; (iii) the share certificate books, register of shareholders, register of transfers and registers of directors and officers; and (iv) all accounting records;
- (k) **“Disclosed”** means, in the case of the Shareholders and TB, fairly disclosed in writing to the Purchaser prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed), and, in the case of the Purchaser, fairly disclosed in writing to TB prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed);
- (l) **“Drina”** means Drina Resources d.o.o. a company incorporated under the laws of Bosnia and Herzegovina and the Republic of Srpska, a partially held subsidiary of TB, of which TB holds 90% interest;
- (m) **“Financing”** means the private placement of Common Shares at an issue price of \$0.10 per Common Share for gross aggregate proceeds of a minimum of \$1 million and a maximum of \$1.25 million;
- (n) **“GAAP”** means generally accepted accounting principles in Canada (and, if applicable, includes International Financial Reporting Standards);
- (o) **“Ceovishte License”** means the pending license grant from the Ministry of Mines and Energy of the Republic of Serbia under the application number 310-02-00433/2020-02 in respect of lead, zinc, silver, copper, gold and associated metals exploration applied for by TB on March the 2nd, 2020;
- (p) **“Governmental Authority”** means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission;
- (q) **“IP”** means any and all intellectual property or proprietary rights arising at law or in equity, including, without limitation, (i) patents, all patent rights and all patent rights and all applications therefor and all reissues, re-examinations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and mask work registrations and applications therefor, author’s rights and works of authorship, (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary and manufacturing processes, technology, formulae, and algorithms, (vi) trade names, trade dress, trademarks, domain

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names, service marks, logos, business names, and registrations and applications therefor, (vii) industrial designs or design patents, whether or not patentable or registrable, patented or registered or the subject of applications for registration or patent or registration and all rights of priority, applications, continuations, continuations-in-part, divisions, re-examinations, reissues and other derivative applications and patents therefor, (viii) licenses, contacts and agreements otherwise relating to the IP, and (ix) the goodwill symbolized or represented by the foregoing;

- (r) **"Kaludra License"** means the mineral exploration license granted to RSG by the Ministry of Mines and Energy of the Republic of Serbia decision number 310-02-0085/2017-02, dated September 28, 2017. The licence permits RSG to explore for lead, zinc, copper, gold, antimony and associated metals over the "Kaludra" licence area, in the municipality of Novi Pazar;
- (s) **"laws"** means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and **"law"** means any one of them;
- (t) **"Lien"** means any mortgage, encumbrance, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition, which, in substance, secures payment, or performance of an obligation;
- (u) **"Loan"** has the meaning set forth in Section 2.04;
- (v) **"Material Adverse Effect"** means (i) any change, effect, fact, circumstance or event which, individually or when taken together with any other changes, effects, facts, circumstances or events, could reasonably be expected to be materially adverse to the assets, liabilities, condition (financial or otherwise), business, properties or results of operation of the Purchaser or TB, as applicable, or (ii) a material impairment of or delay in the ability of the parties (or any one of them) to perform their obligations hereunder or consummate the Transaction;
- (w) **"Material Contract"** means any Contract to which a person is a party and which is material to such person, including any Contract: (i) the termination of which would have a Material Adverse Effect on such person; (ii) any contract which would result in payments to or from such person or its subsidiaries (if any) in excess of \$10,000, whether payable in one payment or in successive payments; (iii) any agreement or commitment relating to the borrowing of money or to capital expenditures; and (iv) any agreement or commitment not entered into in the ordinary course of business;
- (x) **"material fact"** shall have the meaning ascribed to it in the *Securities Act* (British Columbia);
- (y) **"New TB Shareholder"** has the meaning set forth in Section 2.01;
- (z) **"Non-Resident Shareholders"** means those Shareholders identified in the attached Schedule "A" as being non-residents of Canada for the purposes of the Tax Act;

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- (aa) **"Option Agreement"** means the option agreement appended hereto as Schedule "C" to be entered at or prior to Closing, between the Purchaser and RSG, an entity wholly held by Aleksandar Ilic, a Shareholder, pursuant to which the Purchaser will retain rights in connection with the Kaludra License;
- (bb) **"Payment Shares"** has the meaning set forth in Section 2.02;
- (cc) **"person"** includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (dd) **"Pledge Agreement"** means the agreement between TB and Aleksandar Ilic to be entered into at or prior to Closing, the form of which is appended hereto as Schedule "D", pursuant to which TB will pledge the Ceovishte License and all rights thereunder to Aleksandar Ilic as security for certain obligations of TB, as more particularly described in the Pledge Agreement;
- (ee) **"Purchased Shares"** means all of the TB Shares purchased by the Purchaser pursuant to this Agreement;
- (ff) **"Purchaser Material Contracts"** has the meaning set forth in Section 5.01(i);
- (gg) **"Right of First Refusal Agreement"** means the agreement to be entered into concurrently with Closing among Aleksandar Ilic, RSG, and TB, pursuant to which TB will have rights of first refusal in respect of any mineral exploration properties in the designated territory controlled by RSG, Aleksandar Ilic, or any entity controlled by Aleksandar Ilic substantially in the form appended hereto as Schedule "D";
- (hh) **"RSG"** means Rockstone Group d.o.o. Kač a company incorporated under the laws of the Republic of Serbia and wholly held by Aleksandar Ilic;
- (ii) **"Securities Laws"** means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;
- (jj) **"Shareholder Consent Agreement"** means the consent agreement to be entered into between the Purchaser and each New TB Shareholder by the Time of Closing, substantially in the form attached hereto as Schedule "B";
- (kk) **"Shareholders"** and **"Shareholder"** have the respective meanings set forth in the first page of this Agreement;
- (ll) **"Tax"** means any tax, impost, levy, withholding, duty, fee, premium, assessment and other charge of any kind, however denominated and any instalment or advance payment in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Authority, including for greater certainty any income, gain or profit tax (including federal, state, provincial and territorial income tax), payroll and employee withholding tax, employment or payroll tax, unemployment insurance, disability tax, social insurance tax, social security contribution, sales and use tax, consumption tax, customs tax, ad

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valorem tax, excise tax, goods and services tax, harmonized sales tax, franchise tax, gross receipts tax, capital tax, business license tax, alternative minimum tax, estimated tax, abandoned or unclaimed (escheat) tax, occupation tax, real and personal property tax, stamp tax, environmental tax, transfer tax, severance tax, workers' compensation, Canada and other government pension plan premium or contribution and other governmental charge, and other obligations of the same or of a similar nature to any of the foregoing, together with any interest, penalties or other additions to tax that may become payable in respect of such tax, and any interest in respect of such interest, penalties and additions whether disputed or not, and "Taxes" has a corresponding meaning;

- (mm) "Tax Act" means the *Income Tax Act* (Canada);
- (nn) "Tax Return" means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Tax together with all amendments and supplements thereto;
- (oo) "TB Financial Statements" has the meaning set forth in Section **Error! Reference source not found.**;
- (pp) "TB Material Contracts" has the meaning set forth in Section 5.03(o);
- (qq) "TB Shares" has the meaning set forth in the recitals of this Agreement;
- (rr) "Termination Date" means March 1, 2021 or such later date as may be agreed in writing between the Purchaser and TB;
- (ss) "Time of Closing" means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as the parties may mutually determine;
- (tt) "Transaction" has the meaning set forth in the recitals of this Agreement;
- (uu) "United States" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (vv) "U.S. Person" means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act;
- (ww) "U.S. Securities Act" means the United States Securities Act of 1933, as amended.

1.02 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.03 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section or a Schedule or Exhibit refers to the specified Article or Section of, or Schedule or Exhibit to this Agreement.

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1.04 Number, etc.

Unless the subject matter or context requires the contrary, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders and words importing persons shall include natural persons, firms, trusts, partnerships and corporations.

1.05 Date for Any Action

In the event that any date on which any action is required or permitted to be taken hereunder by any person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.06 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute in force from time to time and any statute, regulation or rule that supplements or supersedes such statute, regulation or rule.

1.07 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be the International Financial Reporting Standards or the Canadian generally accepted accounting principles, as applicable, approved by the International Accounting Standards Board or the Canadian Institute of Chartered Accountants, as the case may be, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

1.08 Knowledge

- (a) Any reference herein to "the knowledge of the Purchaser" (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Purchaser, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (b) Any reference herein to "the knowledge of TB" (or similar expressions) will be deemed to mean the actual knowledge of Aleksandar Ilic or Aleksandar Miskovic, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (c) Any reference herein to "the knowledge of the Shareholder" (or similar expressions) will be deemed to mean the actual knowledge of the applicable Shareholder.

1.09 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement, and must be completed and attached before the Closing Date for this Agreement to be fully integrated and thereafter enforceable by or against any party:

<u>Schedule</u>	<u>Description</u>
Schedule A	Shareholders of TB

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Schedule B	Option Agreement
Schedule C	Finder's Fee and Pledge Agreement
Schedule D	Right of First Refusal Agreement

ARTICLE II PURCHASE AND SALE OF PURCHASED SHARES

2.01 Purchase and Sale

Subject to the terms and conditions hereof, each of the Shareholders covenants and agrees, on its own behalf, to sell, assign and transfer to the Purchaser and the Purchaser covenants and agrees to purchase from the Shareholders, the number of Purchased Shares which are beneficially owned by such Shareholder at the Time of Closing. As of the date of this Agreement, the number of Purchased Shares which are beneficially owned by each Shareholder is the number set forth opposite the name of such Shareholder as set out in Schedule "A" attached hereto.

2.02 Purchase Price

In consideration for the acquisition of the TB Shares, the Purchaser shall issue from treasury to the Shareholders pro rata in proportion to their holdings of Purchased Shares at the Time of Closing, an aggregate of 24,525,000 Common Shares, representing at least 46.95% of the total share volume, free and clear of any encumbrances (the "Payment Shares"). To the extent an TB Shareholder is to receive a fractional Payment Share, that entitlement shall be rounded down to the nearest whole number and no consideration shall be payable therefore. The Payment Shares are being issued at a deemed value of \$0.10 per Payment Share.

2.03 Restrictions on Resale

Each of the Shareholders acknowledges and agrees as follows:

- (a) the transfer of the Purchased Shares and the issuance of the Payment Shares, in exchange therefor, will be made pursuant to appropriate exemptions, including (but not limited to) the take-over bid prospectus exemption found in Section 2.16 of National Instrument 45-106 – *Prospectus Exemptions* (the "Exemptions") from any applicable take-over bid and registration and prospectus (or equivalent) requirements of the Securities Laws;
- (b) as a consequence of acquiring the Payment Shares pursuant to the Exemptions:
 - (i) the Shareholder will be restricted from using certain of the civil remedies available under the Securities Laws;
 - (ii) the Shareholder may not receive information that might otherwise be required to be provided to the Shareholder, and the Purchaser is relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by the Purchaser;

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- (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Payment Shares;
 - (iv) there is no government or other insurance covering the Payment Shares; and
 - (v) an investment in the Payment Shares is speculative and of high risk;
- (c) although no hold periods are currently expected to be applicable, the certificates representing the Payment Shares will bear such legends as required by Securities Laws and it is the responsibility of the Shareholder to find out what those restrictions are and to comply with them before selling the Payment Shares; and
- (d) the Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of that jurisdiction which apply to the sale of the Purchased Shares and the issuance of the Payment Shares and which may impose restrictions on the resale of such Payment Shares in that jurisdiction and it is the responsibility of the Shareholder to find out what those resale restrictions are, and to comply with them before selling the Payment Shares.

2.04 Loan

The parties acknowledge that the Purchaser advanced \$499,999.20 to TB as an unsecured loan (the "Loan") in connection with the Transaction and may advance additional funds up to a maximum of \$500,000, as evidenced under a Loan Agreement dated October 15, 2020 between TB and the Purchaser, pursuant to which a conversion of the principal of the Loan to shares in the capital of TB at pre-money valuation of \$2.2 million, if the Transaction is not closed within 60 days after the close of Financing, subject to extensions if the close of the Transaction is delayed due to a delay in regulatory approvals or approval from the Shareholders. All obligations in respect of the Loan are in addition to any obligations under this Agreement, including but not limited to obligations in respect of the distribution of common shares in the capital of TB to the Purchaser. For greater certainty and notwithstanding anything in this Agreement to the contrary, should the conversion of the principal of the Loan to such common shares in the capital of TB occur, the Purchaser will not be obligated to enter into the Shareholder Consent Agreement in connection with the Transaction.

ARTICLE III CONDITIONS OF CLOSING

3.01 Mutual Conditions of Closing

The obligations to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) there shall be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to the Purchaser or TB or that could reasonably be expected to impose any condition or restriction upon the Purchaser or TB which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render inadvisable the consummation of the Transaction;

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- (b) there shall be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of the Purchaser, acting reasonably, materially adversely affects or is reasonable likely to materially adversely affect the Transaction;
- (c) receipt of all required regulatory, corporate and third-party approvals and compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction;
- (d) the Financing shall have closed with minimum gross proceeds of \$1 million and maximum gross proceeds of \$1.25 million, and may be subject to payment of any reasonable cash finders fees to eligible finders which shall be no more than 8% of the gross proceeds in connection to the Financing;
- (e) neither party shall be subject to unresolved litigation or court proceedings;
- (f) there being no prohibition at law against the completion of the Transaction; and
- (g) the Closing Date shall be on or before the Termination Date.

The foregoing conditions precedent are for the benefit of all parties and may be waived by TB (on its own behalf and on behalf of the Shareholders) and the Purchaser, in whole or in part, without prejudice to any party's right to rely on any other condition in favour of any party.

3.02 Conditions of Closing in Favour of the Purchaser

The obligations of the Purchaser to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Shareholders and TB shall have tendered all closing deliveries set forth in Sections 4.03 and 4.04, respectively, including delivery of the Purchased Shares, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers or other evidence of authorizing transfer of the Purchased Shares to the Purchaser acceptable to the Purchaser, acting reasonably;
- (b) on or before the Time of Closing, TB shall have obtained the consent of each of the New TB Shareholders, if any, evidenced by the delivery of the Shareholder Consent Agreements;
- (c) neither TB nor any of the Shareholders shall have violated Section 9.01;
- (d) the representations and warranties of TB set forth in this Agreement shall have been true and correct as of the date hereof and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of the sole director of TB to this effect shall have been delivered to the Purchaser;
- (e) all of the terms, covenants and conditions of this Agreement to be complied with or performed by TB at or before the Time of Closing will have been complied with or

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performed and a certificate of the sole director of TB to this effect shall have been delivered to the Purchaser;

- (f) the representations and warranties of the Shareholders set forth in this Agreement shall have been true and correct in all material respects as of the date hereof and shall be true and correct in all material respects as of the Time of Closing and delivery by each Shareholders of the documents described in Section 4.04 required to be delivered by such Shareholders shall constitute a reaffirmation and confirmation by such Shareholders of such representations and warranties;
- (g) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Shareholders at or before the Time of Closing will have been complied with or performed and delivery of the documents described in Section 4.04 shall constitute confirmation of such compliance and performance;
- (h) all consents, assignments, waivers, permits, orders and approvals of all Governmental Authorities or other persons, including, if applicable, all those party to TB Material Contracts necessary to permit the completion of the Transaction shall have been obtained;
- (i) there being no inquiry or investigation (whether formal or informal) in relation to TB or its respective directors or officers commenced or threatened by any securities commission, stock exchange, or regulatory body having jurisdiction; and
- (j) there shall not have been after the date of this Agreement any Material Adverse Effect with respect to TB.

The foregoing conditions precedent are for the benefit of the Purchaser and may be waived by the Purchaser, in whole or in part, without prejudice to the Purchaser's right to rely on any other condition in favour of the Purchaser.

3.03 Conditions of Closing in Favour of TB and the Shareholders

The obligations of TB and the Shareholders to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Purchaser shall have tendered all closing deliveries set forth in Section 4.02 including delivery of the Payment Shares;
- (b) all consents, waivers, permits, orders and approvals of all Governmental Authorities or other persons, including, if applicable, all those party to the Purchaser Material Contracts necessary to permit the completion of the Transaction shall have been obtained;
- (c) the representations and warranties of the Purchaser set forth in this Agreement shall have been true and correct as of the date hereof and shall be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of a senior officer of the Purchaser to this effect shall have been delivered to the Shareholders;

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- (d) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Purchaser to this effect shall have been delivered to the Shareholders and TB;
- (e) there shall not have been after the date of this Agreement any Material Adverse Effect with respect to the Purchaser; and
- (f) the Payment Shares will have been approved for issuance by the directors of the Purchaser.

The foregoing conditions precedent are for the benefit of TB and the Shareholders and may be waived by TB (on its own behalf and on behalf of the Shareholders) and the Shareholders, in whole or in part, without prejudice to TB's and the Shareholders' right to rely on any other condition in favour of TB and the Shareholders.

3.04 Notice and Cure Provisions

Each party will give prompt notice to the other parties hereto of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would or would be likely to:

- (a) cause any of the representations or warranties of such party contained herein to be untrue or inaccurate on the date hereof or at the Closing Date; or
- (b) result in the failure by such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such party hereunder prior to the Closing Date.

Subject to Article VII, no party may elect not to complete the Transaction as contemplated herein as a result of the non-fulfillment of the conditions precedent contained in Sections 3.01, 3.02, or 3.03, as applicable, unless the party intending to rely thereon has delivered a written notice to the other parties hereto prior to the Time of Closing specifying, in reasonable detail, all breaches of representations and warranties or covenants or other matters which the party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent.

ARTICLE IV CLOSING AND POST CLOSING ARRANGEMENTS

4.01 Time and Place of Closing

Closing of the Transaction shall take place at the Time of Closing at the offices of McMillan LLP, Suite 1500, Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

4.02 Closing Deliveries of the Purchaser

At the Time of Closing, the Purchaser will deliver or cause to be delivered to the Shareholders:

- (a) a copy of the share certificates evidencing the Payment Shares, with original share certificates held in the minute books of the Purchaser at its registered and records office;

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- (b) a certificate of one of the Purchaser's senior officers, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the notice of articles and articles of the Purchaser (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of the Purchaser approving the entering into of this Agreement and all ancillary agreements contemplated herein and the completion of the Transaction, including the issuance of the Payment Shares;
- (c) the officer's certificates referred to in Sections 3.03(c) and 3.03(d);
- (d) if applicable, duly executed copies of any Shareholder Consent Agreement referred to in Section 3.02(b) signed by the Purchaser; and
- (e) a certificate of good standing for the Purchaser.

4.03 Closing Deliveries of TB

At the Time of Closing, TB will deliver or cause to be delivered:

- (a) a certificate of the sole director of TB's, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the articles and by-laws of TB (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of TB approving the entering into of this Agreement and the completion of the Transaction;
- (b) the sole director's certificates referred to in Sections 3.02(d) and 3.02(e);
- (c) a copy of the TB Financial Statements;
- (d) a copy of a 12-month budget for the operations of TB;
- (e) an executed copy of the Option Agreement in the form appended hereto as Schedule "C";
- (f) an executed copy of the Pledge Agreement in the form appended hereto as Schedule "D";
- (g) an executed copy of the Right of First Refusal Agreement in the form appended hereto as Schedule "E";
- (h) an opinion of TB's counsel, in a form satisfactory to the Purchaser, acting reasonably, confirming that TB is validly incorporated or established and existing under the laws of the Republic of Serbia, and has the capacity to enter into this Agreement, and each of the Option Agreement, Pledge Agreement, and Right of First Refusal Agreement;
- (i) if applicable, and if not previously delivered to the Purchaser, duly executed copies of the Shareholder Consent Agreements referred to in Section 3.02(b) signed by each New TB Shareholder and TB;
- (j) a certificate of good standing for TB; and
- (k) a certificate of good standing for Drina.

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4.04 Closing Deliveries of the Shareholders

At the Time of Closing the Shareholders will cause to be delivered with respect to each Shareholder, the decision of the competent authority in the Republic of Serbia by which the Purchaser is registered as the owner of a 100% share in TB.

ARTICLE V REPRESENTATIONS AND WARRANTIES

5.01 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to and in favour of each of the Shareholders and TB as follows, and acknowledges that such parties are relying upon such representations and warranties in connection with the transactions contemplated herein:

- (a) the Purchaser is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business as an extra-provincial or foreign corporation under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Purchaser has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Purchaser and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the articles of the Purchaser or of any resolutions of the directors or shareholders of the Purchaser, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any Purchaser Material Contract), licence or permit to which the Purchaser is a party or by which the Purchaser is bound or to which any material assets or property of the Purchaser is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Purchaser;
- (e) the authorized capital of the Purchaser consists of an unlimited number of Common Shares, of which, as of the date hereof, 17,375,001 Common Shares are issued and outstanding as fully paid and non-assessable; as of the date hereof, nil common share purchase warrants of the Purchaser are outstanding and nil stock options are outstanding; as of the Closing Date, prior to the Closing, there will be a maximum 27,710,000 Common Shares issued and outstanding as fully paid and non-assessable;

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- (f) when issued in accordance with the terms hereof, the Payment Shares will be validly issued as fully paid and non-assessable Common Shares;
- (g) other than as set out in Section 5.01(e), there are no other Common Shares or securities convertible, exercisable or exchangeable into Common Shares or preferred shares issued or outstanding;
- (h) except for the holders of the securities set out Section 5.01(e), any distributions in connection with the Financing, whether pursuant to distributions to subscribers under the Financing or permissible distributions to any finders, brokers, or agents in connection with the Financing, and other than the Shareholders pursuant to this Agreement, no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Purchaser;
- (i) all of the Contracts of the Purchaser material to its business and operations (the "**Purchaser Material Contracts**"), together with this Agreement, and after the execution and delivery hereof, all ancillary agreements contemplated herein, constitute all the Material Contracts of the Purchaser. Each of the Purchaser Material Contracts is in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Purchased Shares hereunder and the other transactions contemplated hereunder, including, without limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. The Purchaser has not violated or breached, in any material respect, any of the terms or conditions of any Purchaser Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (j) there are no waivers, consents, notices or approvals required to be given or obtained by the Purchaser in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Purchaser is a party;
- (k) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Purchaser is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement or the consummation of the Transaction, including, without limitation, the issuance of the Payment Shares, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay the Purchaser from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (l) there is no suit, action or proceeding or, to the knowledge of the Purchaser, pending or threatened against the Purchaser that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Purchaser, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against the Purchaser causing, or which could reasonably be expected to cause, a Material Adverse Effect on the Purchaser;

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- (m) no bankruptcy, insolvency or receivership proceedings have been instituted by the Purchaser or, to the knowledge of the Purchaser, are pending against the Purchaser;
- (n) the Purchaser has good and marketable title to its properties and assets (other than property or an asset as to which the Purchaser is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (o) no person has any written or oral agreement, option, understanding or commitment for the purchase from the Purchaser of any of its assets or property;
- (p) the Purchaser has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser, and all such all permits, licences, certificates of authority, orders and approvals are in good standing in all material respects;
- (q) the Purchaser has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by the Purchaser in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to the Purchaser are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby. The Purchaser has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax;
- (r) there are no audits, reassessments or other proceedings in progress or, to the knowledge of the Purchaser, threatened against the Purchaser, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and the Purchaser is not aware of any contingent liability of the Purchaser for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and the Purchaser has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;
- (s) the Purchaser has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Purchaser of such Governmental Authority's intention to commence or to conduct any investigation, that could be reasonably likely to have a Material Adverse Effect on the Purchaser;
- (t) no current or former employee, officer or director of the Purchaser is entitled to a severance, termination, or other similar payment as a result of the Transaction;
- (u) the Corporate Records of the Purchaser are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of the Purchaser, and without limiting the generality of the foregoing: (i) the minute books

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contain complete and accurate minutes of all meetings of the directors (and any committee thereof) and shareholders of the Purchaser; (ii) such minute books contain all written resolutions passed by the directors (and any committee thereof) and shareholders of the Purchaser; (iii) the share certificate books, if any, the central securities register and register of transfers, and branch registers, of the Purchaser are complete and accurate, and all transfers of shares of the Purchaser reflected therein have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of the Purchaser were duly elected or appointed as the case may be;

- (v) all Books and Records of the Purchaser have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein; and
- (w) to the knowledge of the Purchaser, no representation or warranty of the Purchaser contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.02 Representations and Warranties of the Shareholders

Each of the Shareholders, on its own behalf and not on behalf of any other Shareholders, hereby severally (and, for greater certainty, not jointly with any other Shareholders) represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) this Agreement has been, and each additional agreement or instrument required to be delivered by the Shareholder pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Shareholders and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Shareholders, enforceable against the Shareholders in accordance with its terms;
- (b) if the Shareholders is not an individual, the Shareholders is validly existing under the laws of its jurisdiction of organization and has the corporate or other power to enter into this Agreement and any other agreement to which it is, or is to become, a party to pursuant to the terms hereof and to perform its obligations hereunder and thereunder;
- (c) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) if the Shareholders is not an individual, result in a breach or violation of the articles or by-laws of the Shareholders (or other constating documents of the Shareholder) or of any resolutions of the directors or shareholders of the Shareholders, or (ii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Shareholders;
- (d) the Shareholder is the registered and beneficial owner of that number of TB Shares, as the case may be, set forth opposite the Shareholder's name in Schedule "A" (such common shares comprising part of the Purchased Shares), free and clear of all liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances of any nature whatsoever;

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- (e) except for the Purchaser's rights hereunder, no person has any agreement or option or any right or privilege capable of becoming an agreement for the purchase of the Purchased Shares held or beneficially owned by the Shareholder and none of such common shares of TB are subject to any voting trust, shareholders agreement, voting agreement or other agreement with respect to the disposition or enjoyment of any rights of such common shares of TB;
- (f) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Shareholder is required to be obtained by the Shareholders in connection with the execution and delivery of this Agreement or the consummation by the Shareholder of the Transaction, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent the Shareholder from performing its obligations under this Agreement;
- (g) except for the Non-Resident Shareholder, the Shareholder is not a "non-resident" of Canada within the meaning of the Tax Act;
- (h) each Shareholder represents, warrants, and acknowledges that:
 - (i) the offer to purchase the Shareholder's Purchased Shares was not made to the Shareholder when either the Shareholder or any beneficial purchaser for whom it is acting, if applicable, was in the United States;
 - (ii) the Shareholder is not a U.S. Person, is not in the United States and is not acquiring the applicable Payment Shares on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States;
 - (iii) at the time this Agreement was executed and delivered by the Shareholder, the Shareholder was outside the United States;
 - (iv) if the Shareholder is a corporation or entity, (A) a majority of the Shareholder's voting equity is beneficially owned by persons resident outside the United States; and (B) the Shareholder's affairs are wholly controlled and directed from outside of the United States;
 - (v) the Shareholder or any beneficial purchaser for whom it is acting, if applicable, has no intention to distribute either directly or indirectly any of the Payment Shares in the United States, except in compliance with the U.S. Securities Act; and
 - (vi) the current structure of this transaction and all transactions and activities contemplated in this Agreement is not a scheme by the Shareholder to avoid the registration requirements of the U.S. Securities Act and any applicable state securities laws;
- (i) Non-Resident Shareholders represent, warrant and/or acknowledge, as applicable, that:
 - (i) the Payment Shares issuable hereunder have not been and will not be registered under the securities laws of any foreign jurisdiction and that the issuance of the

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Payment Shares pursuant to the terms of this Agreement is being made in reliance on applicable exemptions; and

- (ii) the receipt of the Payment Shares by Non-Resident Shareholders does not contravene any of the applicable securities legislation in the jurisdiction in which it is resident and does not trigger: (i) any obligation to prepare and file a prospectus or similar document, or any other report with respect to such transfer; and (ii) any registration or other obligation on the part of Purchaser;
- (j) the Shareholder has not authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement, that in any manner may or will impose liability on TB or the Purchaser; and
- (k) to the knowledge of the Shareholder, no representation or warranty of the Shareholder contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.03 Representations and Warranties of TB

TB represents and warrants to the Purchaser as follows, except as Disclosed, and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) TB is a corporation validly existing and in good standing under the laws of the jurisdiction of incorporation and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) TB has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder to own and lease its property, and to carry on its businesses as now being conducted;
- (c) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by TB and each is, or will be at the Time of Closing, a legal, valid and binding obligation of TB, enforceable against TB in accordance with its terms;
- (d) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the articles or by-laws of TB or of any resolutions of the directors or shareholders of TB, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement (including any TB Material Contract), license or permit to which TB is a party or by which TB is bound or to which any material assets or property of TB is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to TB;
- (e) the share capital of TB comprises of contributions in the amount of 100 RSD, which represents 100% of the shares in TB. As at the date of this Agreement, each Shareholder owns 50% of the interest in the issued and outstanding TB Shares, which represents the

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share capital of TB in the amount of 50 RSD. As of the date hereof, there are no own shares, no reserved own shares were acquired by TB, no financial instruments were issued by TB, and there are no forms of convertible securities or rights capable of becoming securities of TB otherwise issued and outstanding;

- (f) other than as set out in Section 5.03(e) and in connection with the Loan, there are no other common shares of TB or securities convertible, exercisable or exchangeable into common shares or preferred shares issued or outstanding;
- (g) TB holds 90% of the issued and outstanding common shares in Drina;
- (h) other than as described herein, TB does not own, and has not at any time owned, and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person, and TB does not have any agreements to acquire or lease any material assets or properties or any other business operations other than disclosed in DD;
- (i) no person (other than the Purchaser pursuant to this Agreement or pursuant to the Loan) has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of TB;
- (j) the management prepared financial statements of TB for the period from January 1, 2019 and ended, November 30, 2020 (the "TB Financial Statements"), copies of which will be provided to the Purchaser, will be true and correct in every material respect and present fairly and accurately the financial position and results of the operations of TB for the period then ended and the TB Financial Statements will have been prepared in accordance with GAAP applied on a consistent basis;
- (k) to the knowledge of TB, no information has come to the attention of TB since November 30, 2020 that would or would reasonably be expected to require any restatement or revisions of any such financial statements;
- (l) there are no related-party transactions or off-balance sheet structures or transactions with respect to TB;
- (m) TB is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (n) TB has conducted and is conducting its business in compliance in all material respects with all applicable laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (o) the Option Agreement, Pledge Agreement, Right of First Refusal Agreement and this Agreement (together, the "TB Material Contracts") and after the execution and delivery hereof, all ancillary agreements contemplated herein, constitute all the Material Contracts of TB. Each of the TB Material Contracts is in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Purchased Shares hereunder and the other transactions contemplated hereunder, including, without

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limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. TB has not violated or breached, in any material respect, any of the terms or conditions of any TB Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed. TB is not party to, or bound by, any undisclosed contracts, including any oral contracts or agreements;

- (p) there are no waivers, consents, notices or approvals required to be given or obtained by TB in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which TB is a party;
- (q) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over TB is required to be obtained by TB in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay TB from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on TB;
- (r) there is no suit, action or proceeding or, to the knowledge of TB, pending or threatened against TB that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on TB, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against TB causing, or which could reasonably be expected to cause, a Material Adverse Effect on TB;
- (s) no bankruptcy, insolvency or receivership proceedings have been instituted by TB or, to the knowledge of TB, are pending against TB;
- (t) TB has good and marketable title to its properties and assets (other than property or an asset as to which TB is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on TB;
- (u) no person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from TB of any of its assets or property;
- (v) TB has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities and other persons that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on TB, and all such permits, licenses, certificates of authority, orders and approvals are in good standing and fully complied with in all material respects;
- (w) TB has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by TB in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to TB are true, complete and correct,

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report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby. TB has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax;

- (x) there are no audits, reassessments or other proceedings in progress or, to the knowledge of TB, threatened against TB, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and TB is not aware of any contingent liability of TB for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and TB has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;
- (y) TB has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority each Tax or other amount required to be deducted, withheld or collected and remitted by TB;
- (z) TB has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified TB of such Governmental Authority's intention to commence or to conduct any investigation that could be reasonably likely to have a Material Adverse Effect on TB;
- (aa) TB has 11 employees and is party only to such employment, management, or consulting agreements as disclosed in writing to the Purchaser;
- (bb) no current or former employee, officer or director of TB is entitled to a severance, termination, or other similar payment as a result of the Transaction;
- (cc) the Corporate Records of TB are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of TB, and without limiting the generality of the foregoing: (i) the minute books of TB contain complete and accurate minutes of all meetings of the directors and shareholders of TB; (ii) such minute books contain all written resolutions passed by the directors and shareholders of TB; (iii) the securities register of TB are complete and accurate, and all transfers of shares of TB have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of TB were duly elected or appointed as the case may be;
- (dd) all Books and Records of TB have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;
- (ee) TB has no material IP and there are no Contracts that are material to the business and operations of TB as presently conducted under which TB licenses any IP from a third party;
- (ff) TB is not a 'reporting issuer' or equivalent in any jurisdiction nor are any shares of TB listed or quoted on any stock exchange or electronic quotation system; and

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- (gg) to the knowledge of TB, no representation or warranty of TB contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.04 Survival of Representations and Warranties

The representations and warranties made by the parties and contained in this Agreement or any document or certificate given pursuant hereto shall survive the Closing of the Transaction until the date that is 12 months from the date of Closing. No claim for breach of any representation, warranty or covenant shall be valid unless that party against whom such claim is made has been given notice thereof before the expiry of such 12-month period.

ARTICLE VI COVENANTS

6.01 Mutual Covenants

Each of the parties hereby covenants and agrees as follows:

- (a) to use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under applicable laws and regulations to complete the Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person, including without limitation, any securities regulatory authority, seeks to prevent, delay or hinder implementation of all or any portion of the Transaction or seeks to invalidate all or any portion of this Agreement, the Purchaser and TB shall use commercially reasonable efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the parties to complete the Transaction;
- (b) to use commercially reasonable efforts to obtain, before the Time of Closing, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, Governmental Authorities, shareholders and third parties as are necessary for the consummation of the transactions contemplated herein;
- (c) to use commercially reasonable efforts to defend or cause to be defended any lawsuits or other legal proceedings brought against it challenging this Agreement or the completion of the Transaction; neither the Purchaser nor TB will settle or compromise any claim brought against them in connection with the transactions contemplated by this Agreement prior to the Closing Date without the prior written consent of each of the others, such consent not to be unreasonably withheld or delayed;
- (d) to promptly notify each of the other parties if any representation or warranty made by it in this Agreement ceases to be true and correct in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier) and of any failure to comply in any material respect with any of its obligations under this Agreement;

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- (e) to co-operate with each of the other parties hereto in good faith in order to ensure the timely completion of the Transaction; and
- (f) to use commercially reasonable efforts to co-operate with each of the other parties hereto in connection with the performance by the other of its obligations under this Agreement.

6.02 Covenants of the Purchaser

The Purchaser covenants and agrees with each of the Shareholders and TB that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner:
 - (i) file and/or deliver any document or documents as may be required in order for the Transaction as contemplated herein to be effective; and
 - (ii) file and/or deliver any document or documents required pursuant to applicable laws in connection with the Transaction as contemplated herein after the Closing;
- (b) not solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Transaction, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or "takeover bid," exempt or otherwise, within the meaning of the *Securities Act* (British Columbia), for securities or assets of the Purchaser, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Transaction, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event the Purchaser, including any of its officers or directors, receives any form of offer or inquiry, the Purchaser shall forthwith (in any event within one business day following receipt) notify TB of such offer or inquiry and provide TB with such details as it may request;
- (c) to make available and afford TB and its authorized representatives and, if requested by TB, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to the Purchaser. The Purchaser will afford TB and its authorized representatives every reasonable opportunity to have free and unrestricted access to the Purchaser's property, assets, undertaking, records, and documents. At the request of TB, the Purchaser will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of the Purchaser's business and any of its property or to enable TB or its authorized representatives to obtain full access to all files and records relating to any of the assets of the Purchaser maintained by governmental or other public authorities. The obligations in this Section 6.02(c) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for

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which a waiver cannot be obtained, provided that in such circumstance the Purchaser will be required to disclose that information has been withheld on this basis. The exercise of any rights of inspection by or on behalf of TB under this Section 6.02(c) will not mitigate or otherwise affect the representations and warranties of the Purchaser hereunder;

- (d) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance the Purchaser will be required to disclose that information has been withheld on this basis), furnish promptly to TB (on behalf of itself and the Shareholders) a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Purchaser in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (e) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction as contemplated herein, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts, as applicable;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Purchaser or TB before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (f) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (g) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its notice of articles or articles as the same exist at the date of this Agreement;
- (h) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the

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foregoing, it will not make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;

- (i) take all necessary corporate action and proceedings to approve and authorize the issuance of the Payment Shares to the Shareholders; and
- (j) prepare and file with all applicable securities commissions such notifications and fees necessary to permit, or that are required in connection with, the issuance of the Payment Shares to the Shareholders, in each case, on a basis exempt from the prospectus and registration requirements of the applicable Securities Laws of the provinces of Canada in which the Shareholders are resident.

6.03 Covenants of TB

TB covenants and agrees with the Purchaser that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, subject to Section 9.01, it will:

- (a) not to solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Transaction, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or "takeover bid," exempt or otherwise, within the meaning of the *Securities Act* (British Columbia), for securities or assets of TB, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Transaction, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event, TB, including any of its officers or directors, receives any form of offer or inquiry, TB shall forthwith (in any event within one business day following receipt) notify the Purchaser of such offer or inquiry and provide the Purchaser with such details as it may request;
- (b) to make available and afford the Purchaser and its authorized representatives and, if requested by the Purchaser, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to TB. TB will afford the Purchaser and its authorized representatives every reasonable opportunity to have free and unrestricted access to TB's property, assets, undertaking, records and documents. At the request of the Purchaser, TB will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of TB's business and any of its property or to enable the Purchaser or its authorized representatives to obtain full access to all files and records relating to any of the assets of TB maintained by governmental or other public authorities. The obligations in this Section 6.03(b) are subject to any access or disclosure contemplated herein not being otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained, provided that in such circumstance TB will be required to disclose that information has been withheld on this basis. The exercise of any

rights of inspection by or on behalf of Purchaser under this Section 6.03(b) will not mitigate or otherwise affect the representations and warranties of TB hereunder;

- (c) except for non-substantive communications, and provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver cannot be obtained (provided that in such circumstance TB will be required to disclose that information has been withheld on this basis), furnish promptly to the Purchaser a copy of each notice, report, schedule or other document or communication delivered, filed or received by TB in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (d) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either TB or the Purchaser before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (e) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (f) conduct and operate its business and affairs only in the ordinary course consistent with past practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons and, for greater certainty, it will not enter into any material transaction out of the ordinary course of business consistent with past practice without the prior consent of the Purchaser, and TB will keep the Purchaser fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained;
- (g) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its articles or notice of articles as the same exist at the date of this Agreement;

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- (h) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:
 - (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;
 - (ii) increase or decrease its capital or purchase or redeem any shares;
 - (iii) issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire any such shares;
 - (iv) not to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of TB (including those that are convertible or exchangeable into securities of TB), other than as contemplated under this Agreement; and
- (i) take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Purchased Shares to the Purchaser.

6.04 Covenants of the Shareholders

Each of the Shareholders, on its own behalf, covenants and agrees with the other parties hereto that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, subject to Section 9.01, it will:

- (a) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:
 - (i) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction; and
 - (ii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (b) subject to Applicable Laws or as otherwise authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (c) if the Shareholder is a corporation or entity, take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Purchased Shares to the Purchaser; and

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- (d) not encumber in any manner the Purchased Shares and ensure that at the Time of Closing the Purchased Shares are free and clear of all Liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances whatsoever.

ARTICLE VII TERMINATION

7.01 Termination

This Agreement may be terminated in writing at any time prior to the Closing:

- (a) by mutual written consent of the Purchaser and TB;
- (b) by either TB or the Purchaser if the Closing shall not have been consummated on or prior to the Termination Date, without liability to the terminating party on account of such termination; provided that the right to terminate this Agreement pursuant to this Section 7.01(b) shall not be available to a party whose breach or violation of any representation, warranty, covenant, obligation or agreement under this Agreement has been the cause of or has resulted in the failure of the Closing to occur on or before such date;
- (c) by the Purchaser, if there has been a material breach by TB or the Shareholders of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.01 which TB or the Shareholders, as applicable, fails to cure within ten (10) Business Days after written notice thereof is given by the Purchaser;
- (d) by TB if there has been a material breach by the Purchaser of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.03 which the Purchaser fails to cure within ten (10) Business Days after written notice thereof is given by TB;
- (e) by the Purchaser or TB, if the other party completes an Alternative Transaction or enters into a definitive and binding agreement to effect an Alternative Transaction; and
- (f) by any party, if any permanent injunction or other order of a court or other competent authority preventing the Closing shall have become final and non-appealable; provided, however, that no party shall be entitled to terminate this Agreement if such party's material breach of this Agreement or any of the documents contemplated hereby has resulted in such permanent injunction or order.

7.02 Effect of Termination

Upon termination of this Agreement in accordance with the terms hereof, the parties hereto shall have no further obligations under this Agreement, other than the obligations contained in Sections 10.03 and 10.08.

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**ARTICLE VIII
INDEMNIFICATION**

8.01 Indemnification by the Purchaser

Subject to Section 5.04, the Purchaser shall indemnify and save the Shareholders and TB harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Shareholders or TB as a result of any breach of representation, warranty or covenant on the part of the Purchaser contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.02 Indemnification by TB

Subject to Section 5.04, TB shall indemnify and save the Purchaser harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Purchaser as a result of any breach of representation, warranty or covenant on the part of TB contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.03 Indemnification by Shareholders

Subject to Section 5.04, each of the Shareholders, on its own behalf, and not on behalf of any other Shareholder, severally (and for greater certainty, not jointly with any other Shareholder) shall indemnify and save the Purchaser harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Purchaser as a result of any breach by such Shareholder of any representation, warranty or covenant on the part of such Shareholder contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.04 Notice of Claim

A party entitled to and seeking indemnification pursuant to the terms of this Agreement (the "**Indemnified Party**") shall promptly give written notice to the party or parties, as applicable, responsible for indemnifying the Indemnified Party (the "**Indemnifying Party**") of any claim for indemnification pursuant to Sections 8.01, 8.02 and 8.03 (a "**Claim**", which term shall include more than one Claim). Such notice shall specify whether the Claim arises as a result of a claim by a person against the Indemnified Party (a "**Third Party Claim**") or whether the Claim does not so arise (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Claim; and
- (b) the amount of the Claim, or, if any amount is not then determinable, an approximate and reasonable estimate of the likely amount of the Claim.

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8.05 Procedure for Indemnification

- (a) Direct Claims. With respect to Direct Claims, following receipt of notice from the Indemnified Party of a Claim, the Indemnifying Party shall have 30 days to make such investigation of the Claim as the Indemnifying Party considers necessary or desirable, acting reasonably. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim. If the Indemnified Party and the Indemnifying Party agree at or prior to the expiration of such 30-day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed upon amount of the Claim.
- (b) Third Party Claims. With respect to any Third Party Claim, the Indemnifying Party shall have the right, at its own expense, to participate in or assume control of the negotiation, settlement or defence of such Third Party Claim and, in such event, the Indemnifying Party shall reimburse the Indemnified Party for all the Indemnified Party's commercially reasonable out-of-pocket expenses incurred as a result of such participation or assumption. If the Indemnifying Party elects to assume such control, the Indemnified Party shall cooperate with the Indemnifying Party, shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and shall have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Party and the Indemnified Party shall be retained by the Indemnifying Party. If the Indemnifying Party, having elected to assume such control, thereafter, fails to defend any such Third Party Claim within a reasonable time, the Indemnified Party shall be entitled to assume such control and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

8.06 General Indemnification Rules

The obligations of the Indemnifying Party to indemnify the Indemnified Party in respect of Claims shall also be subject to the following:

- (a) without limiting the generality of Sections 8.01, 8.02 and 8.03; any Claim for breach of any representation, warranty or covenant shall be subject to Section 5.04;
- (b) the Indemnifying Party's obligation to indemnify the Indemnified Party shall only apply to the extent that the Claims in respect of which the Indemnifying Party has given an indemnity, in the aggregate, exceed \$5,000;
- (c) notwithstanding anything to the contrary in this Agreement, the aggregate liability of an Indemnifying Party which is a Shareholder to any and all Indemnified Parties under this Article VIII shall be limited to the amount paid to such Indemnifying Party in respect of its Purchased Shares pursuant to Section 2.01; for greater certainty, no Shareholder shall be liable, in the aggregate, to any and all Indemnified Parties for any amount in excess of the value of its *pro rata* share of the Payment Shares;
- (d) notwithstanding anything to the contrary in this Agreement, the aggregate liability of TB or the Purchaser to any and all Indemnified Parties under this Article VIII shall be limited to the value of the Payment Shares issuable under this Agreement;

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- (c) if any Third Party Claim is of a nature such that the Indemnified Party is required by applicable law to make a payment to any person (a "Third Party") with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and thereafter seek reimbursement from the Indemnifying Party for any such payment. If any Indemnifying Party pays, or reimburses an Indemnified Party in respect of any Third Party Claim before completion of settlement negotiations or related legal proceedings, and the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party, the Indemnified Party shall, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party;
- (f) except in the circumstance contemplated by Section 8.05, and whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnified Party shall not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld);
- (g) the Indemnified Party shall not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Party notice and an opportunity to contest such Third Party Claim;
- (h) the Indemnified Party and the Indemnifying Party shall cooperate fully with each other with respect to Third Party Claims and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available); and
- (i) the provisions of this Article VIII shall constitute the sole remedy available to a party against another party with respect to any and all breaches of any agreement, covenant, representation or warranty made by such other party in this Agreement.

ARTICLE IX EXCLUSIVITY AND ACCESS

9.01 Obligations of TB and Shareholders

Prior to the Termination Date, or the earlier termination of this Agreement, neither TB nor the Shareholders shall, directly or indirectly, negotiate or deal with any party other than with the Purchaser relating to an Alternative Transaction involving TB or the sale or disposition of any part of the outstanding TB Shares or assets of TB, or solicit enquiries or provide information with respect to same. Notwithstanding the foregoing, nothing contained in this Agreement shall be interpreted to extend to the acts or omissions of any person acting in his or her capacity as a director or officer of TB or otherwise to fetter the proper exercise of discretion of such person. In addition, nothing contained in this Agreement will prohibit, prevent or restrict TB from furnishing or providing information in respect of or otherwise responding to or engaging in discussions or negotiations in respect of, an unsolicited Alternative Transaction not resulting from a breach of this Section 9.01, or the directors of TB, in the fulfilment of their fiduciary duties, from supporting or facilitating any such unsolicited Alternative Transaction, or TB or the Shareholders from completing any such Alternative Transaction, or entering into a definitive and binding agreement to effect such an Alternative Transaction, if directors of TB determine in good faith,

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after consultation, to the extent considered appropriate by the directors, with its financial and legal advisors, that such unsolicited Alternative Transaction constitutes, or could reasonably be expected to lead to or result in, a transaction that would, if consummated in accordance with its terms, be more favourable to TB or the Shareholders than the Transaction provided, however, that prior to taking such action, the directors of TB shall have concluded, after considering applicable laws, and receiving advice of outside counsel, that such action would be a proper exercise of its fiduciary duties, or is otherwise required, under applicable laws, that it is appropriate that the directors take such action in order to properly discharge their fiduciary duties or that such action is otherwise required under applicable laws. In the event TB or its Shareholders receive any form of offer or inquiry, TB shall forthwith (in any event within one business day following receipt) notify the Purchaser of such offer or inquiry and provide the Purchaser with such details as it may request.

ARTICLE X GENERAL

10.01 Power of Attorney

Each of the Shareholders hereby severally and irrevocably appoints TB as its agent and attorney to take any action that is required under the Agreement or to execute and deliver any documents on their behalf, including without limitation, for the purposes of all Closing matters (including without limitation, the receipt of certificates representing the Payment Shares) and deliveries of documents and do and cause to be done all such acts and things as may be necessary or desirable in connection with the closing matters for the Transaction. Without limiting the generality of the foregoing, TB may, on its own behalf and on behalf of the Shareholders, extend the Time of Closing, modify or waive any conditions as are contemplated herein, negotiate, settle and deliver the final forms of any documents that are necessary or desirable to give effect to the Transaction (other than any escrow agreements required that a Shareholder may be required to enter into), extend such time periods as may be contemplated herein or terminate this Agreement, in its absolute discretion, as it deems appropriate. Each of the Shareholders hereby acknowledges and agrees that any decision or exercise of discretion made by TB under this Agreement, shall be final and binding upon the Shareholders so long as such decision or exercise was made in good faith. The Purchaser shall have no duty to enquire into the validity of any document executed or other action taken by TB on behalf of the Shareholders pursuant to this Article X. For certainty, after the closing of the Transaction or upon termination of this Agreement, this Section 10.01 shall not survive, and TB shall cease to have any power of attorney on behalf of the Shareholders.

10.02 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement (each, a "notice") shall be in writing shall be in writing addressed as follows:

- (a) if to the Purchaser:

1250598 B.C. Ltd.

[Redacted - Personal Contact
Information]

Attention: Kim Oishi
E-mail: [Redacted - Personal Contact
Information]

[Redacted - Initials]

with a courtesy copy (which copy shall not constitute notice to Purchaser) to:

1500 Royal Centre
[Redacted - Personal
Contact Information]

Attention: Desmond Balakrishnan
E-mail: [Redacted - Personal Contact Information]

(b) if to TB or the Shareholders:

Tera Balkanika d.o.o. Beograd - Novi Beograd
[Redacted - Personal Contact Information]

Attention: Aleksandar Ilic and Aleksandar Miskovic
E-mail: [Redacted - Personal Contact Information]

with a courtesy copy (which copy shall not constitute notice to TB) to:

FourLegal
[Redacted - Personal
Contact Information]

Attention: Nikola TomaSevic
E-mail: [Redacted - Personal Contact Information]

or such other address as may be designated by notice given by either TB or the Purchaser to the other in accordance with this Section 10.02. Each notice shall be personally delivered to the addressee or sent by e-mail to the addressee and a notice which is personally delivered or sent by email shall, if delivered or sent prior to 4:00 p.m. (local time of the recipient) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the next Business Day. Any notice delivered to TB in accordance with this Section 10.02 prior to the Time of Closing shall be deemed to have been delivered to each of the Shareholders. The previous sentence of this Section 10.02 shall not apply to a notice given as contemplated in Section 3.04 of the occurrence, or failure to occur, of any event or state of facts which would or would likely to cause any of the representations or warranties of any Shareholder to be untrue or inaccurate or result in the failure by any Shareholder to comply with or satisfy any covenant, condition or agreement, which notice shall not be deemed to have been received by such Shareholder unless delivered to the address of such Shareholder as reflected in the books of TB (or after the Time of Closing, the books of the Purchaser). Any Shareholder may, from time to time, by notice given in accordance with this Section 10.02, designate or provide an address of such Shareholder for notices to be given after the Time of Closing.

10.03 Confidentiality

Prior to Closing and, if the Transaction is not completed, at all times thereafter, each of the parties hereto will keep confidential and refrain from using all information obtained by it in connection with the transactions contemplated by this Agreement relating to any other party hereto, provided however that such obligation shall not apply to any information which was in the public domain at the time of its disclosure to a party or which subsequently comes into the public domain other than as a result of a breach of such party's obligations under this Section 10.03. For greater certainty, nothing contained herein shall prevent any disclosure of information which may be required pursuant to applicable laws or

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pursuant to an order in judicial or administrative proceedings or any other order made by any Governmental Authority.

10.04 Assignment

Other than as provided herein, no party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto, such consent not to be unreasonably withheld or delayed.

10.05 Binding Effect

This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

10.06 Waiver

No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

10.07 Governing Law

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and is to be treated in all respects as a British Columbia contract.

10.08 Expenses

TB shall be responsible for its costs and expenses incurred with respect to the transactions contemplated herein, which are comprised of its legal fees and disbursements relating to preparing this Agreement and related documents specifically relating to the transactions contemplated herein, it being acknowledged, that documentation in respect of the Transaction shall, to as great an extent as reasonably possible, be prepared by the TB's counsel with the assistance of Purchaser as needed. The Purchaser shall be responsible for its costs and expenses incurred with respect to the transactions contemplated herein. If during the term of this Agreement, the Transaction does not successfully complete, then each party will be responsible for its own expenses incurred.

10.09 No Personal Liability

- (a) No director, officer, employee or agent of the Purchaser shall have any personal liability whatsoever to TB or the Shareholders under this Agreement or any other document delivered in connection with the Transaction on behalf of the Purchaser.
- (b) No director, officer, employee or agent of TB (in such capacity) shall have any personal liability whatsoever to the Purchaser under this Agreement or any other document delivered in connection with the Transaction on behalf of TB.

10.10 Time of Essence

Time is of the essence of this Agreement and of each of its provisions.

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10.11 Public Announcements

TB and the Purchaser shall co-operate with the other in releasing information concerning this Agreement and the transactions contemplated herein and shall furnish to and discuss with the other drafts of all press and other releases prior to publication. No press release or other public announcement concerning the proposed transactions contemplated by this Agreement will be made by any party hereto without the prior consent of the other parties, such consent not to be unreasonably withheld or delayed; provided that nothing contained herein shall prevent any party hereto at any time from furnishing any information to any Governmental Authority or to the public if so required by applicable law.

10.12 Further Assurances

Each party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated herein.

10.13 Entire Agreement

This Agreement, together with the documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

10.14 Amendments

No amendment of any provision of this Agreement will be binding on any party unless consented to in writing by such party.

10.15 Severability

In the event that any provision or part of this Agreement is determined by any court or other judicial or administrative body to be illegal, null, void, invalid or unenforceable, that provision shall be severed to the extent that it is so declared, and the other provisions of this Agreement shall continue in full force and effect.

10.16 Remedies Cumulative

The rights and remedies of the parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such party may be lawfully entitled for the same default or breach.

10.17 Counterparts

This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method, each of which when executed and delivered shall be deemed an original and all of which counterparts together shall be deemed to constitute one and the same instrument.

10.18 Independent Legal Advice

EACH SHAREHOLDER ACKNOWLEDGES, CONFIRMS AND AGREES THAT HE, SHE OR IT HAS HAD THE OPPORTUNITY TO SEEK AND WAS NOT PREVENTED OR DISCOURAGED BY ANY PARTY HERETO FROM SEEKING INDEPENDENT LEGAL ADVICE PRIOR TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THAT, IN THE EVENT THAT ANY SHAREHOLDER DID NOT AVAIL HIMSELF/HERSELF/ITSELF WITH THAT OPPORTUNITY PRIOR TO SIGNING THIS AGREEMENT, SUCH SHAREHOLDER DID SO VOLUNTARILY WITHOUT ANY UNDUE PRESSURE AND AGREES THAT SUCH SHAREHOLDER'S FAILURE TO OBTAIN INDEPENDENT LEGAL ADVICE SHALL NOT BE USED BY HIM/HER/IT AS A DEFENCE TO THE ENFORCEMENT OF HIS/HER/ITS OBLIGATIONS UNDER THIS AGREEMENT. EACH SHAREHOLDER ACKNOWLEDGES AND AGREES THAT MCMILLAN LLP ONLY ACTS FOR THE PURCHASER, AND NEITHER REPRESENTS NOR ACTS FOR THE SHAREHOLDERS IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

[Signature pages follow.]

[Redacted - Initials]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

1250598 B.C. LTD.

By: (Signed) "Kim Oishi"
Name: Kim Oishi
Title: CEO and Director

TERA BALKANIKA DOO.

By: (Signed) Aleksandar Miskovic
Name: Aleksandar Miskovic
Title: Director

[Signature pages of the Shareholders follows.]

[Redacted
Initials]

TB SHAREHOLDERS

Signed, Sealed and Delivered by)
ALEKSANDAR MISKOVIC in the presence of:)
_____)
[Redacted])
Witness (Signature))
_____)
[Redacted – Personal Information])
Name (please print))
_____)
[Redacted – Personal Information])
Address)
_____)
[Redacted – Personal Information])
City, Province)

(Signed) "*Aleksandar Miskovic*"
ALEKSANDAR MISKOVIC

Signed, Sealed and Delivered by)
ALEKSANDAR ILIC in the presence of:)
_____)
[Redacted – Personal Information])
Witness (Signature))
_____)
[Redacted – Personal Information])
Name (please print))
_____)
[Redacted – Personal Information])
Address)
_____)
[Redacted – Personal Information])
City, Province)

(Signed) "*Aleksandar Ilic*"
ALEKSANDAR ILIC

[Redacted
Initials]

SCHEDULE A

Shareholders of TB

Name and Address of Shareholder	Number of Shares
Aleksandar Mišković [Redacted - Personal Contact Information]	12,262,500
Aleksandar Ilić [Redacted - Personal Contact Information]	12,262,500
TOTAL	24,525,000

* Non-Resident Shareholder

[Redacted - Initials]

SCHEDULE B

[attached]

OPTION AGREEMENT FOR THE KALUDRA LICENSE

THIS AGREEMENT is made as of the 25th day of January, 2021 (the "Effective Date")

AMONG:

ROCKSTONE GROUP D.O.O. – KAĆ a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information] and a registration number of 20809531;

(the "Optionor")

AND:

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information], and the corporate registration number of 21540382;

(the "Contractor")

AND:

1250598 B.C. LTD., a corporation existing under the laws of the Province of British Columbia, having a registered office [Redacted - Personal Contact Information];

(the "Optionee")

WHEREAS:

(A) The Optionor is the sole holder of the License (as defined herein), over the licence area "Kaludra" in the vicinity of Novi Pazar, granted by the decision number 310-02-0085/2017 of the Ministry of Mining and Energy of the Republic of Serbia, dated September 28, 2017;

(B) The licence area is described in the decision number 310-02-0085/2017 of the Ministry of Mining and Energy of the Republic of Serbia, dated September 28, 2017 and in Schedule A (the "Kaludra License Area");

(C) The Optionor is seeking to grant an option to purchase all interests in connection with the Kaludra License Area, including the License, to the Optionee;

(D) The Optionor and the Optionee propose to enter into a definitive agreement to define the terms of the option;

[Redacted - Initials]

(E) The Contractor is a wholly owned subsidiary of the Optionee, and the Contractor will assume certain responsibilities in connection with the option granted hereunder in accordance with the terms of this Agreement;

(F) The Optionor, the Contractor, and the Optionee have agreed to enter into this agreement, to govern the terms of the option granted by the Optionor to the Optionee to acquire the License (as herein defined) and any other Future Acquired Rights (as herein defined) acquired during the Option Period (as herein defined) for no additional consideration.

NOW THEREFORE the parties agree as follows:

PART 1

DEFINITIONS

1.1 In this Agreement, except as otherwise expressly provided or as the context otherwise requires,

- (a) **"Affiliate"** means any Person that is the parent corporation or wholly owned subsidiary of a Party to this Agreement;
- (b) **"Agreement"** has the meaning as set out in the first paragraph of this Agreement;
- (c) **"Commencement of Commercial Production"** means commercial production of Minerals by the Optionee after exercise of the Option on the Kaludra License Area, which is deemed to have commenced on the earlier of:
 - (i) if a plant is located on the Kaludra License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been processed through such plant for not less than fifteen (15) of such days, at an average rate not less than fifty (50%) percent of the initial rated capacity of such plant; or
 - (ii) if no plant is located on the Kaludra License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been shipped from the Kaludra License Area for the purpose of earning revenue,

provided, however, that the processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production;

- (d) **"Confidential Information"** has the meaning as set out in Part 13;
- (e) **"Effective Date"** means the date that the last of the Parties signed this Agreement, and is the date set out at the beginning of this Agreement;

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(f) **“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 or any agreement to give or create any of the foregoing, other than the Permitted Encumbrances;

(g) **“Future Acquired Rights”** means all licenses, including any modifications of the Licence, concessions permits, easements, rights-of-way, surface or water rights and other rights, approvals obtained by either of the parties either before or after the date of this Agreement and necessary or desirable for the development of the Kaludra License Area, or for the purpose of placing the Kaludra License Area into production or continuing production therefrom, acquired by the Optionor during the Option Period;

(h) **“FS”** means a feasibility study with such meaning as ascribed to the term by the Canadian Institute of Mining, Metallurgy and Petroleum as the CIM Definition Standard on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended;

(i) **“Governmental Authority”** means any foreign, domestic, national, federal, provincial, territorial, state, regional, municipal, or local government or authority, quasi government authority, fiscal or judicial body, government or self regulatory organization, commission, board, tribunal, organization, or any regulatory, administrative, or other agency, or any political or other subdivision, department, or branch of any of the foregoing;

(j) **“License”** means the mineral exploration license granted to Optionor by the Ministry of Mines and Energy of the Republic of Serbia decision number 310-02-0085/2017-02, dated September the 28th, 2017. The license permits RSG to explore for lead, zinc, copper, gold, antimony, and associated metals over the Kaludra License Area, in the municipality of Novi Pazar;

(k) **“Kaludra License Area”** means the area described in the License and in Schedule A;

(l) **“License Transfer”** means the transfer of all licenses and license applications, including the License, in respect of the Kaludra License Area that may exist and be vested in the Optionor at the time of exercise of the Option, from the Optionor to the Optionee;

(m) **“Minerals”** means ores and concentrates, or metals derived therefrom, containing valuable minerals that are found in, on or under the Kaludra License Area and that may lawfully be explored for, mined, and sold pursuant to the Mining Law and Regulations and any other instruments of title under which any of the Kaludra License Area may be held;

(n) **“Mineral Rights”** means any form of tenure or other right to Minerals or to work upon lands for the purpose of searching for, developing, or extracting Minerals under any form of mineral title recognized under the laws of Serbia or any subdivision thereof, including the Mining Law and Regulations, whether contractual, statutory, or otherwise, and including the License and any Future Acquired Rights;

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- (o) **“Mining Law and Regulations”** means the mining law of the Republic of Serbia and the regulations promulgated thereunder, as amended from time to time;
- (p) **“Net Smelter Return”** or **“NSR”** has the meaning set forth in Schedule B and will be calculated in accordance with such Schedule;
- (q) **“Operations”** means the activities of prospecting, exploration, development, construction, mining, milling, processing, treatment operations and related operations conducted by or on behalf of the Parties on the Kaludra License Area, including the preparation of any preliminary assessment, technical report, pre-feasibility or feasibility study and any other reports, studies, or supplementary information;
- (r) **“Option”** means the exclusive and irrevocable right herein granted by the Optionor to the Optionee to permit the Optionee to acquire 100% interest in the Kaludra License Area, which specifically includes the acquisition on a pre-emptive basis to acquire rights and title to the Licence, obligating the Optionor to transfer the Licence upon exercise, as provided in Part 4, subject to the NSR Royalty;
- (s) **“Option Notice”** has the same meaning as provided in Part 6;
- (t) **“Option Period”** means the period during the term of this Agreement, from the date hereof the earliest of
- (i) the date of exercise of the Option,
 - (ii) the termination hereof pursuant to Part 10;
- (u) **“Parties”** means the Contractor, the Optionee, and the Optionor, and a reference to a **“Party”** means one of them;
- (v) **“PEA”** means a preliminary economic assessment as defined pursuant to National Instrument 43-101 – Standard of Disclosure for Mineral Projects by the Canadian Securities Administrators;
- (w) **“Permitted Encumbrances”** means (i) statutory exceptions to title of the Kaludra License Area; (ii) easements and any registered or recorded restrictions or covenants that run with Kaludra License Area that do not in the aggregate materially detract from the value of the Kaludra License Area and will not materially and adversely affect the ability to carry on the Operations; (iii) registered or unregistered or recorded or unrecorded rights of way for, or reservations or rights of others relating to, sewers, water lines, gas lines, pipelines, electric lines, telegraph and telephone lines and other similar products or services; and (iv) inchoate or statutory liens for taxes not at the time overdue;
- (x) **“Person”** means an individual, corporation, trust, partnership, limited liability company, contractual mining company, joint venture, unincorporated organization, firm, estate, governmental authority or any agency or political subdivision thereof, or other entity;

[Redacted - Initials]

- (y) “PFS” means a pre-feasibility study with such meaning as ascribed to the term by the Canadian Institute of Mining, Metallurgy and Petroleum as the CIM Definition Standard on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended;
- (z) “Property Maintenance Costs” means the duties, taxes, fees and other payments, and the minimum investments in exploration work required to be made periodically by the Mining Law and Regulations with respect to the Kaludra License Area, including for greater certainty any payments in respect of the License and the Future Acquired Rights, if any;
- (aa) “Reacquisition Notice” has the meaning set forth in Section 11.2;
- (bb) “NSR Royalty” has the meaning set forth in Part 4 and Schedule B;
- (cc) “Schedules” means the documents attached hereto as follows:
 - (i) Schedule A – Mineral Interests comprising the Kaludra License Area;
 - (ii) Schedule B – NSR Royalty Agreement;
- (dd) “Shares” means the common shares in the capital of the Optionee, as presently constituted, to be issued to the Optionor pursuant to the exercise of the Option or should the Optionee complete a business reorganization, amalgamation, or other adjustment to its share capital, “Shares” shall meaning the common shares in the capital of the successor entity which may exist, including any entity may be the sole shareholder of the Optionee on completion of such reorganization, or if there is no such entity or that entity is an intermediary entity and not the entity that holds control or direction over the Optionee, then the resulting entity in control of the business of the Optionee on completion of any such business reorganization, amalgamation, or other adjustment.

PART 2

REPRESENTATIONS, WARRANTIES AND COVENANTS OF OPTIONOR

- 2.1 The Optionor represents and warrants to the Optionee and the Contractor that:
- (a) it is duly and legally formed, and it is exclusively legally entitled to hold the Licence and all rights granted under the Licence, and will remain so entitled until all interests of the Optionor in the Kaludra License Area, including the Licence, have been duly transferred to the Optionee as contemplated hereby or this Option has terminated;
 - (b) it is, and will be at the time of transfer to the Optionee of the Licence, the sole recorded holder and beneficial owner of the Licence, which to the knowledge of the Optionor are the sole legal rights outstanding as at the date hereof comprising the Kaludra License Area, other than surface rights and real property title, and are free and clear of

[Redacted - Initials]

Encumbrances other than Permitted Encumbrances, and no taxes or rentals are due in respect of any thereof; the Optionor is in exclusive possession of the Licence, and the information in Schedule A outlining the geographic area of the Kaludra License Area is accurate and complete, and all Property Maintenance Costs required to be paid or invested before the Effective Date have been paid or invested;

(c) the Optionor has not sold, assigned, optioned or entered into any agreement for the grant of an interest or a right to an interest in the Licence or any of the rights from Licence which are currently enforceable and in effect, all past agreements entered into by the Optionor granting an interest in the Licence, or other Rights therein has been validly terminated and no further obligations are owed by the Optionor to the any third parties, in respect of any such agreement;

(d) the Licence is in good standing and all requirements related to the grant and continued good standing of the Licence have been met since its grant;

(e) the Optionor covenants to assist the Contractor to maintain the Licence in good standing for the duration of this Option Period, and to comply with all obligations with respect to the Licence required for any extensions or renewals under applicable law, and to request and submit all necessary applications to the competent authority in a timely manner in order to provide and secure extension/renewal of the Licence;

(f) the Optionor covenants that neither it, nor any officers, directors, employees, or agents of the Optionor will acquire any additional Future Acquired Rights or modify the License, without express written consent of the Optionee and Contractor, and further covenants to consult the Optionee in connection with any negotiations in respect of the License Area with the holders of surface rights or other interests, or governmental authorities and regulators for the duration of the Option Period;

(g) there is no adverse claim or challenge against or to the ownership of or title to the Licence, any of the rights from the Licence, nor to the knowledge of the Optionor is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Licence or any portion thereof, and no person other than the Optionor, pursuant to the provisions hereof, has any royalty or other interest whatsoever in the Licence;

(h) there are no suits, actions, prosecutions, investigations or proceedings, actual, pending or, to the knowledge of the Optionor, threatened, against the Optionor that relate to or could have an adverse effect on the Kaludra License Area, the License, or the Optionor's interest therein;

(i) there are no orders or directives relating to environmental matters requiring any work, repairs, construction or capital expenditures in respect of the Kaludra License Area or the conduct of business related thereto, nor have any activities on the Kaludra License Area been in violation of any environmental law, regulation or regulatory prohibition or order, and conditions on and relating to the Kaludra License Area and the License are in compliance with all such laws, regulations, prohibitions and orders;

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(j) the Kaludra License Area does not lie within any protected area, reserve, reservation, or special needs or study area as designated by any governmental authority having jurisdiction that would impair or impede the development of a mining project on the License Area other than the protected area disclosed in Schedule "A";

(k) there has been no material spill, discharge, leak, emission, ejection, escape, dumping or any release of any kind, of any toxic or hazardous substance or waste (as defined by applicable law) from, on, into or under the License Area or into the environment from the Kaludra License Area, except releases permitted or authorized by law;

(l) no toxic or hazardous substance or waste, as defined by applicable law, has been treated or is now stored on the Kaludra License Area;

(m) no third-party consent of any kind is required by the Optionor to enter into this Agreement and grant the Option contemplated hereby, other than consent from the member and owner of the Optionor for the disposal of assets of the Optionor, if applicable, in which case such consent shall be promptly provided by the member and owner of the Optionor;

(n) no proceedings are pending for, and the Optionor is unaware of any basis for the institution of any proceedings leading to the placing of the Optionor in bankruptcy or subject to any other laws governing the affairs of insolvent persons;

(o) it has been duly incorporated, amalgamated or continued and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation, amalgamation or continuation; and

(p) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any encumbrance under the provisions of the constating documents of the Optionor or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionor is a party or by which it is bound or to which it or the Kaludra License Area may be subject.

2.2 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee, and a breach of any one or more thereof may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof and continue throughout the Option Period.

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(j) the Kaludra License Area does not lie within any protected area, reserve, reservation, or special needs or study area as designated by any governmental authority having jurisdiction that would impair or impede the development of a mining project on the License Area other than the protected area disclosed in Schedule "A";

(k) there has been no material spill, discharge, leak, emission, ejection, escape, dumping or any release of any kind, of any toxic or hazardous substance or waste (as defined by applicable law) from, on, into or under the License Area or into the environment from the Kaludra License Area, except releases permitted or authorized by law;

(l) no toxic or hazardous substance or waste, as defined by applicable law, has been treated or is now stored on the Kaludra License Area;

(m) no third-party consent of any kind is required by the Optionor to enter into this Agreement and grant the Option contemplated hereby, other than consent from the member and owner of the Optionor for the disposal of assets of the Optionor, if applicable, in which case such consent shall be promptly provided by the member and owner of the Optionor;

(n) no proceedings are pending for, and the Optionor is unaware of any basis for the institution of any proceedings leading to the placing of the Optionor in bankruptcy or subject to any other laws governing the affairs of insolvent persons;

(o) it has been duly incorporated, amalgamated or continued and validly exists as a corporation in good standing under the laws of its jurisdiction of incorporation, amalgamation or continuation; and

(p) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any encumbrance under the provisions of the constating documents of the Optionor or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionor is a party or by which it is bound or to which it or the Kaludra License Area may be subject.

2.2 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee, and a breach of any one or more thereof may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof and continue throughout the Option Period.

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PART 3

REPRESENTATIONS, WARRANTIES AND COVENANTS OF OPTIONEE

3.1 The Contractor and the Optionee represent and warrant to and covenant with the Optionor that:

- (a) the Optionee has been duly continued and validly exists as a corporation in good standing under the laws of the province of British Columbia;
- (b) each of the Contractor and the Optionee has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any encumbrance under the provisions of the constating documents of the Contractor or the Optionee or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionee is a party;
- (c) no proceedings are pending for, and the Contractor and Optionee are unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of the Contractor or the Optionee or the placing of the Contractor or Optionee in bankruptcy or subject to any other laws governing the affairs of insolvent corporations;
- (d) to ensure that the Shares will, at the time of delivery to the Optionor, be duly authorized and validly allotted and issued as fully paid and non-assessable free of any liens, charges, or encumbrances;
- (e) the Optionee covenants to keep the Licence in good standing and to pay all **Property Maintenance Costs** for the duration of this Option Period with the assistance of the Optionor.

3.2 The representations and warranties contained in Section 3.1 are provided for the exclusive benefit of the Optionor and a breach of any one or more thereof may be waived by the Optionor in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 3.1 will survive the execution hereof and continue throughout the Option Period.

PART 4

GRANT OF OPTION, BONUS PAYMENTS, AND ROYALTY

4.1 The Optionor hereby grants to the Optionee the sole and exclusive right and option, subject to the terms of this Agreement, to acquire the License and any Future Acquired Rights free and clear of all Encumbrances by making cash payments totalling CAD\$50,000, issuing a total of 2,000,000 Shares and granting NSR Royalty as set out in Section 4.2 and

[Redacted - Initials]

Schedule B (collectively, the “**Option Exercise Consideration**”), on or before the dates set out in Section 4.2. For greater certainty, Optionor shall be obligated to complete the transfer of its Licence and any other Future Acquired Rights in connection with the Kaludra License Area on payment of the Option Exercise Consideration.

4.2 In order to exercise the Option, the Optionee shall make the cash payments or share issuances on or before the following dates:

<u>Date</u>	<u>Cash Payment</u> CAD\$	<u>Share Issuance</u>	<u>Grant of NSR Royalty</u>
Within 30 days of the Effective Date	50,000	Nil	2.5%
On or before first anniversary of the Effective Date	Nil	1,000,000	Nil
On or before second anniversary of the Effective Date, subject to Section 4.3	Nil	1,000,000	Nil

4.3 The final 1,000,000 Shares due on or before the anniversary of the Effective Date shall be subject to a voluntary escrow, whereby such Shares will only be released to the Optionor from escrow on the completion of the License Transfer. Should the License Transfer not occur within 180 days of date of issuance of the Shares, these 1,000,000 Shares will be cancelled by the Optionee.

4.4 Optionor shall be eligible to receive bonus payments on the occurrence of certain milestones in respect of the Kaludra License Area, after the exercise of the Option by the Optionee, as follows:

<u>Date</u>	<u>Cash Payment</u> CAD\$
Within 30 days of the completion of a PFS/PEA	\$500,000
Within 30 days of the completion of a FS	\$750,000
Within 90 days of the Commencement of Commercial Production	\$1,000,000

[Redacted - Initials]

Notwithstanding the foregoing, nothing in this Agreement is intended to create an obligation of the Optionee or the Contractor to complete any PFS, PEA, or FS, or to complete Commencement of Commercial Production.

4.5 The Option Exercise Consideration set out Section 4.2 is not committed, but the Optionee must make the cash payments and issue the Shares by the dates set out in Section 4.2 in order to maintain and exercise the Option. For certainty, should the Optionee deliver notice of termination in accordance with Section 10.2 prior to the date a payment is due pursuant to Section 4.2, the Optionee will be under no obligation to deliver such payment.

4.6 The Optionor acknowledges that each share certificate representing Shares issued pursuant to this Agreement, or any written acknowledge of a Share, shall have imprinted thereon a legend restricting transfer in accordance with applicable Canadian securities laws.

4.7 Upon the Commencement of Commercial Production, the Optionee will pay to the Optionor a royalty (the "NSR Royalty"), being equal to 2.5 % of Net Smelter Returns, on the terms and conditions as set out in Sections 4.1, 4.2, 4.7 and in Schedule B.

4.8 The Contractor is hereby authorized and entitled to, in the name of and on behalf of the Optionor, to conduct any activity in connection with mineral exploration activities in accordance with the terms of the License during the Option Period, at no additional cost to the Optionor.

4.9 During the Option Period,

- (a) the Optionor agrees to do all such things as required to maintain the License and the Future Acquired Rights, if any,
- (b) the Contractor and Optionee agree to make all payments necessary or appropriate, and complete all explorations activities required, to maintain the License as an agent of the Optionor, with the assistance of the Optionor where required;
- (c) the Contractor shall make no material changes to the Kaludra License Area without prior written consent of the Optionor, which for certainty includes any commitments to transfer the License other than as expressly contemplated by this Agreement;
- (d) the Optionor will not make any amendments to the License or any work program filed with applicable government authorities in connection with the License or the Kaludra License Area, without prior written consent of the Optionee and Contractor.

PART 5

ASSIGNMENT OF OPTION

5.1 From the Effective Date of this Agreement and until the date the Option is exercised or terminated, except as provided herein, no Party will have the right to sell, assign,

[Redacted - Initials]

sub-grant, cede, pledge, hypothecate or otherwise encumber or dispose (a "**Disposal**") of the whole or any portion of its rights under or in terms of this Agreement, the License, the Future Acquired Rights, if any, or any portion thereof (collectively the "**Offered Interest**") to any third party (other than to an Affiliate of a Party) for any reason whatsoever without the prior written consent of the other Party.

5.2 A Disposal of an Offered Interest in this Section 5.1 must be carried out in accordance with the following terms and conditions:

- (a) subject to receipt of all required approvals, consents, or acceptances of the any additional and regulatory approvals applicable to the Parties required at law;
- (b) each Party must execute and deliver such documents and instruments as may be reasonably required by the other to facilitate the sale; and
- (c) the Optionor shall be obliged to, in a timely manner, immediately after receipt of a notice from the Optionee informing the Optionor that Option shall be exercised, prepare, and submit to competent authority all necessary documents and conduct any and all deeds and legal actions, in order to enable transfer of the Licence to the Optionee.

5.3 Notwithstanding Sections 5.1 and 5.2, the Optionee will be entitled to freely transfer its interest in this Agreement to an Affiliate subject to (i) the Optionor's written approval, such approval not to be unreasonably withheld, (ii) receipt of all required approvals, consents or acceptances of any governmental and regulatory approvals required at law, (iii) prior written notice to the other Parties of such transfer; and (iv) the relevant Affiliate consenting in writing to be bound by the provisions hereof. If and when the aforesaid Affiliate ceases to be an Affiliate of the transferring Party, it will be obliged to retransfer the Interest to back to the original transferring Party or that Party's Affiliate.

PART 6

EXERCISE OF THE OPTION

6.1 The Optionee shall inform the Optionor of the Optionee's intent to exercise the Option (the "**Option Notice**"). Upon delivery of the Option Notice, the Optionor shall

- (a) deliver a certification of an officer that there are no material adverse changes in respect of the License or the Kaludra License Area that have not been previously brought to the attention of the Optionee and that all representations and warranties of the Optionor pursuant to this Agreement remain correct, true, and complete in all respects and are not misleading;
- (b) give to the person, designated by the Optionee, authorization to register the Optionee as the holder of the License and any Future Acquired Rights, if any, and additionally authorize the registration of any other actions or documents required to be registered in accordance with the laws of the Republic of Serbia; and

[Redacted - Initials]

(c) promptly submit appropriate request to the competent authority in respect with transfer of Licence to the Optionee, with such submission to occur no later than seven (7) business days after delivery of the Option Notice, to conduct procedure of transfer of License with care and diligence, to cooperate with the Government authorities and the Optionee, to submit all necessary documents needed for transfer of License in the timely manner, to receive the decision of the Governmental authority, to submit any legal remedy if necessary and submit evidence of such transfer at the request to the Optionee.

6.2 The Optionee may in their sole discretion at any time accelerate the payment of the amounts and the issuance of the Shares to exercise the Option and thereby exercise the Option.

6.3 Upon delivery of the Option Notice, the Optionor will take all such acts as required for 100% right, title, and interest in and to Licence and all of the other Future Acquired Rights, if any, to vest in the Optionee free and clear of all charges, encumbrances, and claims.

6.4 Upon exercise of the Option:

(a) Other than the provisions of the Schedule B, the NSR Royalty and the bonus payments pursuant to Section 4.4, all of the Contractor's or Optionee's obligations to the Optionor shall cease save and except for the obligations set out in this Part; and

(b) the obligations of the Optionee pursuant to Part 13 shall continue until superseded or replaced by agreement between the Parties.

6.5 Immediately after exercise of the Option, the Parties agree that they will take such steps as are necessary to transfer the Mineral Rights in the Kaludra License Area, including the Licence and the Future Acquired Rights, if any, and held by or on behalf of the Optionor to the Contractor.

PART 7

RIGHT OF ENTRY

7.1 Throughout the Option Period, and to the extent the Optionor has control over the following rights, the Directors and Officers of the Contractor, the Optionee, and their respective servants, agents, employees, and independent contractors, will have the sole and exclusive right in respect of the Kaludra License Area to

(a) enter thereon,

(b) have exclusive and quiet possession thereof,

(c) do such prospecting, exploration, development and/or other mining work thereon and thereunder as the Contractor in its sole discretion may determine advisable,

[Redacted - Initials]

- (d) bring upon and erect upon the Kaludra License Area buildings, plant, machinery and equipment as the Contractor may deem advisable, and
- (e) remove therefrom and dispose of reasonable quantities of ores, mineral and metals for the purpose of obtaining assays or making other tests.

PART 8

CONVEYANCE DOCUMENTS

8.1 The Optionor shall, forthwith after the exercise of the Option by the Optionee, deliver to the Optionee duly executed transfers of the Licence and any other Future Acquired Rights in the form required under the Mining Law and Regulation to transfer the Mineral Rights in the Property to the Optionor.

PART 9

OBLIGATIONS OF PARTIES DURING OPTION PERIOD

- 9.1 During the Option Period the Contractor will:
- (a) will act as operator of the Kaludra License Area;
 - (b) have the exclusive right to determine all work programs carried out on the Kaludra License Area for so long as the Option remains outstanding, and all work programs shall be in the sole discretion of the Contractor;
 - (c) carry out operations in a prudent and workmanlike manner, with the degree of effort, skill and judgment that is in accordance with good exploration, construction, mining, processing and engineering practices generally prevailing in the mining industry and in accordance with all applicable laws and regulations, including securities laws and regulations, and all agreements, permits and licenses, including the Licence, relating to the Kaludra License Area;
 - (d) pay and discharge all wages and accounts for material and services and all other costs and expenses that may be incurred by the Contractor in connection with its Operations on the Kaludra License Area, and to save Optionor harmless from and against all liens in respect of such Operations which may be filed against the Kaludra License Area, and in the event of any liens being so filed, to proceed forthwith to have the same removed, provided that the foregoing provision will not prevent the Contractor from properly contesting in good faith any claims for liens which the Contractor considers unjustified;
 - (e) subject to the obligation of the Optionor in accordance with Section 2.1(e), the Contractor will use all reasonable efforts as the operator of the Kaludra License Area to complete the work program required to keep the License in good standing and free of all

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Encumbrances from the operations thereon, excluding any statutory liens imposed by law and any liens for work for which payment is not yet due, and will at its expense (i) make all payments and file record of all Property Maintenance Costs necessary to maintain the License in good standing, and (ii) prepare and file all necessary land use reports with the applicable governmental authority with the assistance of the Optionor where required; and

(f) ensure that all exploration and development work performed by Contractor or its successors during the term of this Agreement shall conform with the applicable laws and regulations of the Republic of Serbia.

9.2 During the Option Period the Optionor shall immediately advise and provide a copy to the Contractor of any notice or communication received by the Optionor in respect of Property (other than communications from the Contractor), whether from any Governmental Authority, local community, non-governmental organization, or otherwise.

PART 10

TERMINATION OF OPTION

10.1 If at any time during the Option Period the Contractor or Optionee fail to perform any obligation required to be performed by it hereunder, which failure or breach materially interferes with the implementation of this Agreement, the Optionor may terminate this Agreement with the Contractor and Optionee liable for any damages suffered by the Optionor limited up to the amount of the actual damages suffered but only if it first gives to the Contractor a notice of default containing particulars of the obligation which the Contractor has not performed, or the warranty breached, and

(a) the Contractor does not, within 45 days after delivery of such notice of default, cure such default if reasonably possible within said 45 days, or begun proceedings to cure such default by appropriate payment or performance if such default reasonably requires more than 45 days (the Contractor hereby agreeing that should it so begin to cure any default it will prosecute the same to completion without undue delay and will under no circumstances jeopardize Optionor's rights and title to the Kaludra License Area).

10.2 The Contractor or Optionee may at any time before the exercise of the Option terminate this Option by giving notice of termination to the Optionor.

10.3 If at any time during the Option Period the Optionor fails to perform any obligation required to be performed by it hereunder, including if Optionor fails to complete the License Transfer, any obligations of the Optionee or Contractor pursuant to this Agreement shall be considered automatically terminated with the Optionor liable for any damages suffered by the Optionee and Contractor, limited up to the amount of actual damages suffered including the amount expended in connection with mineral exploration activities conducted by the Contractor, and the value of the payments made in connection with the exercise of the Option.

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10.4 The Parties are required to comply with any applicable legislation intended to prevent money laundering. This legislation may impose additional obligations to both parties which may restrict or affect the ability of the Parties, if the Contractor suspects that money laundering may have been committed or may be in the process of being committed by any party to the work.

PART 11

SURRENDER AND ACQUISITION OF PROPERTY INTERESTS BEFORE TERMINATION OF AGREEMENT

11.1 Subject to Section 11.2, the Optionee may at any time after exercise of the Option, abandon any one or more (including all) of the Mineral Rights comprised in the Kaludra License Area. The Optionee may at any time before the exercise of the Option elect to abandon any one or more (including all) of the mineral interests comprised in the Kaludra License Area by giving notice to the Optionor of such intention, with effect immediately upon delivery of such notice.

11.2 In the event that the Optionee intend to abandon or otherwise surrender all or any part of the License, the Optionee shall deliver a notice in writing of their intention to do so to the Optionor at least thirty (30) days prior to the proposed surrender. If, within fifteen (15) days of receipt of such notice, the Optionor deliver to the Optionee a notice (the "Reacquisition Notice") stating their desire to reacquire the License, the Optionee will deliver to the Optionor duly executed recordable transfers of such of the Surrendered License, for a consideration of 1 EUR as the Optionor has set forth in the Reacquisition Notice and the Optionee and the Contractor shall undertake all the required activities in order to obtain the approval of the Ministry and/or other competent governmental authorities, in order to enable the Optionor, or an entity designated by the Optionor, to reacquire the Licenses. If reacquisition of License is not possible due to changes of applicable law, or for any reason outside of Parties' control, Parties shall work together in order to find appropriate solution for achieving the same effects that would be achieved through reacquisition of the License.

PART 12

FORCE MAJEURE

12.1 If the Optionee or Contractor is at any time either during the Option Period or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of, power shortages, fuel shortages, fires, wars, strikes or labour or industrial disturbances including lock-outs, civil disturbances, acts of public enemies, acts, orders, legislation, regulations or directives of any Governmental Authorities or other public authorities riots, sabotage, blockages, embargoes, shortages of labour, materials, or supplies, lightning, earthquakes, fires, storms, epidemics or pandemics, floods, wash-outs, explosions, acts of God, or shipping delays, the time limited for the performance by the Optionee or Contractor of its

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obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay.

12.2 The Optionee or Contractor will within fourteen days give notice to the Optionor of each event of force majeure under Section 12.1 and upon cessation of such event will furnish the Optionor with notice to that effect together with particulars of the number of days by which the obligations of the Optionee or Contractor hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

PART 13

CONFIDENTIAL INFORMATION

13.1 The Optionor agrees that it will provide the Contractor and the Optionee access to all scientific and technical information relating to the Kaludra License Area which is in the Optionor's possession and which is not subject to an arrangement which restricts the Optionor from providing the information to the Optionee or Contractor.

13.2 The Parties agree that all information relating to the License and Kaludra License Area (whether embodied in tangible or electronic form) exchanged between the Parties under this Agreement or the Letter Agreement, including the information provided under Section 13.1 above (the "**Confidential Information**") and technical or scientific information collected, gathered or created relating to the Kaludra License Area and exchanged by the Parties during the Option Period is confidential; and must be kept confidential and must not be disclosed to any person at any time or in any manner except:

- (a) to any Party to this Agreement;
- (b) with the prior written consent of all the other Party;
- (c) to a bank or other financial institution considering the provision of or, which has provided financial accommodation to, a Party or an Affiliate of a Party or to a trustee, representative or agent or such a bank or financial institution;
- (d) by a Party to legal, financial, and other professional advisers, auditors and other consultants, officers and employees of a Party or a Party's Affiliate, provided that such Party or Party's Affiliate has first agreed in writing to maintain the confidentiality of the Confidential Information;
- (e) to the extent that the Confidential Information was publicly available at the Effective Date or becomes publicly available subsequent to the Effective Date without breach of this Agreement;
- (f) to the extent required by law or by a lawful requirement of any governmental authority or stock exchange having jurisdiction over the Parties or their Affiliates, now or at the time of the required disclosure.

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PART 14

ARBITRATION

14.1 All questions or matters in dispute will be submitted to arbitration pursuant to the terms hereof. For the purposes of this Part 14, the Optionee and Contractor shall be treated as one party, and the Optionor shall be treated as the other party.

14.2 It will be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that any party intending to refer any matter to arbitration will have given not less than 21 days' prior written notice of its intention so to do to the other party together with particulars of the matter in dispute.

14.3 On the expiration of such 21 days, the party who gave such notice may proceed to refer the dispute to arbitration as provided in section 14.4.

14.4 Any dispute or claim arising out of or relating to this Agreement shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The number of arbitrators shall be one, and shall be mutually agreed between the parties, and the arbitrator shall be qualified by education and training to pass upon the particular matter to be decided.

14.5 If the parties fail to appoint a mutually acceptable arbitrator within 14 days after the expiration of the notice pursuant to Section 14.3, the arbitrator will be appointed by the International Chamber of Commerce.

14.6 The language to be used in the arbitral proceedings shall be English.

14.7 The arbitrator will fix a time and place in London, UK, which will be the place of arbitration, for the purpose of hearing the evidence and representations of the parties, and he will preside over the arbitration and determine all questions of procedure not provided for under UNCITRAL Arbitration Rules or this Part 14.

14.8 After hearing any evidence and representations that the parties may submit, the arbitrator will make an award and reduce the same to writing and deliver one copy thereof to each of the parties.

14.9 The expense of the arbitration will be paid as specified in the award.

14.10 The parties agree that the award of the arbitrator, will be final and binding upon each of them.

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PART 15

TRANSLATION AND RECORDATION

15.1 The Parties agree that this Agreement may be translated into the Serbian language for the purpose of any regulatory filings that may be required in the Republic of Serbia, provided however that in all cases, as between the Parties, the English version of this Agreement shall govern.

PART 16

NOTICES

16.1 Each notice, demand or other communication required or permitted to be given under this Agreement will be in writing and will be sent by personal delivery, fax, or prepaid registered mail to the addresses of the parties written on page 1 or such other address, fax number or email address as each party may designate in writing as the address for delivery under this Agreement.

16.2 The date of receipt of such notice, demand or other communication will be the date of delivery or fax thereof if delivered, faxed, or emailed, or, if given by registered mail as aforesaid, will be deemed conclusively to be the third day after the same will have been so mailed except in the case of interruption of postal services for any reason whatever, in which case the date of receipt will be the date on which the notice, demand or other communication is actually received by the addressee.

16.3 Either party may at any time and from time to time notify the other party in writing of a change of address and the new address to which notice will be given to it thereafter until further change.

PART 17

GENERAL

17.1 This Agreement will supersede and replace any other agreement or arrangement, whether oral or written, heretofore existing between the parties in respect of the subject matter of this Agreement.

17.2 No consent or waiver expressed or implied by either party in respect of any breach or default by the other in the performance of 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.

17.3 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

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respective interests from time to time of the parties in the License, the Future Acquired Rights, if any, or otherwise in the Kaludra License Area.

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

17.5 This Agreement will be construed in accordance with the laws of Province of British Columbia and the laws of the Canada applicable therein.

17.6 All sums of money referred to herein are expressed in Canadian currency.

17.7 The headings appearing in this Agreement are for general information and reference only and this Agreement will not be construed by reference to such headings.

17.8 In interpreting this Agreement and any schedules hereto attached, where the context so requires, the singular will include the plural, and the masculine will include the feminine, the neuter, and vice versa.

17.9 Nothing herein will constitute or be taken to constitute the Parties as partners or create any fiduciary relationship between them provided, however, that this qualification will not limit the express duty of each Party to act toward the other Party at all times in good faith with respect to all their obligations under this Agreement.

17.10 No modification, alteration or waiver of the terms herein contained will be binding unless the same is in writing, dated subsequently hereto, and fully executed by the Parties.

17.11 This Agreement may be executed in one or more counterparts (and by different parties hereto in different counterparts), each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic transmission of an executed counterpart of a signature page to this Agreement shall be effective delivery as delivery of an original executed counterpart of this Agreement.

[Signature Page Follows]

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IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

ROCKSTONE GROUP D.O.O KAC

Per: (Signed) "Aleksandar Ilic"
Authorized Signatory

TERA BALKANIKA D.O.O. BEOGRAD – STARI GRAD

Per: (Signed) "Aleksandar Miskovic"
Authorized Signatory

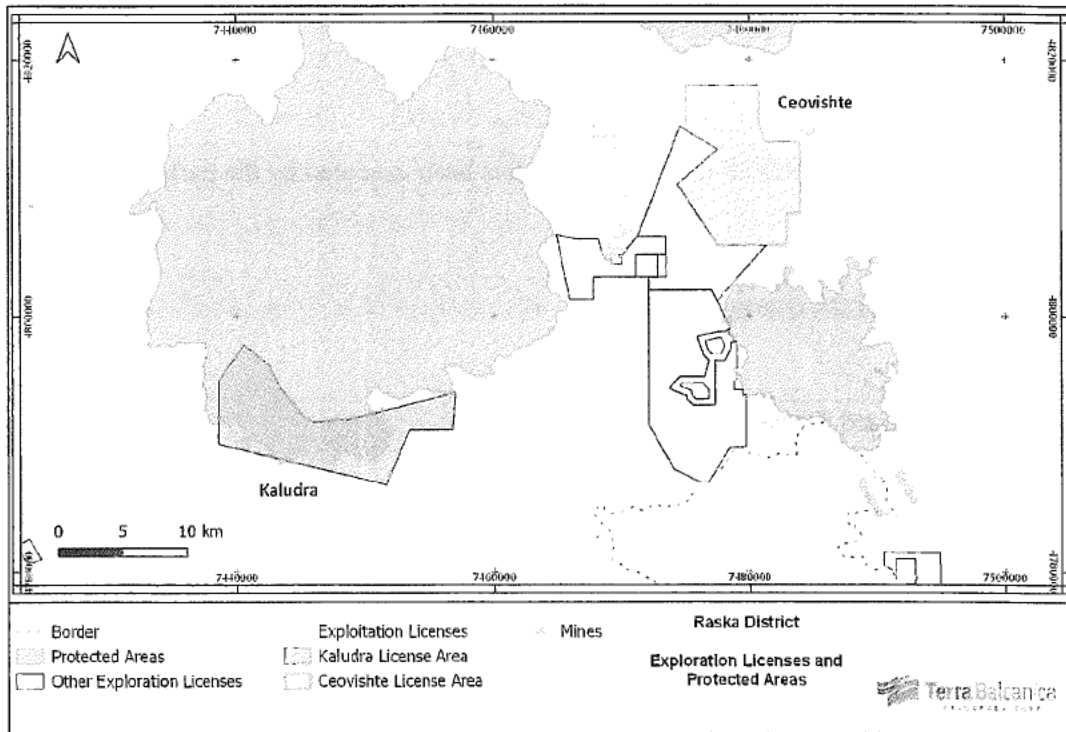
1250598 B.C. LTD.

Per: (Signed) "Kim Oishi"
Authorized Signatory

SCHEDULE A

THE KALUDRA LICENSE AREA

Mineral Interests comprising the Kaludra License Area



KALUDRA LICENSE AREA COORDINATES

POINT	X	Y	POINT	X	Y
1	438143	4794071	8	447360	4791031
2	440162	4796800	9	447979	4790871
3	442081	4795250	10	456567	4793071
4	443001	4793421	11	456377	4790181
5	444830	4791201	12	452978	4790182
6	445580	4790732	13	451178	4785873
7	446990	4790861	14	438092	4789072

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SCHEDULE B
NSR ROYALTY AGREEMENT

This NSR Royalty Agreement is attached to and part of the Option Agreement for the Kaludra License dated January the 25th, 2021, (the "Agreement") between:

- a) **1250598 BC Ltd.** a company formed and existing under the laws of British Colombia, Canada, whose registered office is at [Redacted - Personal Contact Information]
(the "**Grantor**");
- b) **Tera Balkanika d.o.o.** a company formed and existing under the laws of the Republic of Serbia, registered under the number 21540382, whose registered office is at [Redacted - Personal Contact Information]
(the "**Holder**");
- c) **Rockstone Group d.o.o.** a company formed and existing under the laws of the Republic of Serbia, registered under the number 20809531, whose registered office is at [Redacted - Personal Contact Information]
(the "**Grantee**");

BACKGROUND

- (A) The Holder shall in accordance with the terms of the Option Agreement for the Kaludra License become the beneficial and recorded owner of the License.
- (B) The Grantor directly or indirectly owns 100% of the Holder and has agreed to grant the Grantee the NSR Royalty being equal to 2.5% of Net Smelter Returns in respect of all Products recovered from the Kaludra License Area (as defined in the Parts 1,4 and 6 of the Option Agreement for the Kaludra License) and in accordance with the terms and provisions of this NSR Royalty Agreement.

1. DEFINITIONS

- (a) "**Independent Auditor**" means an international firm of accountants of good repute agreed between the Parties or, failing agreement between the Parties, upon the application of any of the Parties, being one of KPMG, EY, PwC or Deloitte.
- (b) "**License**" means the mineral exploration license granted to the Grantee by the Ministry of Mines and Energy of the Republic of Serbia, decision number 310-02-0085/2017-02, dated September the 28th, 2017., and any other mineral titles to which such licenses may be converted, including but not limited to exploitation permits or other licenses relating to mining exploration and/or exploitation of the Kaludra License Area set out in the Schedule "A" of the Option Agreement for the Kaludra License and issued in accordance with Serbian mining legislation.

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- (c) **“Net Smelter Returns”** shall have the meaning provided in Section 3.1 of this NSR Royalty Agreement;
- (d) **“NSR Royalty”** means the percentage of Net Smelter Returns to which the Recipient is entitled pursuant to the terms of this NSR Royalty Agreement;
- (e) **“Commencement of Commercial Production”** means commercial production of Minerals by the Optionee after exercise of the Option on the License Area, which is deemed to have commenced on the earlier of:
 - (i) if a plant is located on the License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been processed through such plant for not less than fifteen (15) of such days, at an average rate not less than fifty (50%) percent of the initial rated capacity of such plant; or
 - (ii) if no plant is located on the License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been shipped from the License Area for the purpose of earning revenue, provided, however, that the processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production;
- (f) **“Payor”** has the meaning provided in Section 3.1;
- (g) **“Parties”** means parties to this NSR Royalty Agreement;
- (h) **“Kaludra License Area”** means the area subject to mineral exploration license granted to the Grantee by the Ministry of Mines and Energy of the Republic of Serbia, decision number 310-02-0085/2017-02, dated September the 28th, 2017, and any renewal, reissuance, extension, modification, substitution, replacement, variation, amalgamation or subdivision thereof and successors thereto (including certificates on resources and reserves and mining licenses arising therefrom) as more particularly described in Schedule “A” to the Option Agreement for the Kaludra License;
- (i) **“Payment Date”** has the meaning provided in Section 2.1;
- (j) **“Products”** means minerals mined from the Licence in a form of which they can be and are typically sold.
- (k) **“Reacquisition Notice”** has the meaning set forth in Section 7.1;
- (l) **“Quarterly Production”** has the meaning provided in Section 3.1;

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2 THE NSR ROYALTY

2.1 The Grantor hereby creates and grants to the Grantee the NSR Royalty being equal to 2.5% of Net Smelter Returns in respect of all Products recovered from the Kaludra License Area on the terms and conditions specified in this agreement. The NSR Royalty will be due and payable after the Commencement of Commercial Production. Instalments of the NSR Royalty payable will be paid by the Payor to the Grantee on a calendar quarterly basis within 30 days upon the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates from the Kaldura License Area (the "Payment Date"). All such payments shall be made in either United States Dollars or Euros by the Grantor or Holder, as determined in the sole discretion of the Grantor, and be paid by the Grantor or Holder by money wire to the Grantee, bank account details to be provided by Grantee.

3 THE NET SMELTER RETURNS

3.1 The Net Smelter Returns means the gross revenues received by the Holder for all Products recovered from production from the Kaludra License Area during the preceding calendar quarter ("Quarterly Production") and delivered or sold to the smelter, refiner, processor, purchaser or other recipient of such production, or an insurer as a result of casualty to such production (collectively, "Payor") and subtracting only the following if actually incurred:

- (a) all reasonable costs, expenses, charges of any nature whatsoever imposed by the Payor for smelting, refining or processing the Products contained in such production, including all weighing, sampling, assaying, representation and storage costs, metal losses and umpire charges, and any penalties charged by the processor, refiner or smelter, but excluding any and all charges and costs related to Grantor's mills or other processing plants constructed for the purpose of milling or processing the Products, in whole or in part;
- (b) reasonable charges and costs, if any, for transportation and insurance of the Products thereof from Grantor's final mill or other final processing plant to places where such Products are smelted, refined and/or Sold or otherwise disposed of;
- (c) any government royalties, production taxes, severance taxes and sales and other taxes levied on the Products or on the production value thereof (other than income taxes of the Grantor).

3.2 The Grantor shall calculate the Net Smelter Returns and the sums to be disbursed to the Grantee as at the end of each calendar quarter, subject to Section 3.1.

3.3 The Grantor shall on the Payment Date pay to the Grantee 2.5% of the Net Smelter Returns to which the Grantee is entitled according to this NSR Royalty Agreement.

3.4 On the Payment Date, the Grantor will provide the Grantee with a detailed copy of the calculation of the NSR Royalty, as follows:

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2 THE NSR ROYALTY

2.1 The Grantor hereby creates and grants to the Grantee the NSR Royalty being equal to 2.5% of Net Smelter Returns in respect of all Products recovered from the Kaludra License Area on the terms and conditions specified in this agreement. The NSR Royalty will be due and payable after the Commencement of Commercial Production. Instalments of the NSR Royalty payable will be paid by the Payor to the Grantee on a calendar quarterly basis within 30 days upon the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates from the Kaldura License Area (the "Payment Date"). All such payments shall be made in either United States Dollars or Euros by the Grantor or Holder, as determined in the sole discretion of the Grantor, and be paid by the Grantor or Holder by money wire to the Grantee, bank account details to be provided by Grantee.

3 THE NET SMELTER RETURNS

3.1 The Net Smelter Returns means the gross revenues received by the Holder for all Products recovered from production from the Kaludra License Area during the preceding calendar quarter ("Quarterly Production") and delivered or sold to the smelter, refiner, processor, purchaser or other recipient of such production, or an insurer as a result of casualty to such production (collectively, "Payor") and subtracting only the following if actually incurred:

- (a) all reasonable costs, expenses, charges of any nature whatsoever imposed by the Payor for smelting, refining or processing the Products contained in such production, including all weighing, sampling, assaying, representation and storage costs, metal losses and umpire charges, and any penalties charged by the processor, refiner or smelter, but excluding any and all charges and costs related to Grantor's mills or other processing plants constructed for the purpose of milling or processing the Products, in whole or in part;
- (b) reasonable charges and costs, if any, for transportation and insurance of the Products thereof from Grantor's final mill or other final processing plant to places where such Products are smelted, refined and/or Sold or otherwise disposed of;
- (c) any government royalties, production taxes, severance taxes and sales and other taxes levied on the Products or on the production value thereof (other than income taxes of the Grantor).

3.2 The Grantor shall calculate the Net Smelter Returns and the sums to be disbursed to the Grantee as at the end of each calendar quarter, subject to Section 3.1.

3.3 The Grantor shall on the Payment Date pay to the Grantee 2.5% of the Net Smelter Returns to which the Grantee is entitled according to this NSR Royalty Agreement.

3.4 On the Payment Date, the Grantor will provide the Grantee with a detailed copy of the calculation of the NSR Royalty, as follows:

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- a) the quantities and grades of Products produced and sold or deemed sold by the Holder in the preceding calendar quarter;
- b) the proceeds of Sale of Products on which the NSR Royalty is due;
- c) any deductions from the NSR Royalty, that are allowed in accordance with this Agreement; and
- d) other pertinent information in sufficient detail to explain the calculation of the NSR Royalty.

3.5 The Grantee may, within thirty days (30) of the receipt of the copy of the calculation of the NSR Royalty, give written notice to the Grantor requiring an audit. The Parties shall then appoint an Independent Auditor who shall be directed to carry out an audit at the sole expense of the Grantee subject to reimbursement as described below and a copy of the Independent Auditor's report shall be provided to the Grantor promptly upon completion of the audit. The Independent Auditor's report shall be subject to such qualifications as the Independent Auditor wishes to make, if any.

3.6 If it is determined that the amount of the NSR Royalty which should have been paid to the Grantee is different from the amount of the NSR Royalty actually determined and paid to the Grantee in accordance with the Section 3.1, the calculation of the NSR Royalty for the audited period shall be amended to agree with the auditor's determination; and:

(a) If the result is a net increase in payment due to the Grantee in respect of the NSR Royalty, the amount of such net increase shall be paid to the Grantee. Additionally, if the net increase in payment exceeds one percent (5%) of the amount actually paid to the Grantee, then the Grantor shall pay the entire costs of the audit; and

(b) If the result is a net decrease in payment due to the Grantee, then the Grantee shall promptly refund such overpayment to the Grantor.

3.7 The Holder covenants to ensure that the Grantor or Holder has sufficient funds to make the required NSR Royalty payments as required hereunder to the Grantee, and the Holder irrevocably and unconditionally guarantees, to the maximum extent permitted by the Law, the due and punctual payment by the Holder or Grantor to the Grantee of the NSR Royalty and any other monetary obligations under this Agreement.

4. COMMINGLING

4.1 Ores, concentrates and derivatives mined or retrieved from the Kaludra License Area may be commingled with ores, concentrates or derivatives mined or retrieved from other properties. All determinations required for calculation of the NSR Royalty, including without limitation the amount of the metals contained in or recovered from ores, solutions, concentrates, or derivatives mined or retrieved from the Kaludra License Area, the amount of the metals contained in or recovered from commingled ores, solutions, concentrates or derivatives shall be made in accordance with prudent engineering, metallurgical and cost accounting practices.

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5. STOCKPILING AND TAILINGS

5.1 All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively "Materials") resulting from Holder's operations and activities on the Property shall be the sole property of Holder, but shall remain subject to the NSR Royalty should the Materials be processed or reprocessed, as the case may be, in the future and result in the production and Sale or other disposition of the Products. Notwithstanding the foregoing, Grantor shall have the right to dispose of Materials from the Kaludra License Area in or out of the Kaludra License Area and to commingle the same (as provided herein) with materials from other properties. In the event Materials from the Kaludra License Area are processed or reprocessed, as the case may be, and regardless of where such processing or reprocessing occurs, the NSR Royalty payable thereon shall be determined on a pro rata basis as determined by using reasonable engineering and technical practices reflecting industry practice at that time. In the event that Grantor stockpiles Materials, it shall ensure the security for the site in accordance with normal business practice.

6. BOOKS AND INSPECTIONS

6.1 Books

The Grantor and Holder shall keep true and accurate books and records of its operations and activities in the Kaludra License Area and under this agreement.

6.2 Inspections

The Grantee or their authorized agents or representatives, on not less than one (1) Business days' notice to the Holder, may enter upon all surface and subsurface portions of the Kaludra License Area (but only so as not to interfere with their activities) for the purpose of inspecting the Licenses, all improvements thereto and operations thereon, as well as inspecting and copying all records and data, including without limitation such records and data which are maintained electronically, pertaining to all activities and operations on or with respect to the Kaludra License Area, improvements thereto and operations thereon. The Grantee or their authorized agents or representatives shall enter the Kaludra License Area at their own risk and expense. The Grantee shall indemnify and hold the Grantor and the Holder, and their affiliates and their respective officers, directors, employees and agents harmless from any damage, claim or demand by reason of injury to either the Grantee or any of their agents or representatives caused by such Grantee' exercise of their rights herein.

7. SURRENDERED LICENCES

7.1 In the event that the Holder intends to abandon or otherwise surrender all or any part of any of the licenses comprised in the Licenses (the "Surrendered Licenses"), it shall deliver a notice in writing of its intention to do so to the Grantee at least thirty (30) days prior to the proposed surrender, such notice to list the proposed Surrendered Licenses. If, within fifteen (15) days of receipt of such notice, the Grantee deliver to the Grantor a notice (the "Reacquisition Notice") stating their desire to reacquire one or more of the Surrendered Licenses, the Holder

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will deliver to the Grantee duly executed recordable transfers of such of the Surrendered Licenses, for a consideration of 1 EUR as the Grantee has set forth in the Reacquisition Notice and the Grantor and the Holder shall undertake all the required activities in order to obtain the approval of the Ministry and/or other competent governmental authorities, in order to enable the Grantee, or an entity designated by the Grantee, to reacquire the Licenses. If reacquisition of License is not possible due to changes of applicable law, or for any reason outside of Parties' control, Parties shall work together in order to find appropriate solution for achieving the same effects that would be achieved through reacquisition of the License.

7.2 Other than pursuant to section 7.4 below, the Holder may not assign or transfer the License and the Grantor may not dispose of its interest in the Holder (including without limitation establishing of any encumbrance on the License or Grantor's interest in the Holder), unless the Grantee provides the Grantor and the Holder with its explicit written consent, which is not to be unreasonably withheld. In any case the Holder and the Grantor shall ensure that such assignment, transfer or disposition will not be effective against the Grantee as it relates to the NSR Royalty until the assignee or purchaser has delivered to the Grantee a written acknowledgment agreement to be bound, to the extent of the interest assigned, transferred or disposed of, by all of the terms and conditions of this Agreement, whereupon the Grantor and the Holder will be irrevocably released by the Grantee of all its obligations under this Agreement.

7.3 The Holder may at any time (in its sole discretion) abandon or otherwise surrender all or any part of any of the Licenses in accordance with clause 7.1. For greater certainty, any abandoned or Surrendered Licenses or part thereof will not be subject to the NSR Royalty.

7.4 The Grantor may, in its sole discretion assign its obligations under this Agreement to another entity in the, by obtaining written consent of the Grantee, not to be unreasonably withheld. In the event of such assignment pursuant to this section 7.4, the Grantor shall remain as a guarantor to the Grantee of the obligations of the Grantor to the Grantee herein.

8. CONFIDENTIALITY AND ANNOUNCEMENTS

8.1 The Grantee undertakes to the Grantor and the Holder in each case that they shall keep confidential the terms of this agreement and all confidential information or trade secrets in his possession concerning the business and affairs of the Grantor and the Holder;

8.2 Notwithstanding any other provision of this agreement, neither of the Grantee or Holder is required to keep confidential or to restrict its use of any information that:

- a) is or becomes public knowledge or otherwise generally available to the public (other than as a direct or indirect result of the information being disclosed in breach of this agreement); or,
- b) that the Parties agree in writing is not confidential; or,
- c) is required to be disclosed by regulatory authorities.

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8.3 Each Party shall supply the other Party with such information about itself, or this agreement as the other Party may reasonably require for the purposes of satisfying the requirements of any law or any judicial, governmental, regulatory or similar body or any securities exchange of competent jurisdiction to which the requiring Party is subject.

9. FURTHER ASSURANCE

9.1 Each Party shall (at its own expense) promptly execute and deliver such documents and perform such acts as the other Parties may reasonably require from time to time for the purpose of giving full effect to this agreement.

9.2 The Grantee shall have the right from time to time to register or record a deed of or other notice of this agreement, the other instruments to which this agreement relates, a notice of the NSR Royalty and a caution or other title document against the title to the Licenses and/or title to the land and buildings within the radius of the Licenses, and/or to register existence of this NSR Royalty in other relevant registries and the Grantor and the Holder shall cooperate with such registration or recordation and provide its written consent or signature to any documents or things necessary to accomplish such registration or recordation.

10 ACTING ON OWN BEHALF

10.1 Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

11 VARIATION AND WAIVER

11.1 No variation of this agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

11.2 A waiver of any right or remedy under this agreement or by law is only effective if it is given in writing. Any such waiver shall apply only to the circumstances for which it is given and shall not be deemed a waiver of any subsequent breach or default.

11.3 A failure or delay by a Party to exercise any right or remedy provided under this agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

12 COSTS

12.1 Except as expressly provided in this agreement, each Party shall pay its own costs and expenses incurred in connection with this agreement, including the negotiation, preparation and execution of this agreement (and any documents referred to in it).

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13 NOTICES

13.1 A notice given to a Party under or in connection with this agreement:

- a) shall be in writing and in English;
- b) shall be signed by or on behalf of the Party giving it;
- c) shall be sent to the relevant Party for the attention of the person and to the address specified in clause 12.2, or to such other address, or person as that Party may notify to the other in accordance with clause (12);
- d) shall be:
 - (i) delivered by hand; or,
 - (ii) sent by pre-paid first-class post, recorded delivery or special delivery; or
 - (iii) sent by airmail or by reputable international overnight courier (if the notice is to be served by post to an address outside the country from which it is sent);
 - (iv) sent by email; and
- e) unless proved otherwise is deemed received as set out in clause 13.4.

13.2 The addresses for service of notices are:

a) The Grantor

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Kim Oishi
- iii. email address: [Redacted - Personal Contact Information]
- iv. email address:

b) The Holder

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Aleksandar Mišković
- iii. email address: [Redacted - Personal Contact Information]
- iv. email address:

c) The Grantee

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Aleksandar Ilić
- iii. email address: [Redacted - Personal Contact Information]

[Redacted - Initials]

iv. email address: [Redacted - Personal Contact Information]

13.3 A Party may change its details for service of notices as specified in Section 13.1 by giving notice in writing to the other Party. Any change notified pursuant to this clause shall take effect at 9.00 am on the later of:

- a) the date (if any) specified in the notice as the effective date for the change; or
- b) five Business Days after deemed receipt of the notice of change.

13.4 Delivery of a notice is deemed to have taken place (provided that all other requirements in this clause 16 have been satisfied):

- a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;
- b) if sent by pre-paid first-class post, recorded delivery or special delivery to an address in the country from which it is sent, at 9.00 am on the second Business Day after posting;
- c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Days after posting;
- d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice is left at the address;
- e) if deemed receipt under the previous paragraphs of this clause 13.4 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this clause, all references to time are to local time in the place of deemed receipt; or
- f) If sent by email, at the time of transmission.

13.5 To prove service, it is sufficient to prove that:

- a) if delivered by hand, the notice was delivered to the correct address;
- b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted.

14. SEVERANCE

14.1 If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-

[Redacted - Initials]

provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

15. SUCCESSORS

14.1 This agreement (and the documents referred to in it) are made for the benefit of the Parties and their successors and permitted assigns, and the rights and obligations of the Parties under this agreement shall continue for the benefit of, and shall be binding on, their respective successors and permitted assigns.

16. THIRD PARTY RIGHTS

16.1 No one other than a Party to this agreement, their personal representatives, successors and permitted assignees, shall have any right to enforce any of its terms, except for the successor of the Grantor.

16.2 The rights of the Parties to terminate, rescind, or agree any variation, waiver or settlement under this agreement are not subject to the consent of any other person.

17. COUNTERPARTS

17.1 This agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

18. GOVERNING LAW AND JURISDICTION

18.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of British Columbia, Canada.

18.2 Each Party irrevocably agrees that the courts of British Columbia shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

This agreement has been entered into on the date stated at the beginning of it.

[Redacted - Initials]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

1250598 B.C. LTD.

Per: (Signed) “*Kim Oishi*”
Authorized Signatory

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD

Per: (Signed) “*Aleksandar Miskovic*”
Authorized Signatory

ROCKSTONE GROUP D.O.O KAC

Per: (Signed) “*Aleksandar Ilic*”
Authorized Signatory

SCHEDULE C

[attached]

CEOVISHTE PLEDGE AGREEMENT AND FINDERS FEE

THIS AGREEMENT is made as of the 25th day of January, 2021.

AMONG:

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD, a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information], and the corporate registration number of 21540382;

(the “**Company**”)

AND: 1250598 B.C. LTD., a corporation existing under the laws of the Province of British Columbia, having a registered office at [Redacted - Personal Contact Information]

;

(the “**Parent**”)

AND:

ROCKSTONE GROUP D.O.O. – KAC, a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information], and the corporate registration number 20809531;

(the “**Finder**”)

WHEREAS:

(A) The Finder was responsible for locating and introducing the Company to the Ceovishte Project (the “**Property**”), upon which the Company submitted a license application number 310-02-00433/2020-02 to the Ministry of Mines and Energy of the Republic of Serbia in regard to lead, zinc, silver, copper, gold, and other associated metals exploration over the Ceovishte Licence Area applied for by TB on March the 2nd, 2020 (the “**License**”);

(B) The License is pending, and the Company is anticipated, if granted, to enjoy full benefit in respect of the License;

(C) The Company had previously agreed to pay the Finder certain fees as enumerated in this Agreement in consideration for the services provided by the Finder in introducing the Property to the Company;

[Redacted - Initials]

(D) The Company further agreed to apply to the Ministry of Mines and Energy of the Republic of Serbia to transfer the License to the Finder if it failed to pay the Finder's Fee (as such term is herein defined) in accordance with Section 4 of this Agreement;

(E) The Company is completing a reorganization transaction pursuant to which the entirety of its share capital will be held by the Parent, and in connection therewith a portion of the Finder's Fee (as such term is herein defined) will be payable in common shares in the capital of the Parent or its successor (the "Shares"); and

(F) The Parties wish to enter into this Agreement to record the terms of the Finder's Fee (as such term is herein defined).

NOW THEREFORE the parties agree as follows:

Finder's Fee

1. Subsequent to the date upon which the Ministry of Mines and Energy of the Republic of Serbia grants the License (the "Effective Date"), the Company shall make the cash payments and the Parent shall make the Share issuances (collectively, the "Finder's Fee") on or before the following dates:

<u>Date</u>	<u>Cash Payment</u> CAD\$	<u>Share Issuance</u>	<u>NSR Royalty</u>
Within 30 days of the Effective Date	50,000	Nil	2,5%
On or before first anniversary of the Effective Date	Nil	1,000,000	Nil
On or before second anniversary of the Effective Date	Nil	1,000,000	Nil

2. In addition to the Finder's Fee, the Company shall grant, as of the Effective Date, the NSR Royalty over the Property to the Finder in the form appended hereto as Schedule B (the "NSR Royalty") which will be effective upon the commencement of Commercial Production (as defined in Schedule B hereof).

3. Should the Company or Parent fail to make any payment required pursuant to §1, the Company pledges to apply to the Ministry of Mines and Energy of the Republic of Serbia to transfer the License to the Finder, and covenants to take all commercially reasonable actions necessary to complete such transfer.

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4. Should the Company, at any time, elect to abandon the License or any interests in respect of the Property, it shall deliver a notice in writing to the Finder of its intention to do so at least thirty (30) days prior to the proposed surrender. If within fifteen (15) days of receipt of such notice, the Finder delivers to the Company a notice (the "**Reacquisition Notice**") that it wishes to acquire the License or such other rights as may be available to acquire in the Property, the Company will deliver to the Finder duly executed recordable transfers of such of the Surrendered Licences, for a consideration of 1 EUR as the Finder has set forth in the Reacquisition Notice and the Company shall undertake all the required activities in order to obtain the approval of the Ministry and/or other competent governmental authorities, in order to enable the entity designated by the Grantee, to reacquire the Licences. If reacquisition of Licence is not possible due to changes of applicable law, or for any reason outside of Parties' control, Parties shall work together in order to find appropriate solution for achieving the same effects that would be achieved through reacquisition of the Licence. Notwithstanding anything in the foregoing, the Company may transfer the License along with obligations set out in Sections 1,2 and Schedule B to any third party as part of a commercial transaction with a prior notice and warranty provided to the Finder that all obligations from the Sections 1,2 and Schedule B will be met by such third party.

Representations and Warranties of the Company

5. The Company and the Parent represent and warrant to the Finder that:
- (a) Good Standing: each of the Company and the Parent is in good standing and is duly registered in the jurisdictions in which it carries on business;
 - (b) Issuance of Finder's Shares: the Parent will reserve or set aside sufficient shares in its treasury to issue the Shares, and the Shares will be duly and validly issued as fully paid and non assessable;
 - (c) No Conflict or Breach: the payment of the Finder's Fee by the Company and Parent, and the grant of the Royalty by the Company does not and will not conflict with and will not result in a breach of: (i) any laws or regulations to which it is subject; (ii) the constating documents or resolutions of the Company; (iii) any agreement, instrument, lease or other document to which the Company is a party or by which it is bound; or (iv) any judgment or order binding the Company or the property or assets of the Company; and
 - (d) Representations and Warranties true as of Closing: the representations and warranties set out in this §5 are true and correct and will remain so until termination as contemplate in §15 or §16 (the "**Termination**").

Representations, Warranties and Acknowledgments of the Finder

6. The Finder represents and warrants to the Company that:
- (a) Compliance with Laws and Regulations: the Finder is legally entitled in the Finder's jurisdiction of incorporation, to receive a fee for the services provided with respect to finding and arranging the Transaction;

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(b) Accredited Investor Status: the Finder is and will be an “accredited investor” for the purposes of *National Instrument 45-106 – Prospectus Exemptions* as at every issuance of Shares, and will duly complete, sign and return the accredited investor form attached hereto as Schedule A prior each Share issuance comprising of the Finder’s Fee, or such other form as may be required by applicable securities laws or as required by the Company, acting reasonably; and

(c) Representations and Warranties true as of Closing: the representations and warranties set out in this §6 are true and correct and will remain so until Termination.

7. The Finder acknowledges that the Parent is not a “reporting issuer” (or equivalent thereof) in any jurisdiction, that the Finder’s Shares are subject to an indefinite restriction on resale (the “hold period”) under applicable securities laws and that he will not be able to resell any of the Shares until expiration of the applicable hold period (which hold period will not commence to run until the Parent has become a “reporting issuer” in a jurisdiction of Canada (which the Company has no obligation to become)) other than in accordance with limited exemptions under applicable securities legislation and regulatory policy.

8. The Finder further acknowledges that should be Parent complete a business reorganization, amalgamation, or other adjustment to its share capital, “Shares” shall mean the common shares in the capital of the successor entity which may exist, including any entity may be the sole shareholder of the Parent on completion of such reorganization, or if there is no such entity or that entity is an intermediary entity and not the entity that holds control or direction over the Parent, then the resulting entity in control of the business of the Parent, being the business of the Company, on completion of any such business reorganization, amalgamation, or other adjustment. For greater certainty, in the case of a reorganization, amalgamation, or adjustment as contemplated by this §8, the Finder covenants to provide a form of accredited investor form attached hereto as Schedule A, or such other form as required by operation of §6(b), addressed to the entity responsible for the distribution of Shares.

9. The Finder further acknowledges that the Shares will have imprinted thereon a legend restricting transfer in Canada in substantively the following form:

“Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) [insert the distribution date], and (ii) the date the issuer became a reporting issuer in any province or territory”.

Force Majeure

10. If the Parent or Company is at any time prevented or delayed in complying with any provisions of this Agreement by reason of, power shortages, fuel shortages, fires, wars, strikes or labour or industrial disturbances including lock-outs, civil disturbances, acts of public enemies, acts, orders, legislation, regulations or directives of any Governmental Authorities or other public authorities riots, sabotage, blockages, embargoes, shortages of labour, materials, or supplies, lightning, earthquakes, fires, storms, epidemics or pandemics, floods, wash-outs, explosions, acts of God, or shipping delays, the time limited for the performance by the Parent or

[Redacted - Initials]

Company of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay.

11. The Parent or Company will within fourteen days give notice to the Finder of each event of force majeure under §10 and upon cessation of such event will furnish the Finder with notice to that effect together with particulars of the number of days by which the obligations of the Parent or Company hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Notices

12. Each notice, demand or other communication required or permitted to be given under this Agreement will be in writing and will be sent by personal delivery, fax, or prepaid registered mail to the addresses of the parties written on page 1 or such other address, fax number or email address as each party may designate in writing as the address for delivery under this Agreement.

13. The date of receipt of such notice, demand or other communication will be the date of delivery or fax thereof if delivered, faxed, or emailed, or, if given by registered mail as aforesaid, will be deemed conclusively to be the third day after the same will have been so mailed except in the case of interruption of postal services for any reason whatever, in which case the date of receipt will be the date on which the notice, demand or other communication is actually received by the addressee.

14. Any party may at any time and from time to time notify the other parties in writing of a change of address and the new address to which notice will be given to it thereafter until further change.

Termination

15. This Agreement shall automatically terminate upon the occurrence of the transfer of the License to the Finder contemplated in §3 hereof, or any surrender or abandonment of the Property or License by the Company. For greater certainty, should any portion of the Finder's Fee remain unpaid at the time of surrender or abandonment of the Property or License, such portion of the Finder's Fee will not be paid by the Company or Parent to the Finder, and the entirety of this Agreement shall be deemed terminated.

16. In the event the Company wishes to transfer the License to a third party which neither it nor the Parent are affiliated with in any way, it may do so subject to the Finder's written approval not to be unreasonably withheld, then this Agreement shall terminate save for the obligations contained in §1, §2, §3, §4 and Schedule B herein.

Arbitration

17. All questions or matters in dispute will be submitted to arbitration pursuant to the terms hereof. For the purposes of these §17 to §26, the Company and Parent shall be treated as one party, and the Finder shall be treated as the other party.

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Initials]

18. It will be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that any party intending to refer any matter to arbitration will have given not less than 21 days' prior written notice of its intention so to do to the other party together with particulars of the matter in dispute.

19. On the expiration of such 21 days, the party who gave such notice may proceed to refer the dispute to arbitration as provided in §20.

20. Any dispute or claim arising out of or relating to this Agreement shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The number of arbitrators shall be one, and shall be mutually agreed between the parties, and the arbitrator shall be qualified by education and training to pass upon the particular matter to be decided.

21. If the parties fail to appoint a mutually acceptable arbitrator within 14 days after the expiration of the notice pursuant to §19, the arbitrator will be appointed by the International Chamber of Commerce.

22. The language to be used in the arbitral proceedings shall be English.

23. The arbitrator, will fix a time and place in Vancouver, British Columbia, which will be the place of arbitration, for the purpose of hearing the evidence and representations of the parties, and he will preside over the arbitration and determine all questions of procedure not provided for under UNCITRAL Arbitration Rules or the terms of this Agreement and specifically these §17 to §26.

24. After hearing any evidence and representations that the parties may submit, the arbitrator will make an award and reduce the same to writing and deliver one copy thereof to each of the parties.

25. The expense of the arbitration will be paid as specified in the award.

26. The parties agree that the award of the arbitrator, will be final and binding upon each of them.

General

27. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Nothing herein shall be construed as creating any agency on the part of the Finder.

28. This Agreement constitutes the entire agreement between the parties with respect to its subject matter, and supersedes any prior understandings and agreements between the parties with respect to its subject matter. Any amendment to this Agreement must be set forth in writing and duly executed by both parties.

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

[Redacted - Initials]

[signature page follows]

[Redacted - Initials]

30. This Agreement may be executed in counterpart and delivered electronically or by fax, each of which so signed shall be deemed to be an original and such counterparts together shall constitute one and the same Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the day and year first above written.

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD

Per: (Signed) "Aleksandar Miskovic"
Authorized Signatory

1250598 B.C. LTD.

Per: (Signed) "Kim Oishi"
Authorized Signatory

Signed, Sealed and Delivered by)	
ALEKSANDAR ILIĆ in the presence of:)	
<u>[Redacted – Personal Information]</u>)	
Witness (Signature))	<u>(Signed) "Aleksandar Ilic"</u>
<u>[Redacted – Personal Information]</u>)	ALEKSANDAR ILIĆ
Name (please print))	
<u>[Redacted – Personal Information]</u>)	
Address)	
<u>[Redacted – Personal Information]</u>)	
City, Province)	

SCHEDULE A

REPRESENTATION LETTER FOR ACCREDITED INVESTOR

TO: 1250598 B.C. LTD. (the "Company")

In connection with the issuance of common shares in the capital of the Company (the "Securities") to the undersigned (the "Subscriber"), the Subscriber hereby represents, warrants, covenants and certifies to the Company that:

1. The Subscriber is purchasing the Securities as principal for its own account or is deemed to be acting as principal pursuant to National Instrument 45-106 *Prospectus Exemptions* of the Canadian Securities Administrators ("NI 45-106");
2. The Subscriber is an "accredited investor" as defined in NI 45-106, by virtue of satisfying the indicated criterion as set out in Appendix "I" to this Representation Letter;
3. the Subscriber is, and (if applicable) any other purchaser for whom it is acting hereunder, is a purchaser which is purchasing the Securities pursuant to an exemption from any prospectus or securities registration requirements available to the Company, the Subscriber and any such other purchaser under applicable securities laws of their jurisdiction of residence or to which the Subscriber and any such other purchaser are otherwise subject to, and the Subscriber and any such other purchaser will deliver to the Company such particulars of the exemption and their qualification thereunder as the Company may reasonably request;
4. the purchase of the Securities by the Subscriber, and (if applicable) each such other purchaser, does not contravene any of the applicable securities laws in such jurisdiction and does not trigger: (i) any obligation of the Company to prepare and file a prospectus, an offering memorandum or similar document; or (ii) any obligations of the Company to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such purchase or otherwise; or (iii) any registration or other obligation on the part of the Company; and

5. the Subscriber is knowledgeable of, and has been independently advised as to, the securities laws of such jurisdiction as applicable to the purchase of the Securities.

DATED: _____.

Print name of Subscriber

By: _____
Signature

Title

(please print name of individual whose signature appears above, if different from the name of the Subscriber printed above)

IMPORTANT: PLEASE INITIAL APPENDIX "I" ON THE NEXT PAGE AND COMPLETE APPENDIX "II" IF YOUR SELECTED CATEGORY REQUIRES THE COMPLETION OF FORM 45-106F9

APPENDIX "I"
TO SCHEDULE A

Accredited Investor – (as defined in National Instrument 45-106, includes:

 	<p>(a) except in Ontario, a Canadian financial institution, or a Schedule III bank,</p> <p>(a.1) in Ontario, a financial institution described in paragraph 1, 2 or 3 of subsection 73.1 (1) of the <i>Securities Act</i> (Ontario),</p>
 	<p>(b) except in Ontario, the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada),</p> <p>(b.1) in Ontario, the Business Development Bank of Canada,</p>
 	<p>(c) except in Ontario, a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,</p> <p>(c.1) in Ontario, a subsidiary of any person or company referred to in clause (a.1) or (b.1), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,</p>
 	<p>(d) except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,</p> <p>(d.1) in Ontario, a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations,</p> <p>Jurisdiction(s) registered: _____ Categories of registration:</p>
 	<p>(e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),</p> <p>(e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador),</p> <p>Name of person with whom Subscriber is or was registered:</p> <p>_____</p> <p>Jurisdiction(s) registered: _____ Categories of registration:</p>
 	<p>(f) except in Ontario, the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,</p> <p>(f.1) in Ontario, the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency, or wholly owned entity of the Government of Canada or of the government of a province or</p>

	territory of Canada,
_____	(g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec,
_____	(h) any national, federal, state, provincial, territorial, or municipal government of or in any foreign jurisdiction, or any agency of that government,
_____	(i) except in Ontario, a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada, _____ (i.1) in Ontario, a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a province or territory of Canada, Jurisdiction(s) registered: _____ Registration number(s): _____
_____	(j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000, [If this is your applicable category, you will also be required to complete Form 45-106F9]
_____	(j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,
_____	(k) an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300 000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year, [If this is your applicable category, you will also be required to complete Form 45-106F9]
_____	(l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000, [If this is your applicable category, you will also be required to complete Form 45-106F9]
_____	(m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements, Type of entity: _____ Jurisdiction and date of formation: _____
_____	(n) an investment fund that distributes or has distributed its securities only to: (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment], or 2.19 [Additional investment in investment funds], or

	<p>(iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [Investment fund reinvestment],</p>
_____	<p>(o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt,</p>
_____	<p>(p) a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be,</p> <p>Jurisdiction(s) registered: _____ Registration number(s): _____</p>
_____	<p>(q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,</p> <p>Jurisdiction(s) registered or authorized: _____</p> <p>Categories of registration: _____</p>
_____	<p>(r) a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,</p> <p>Registration number(s) assigned to subscriber: _____</p> <p>Name of eligibility advisor or registered advisor: _____</p> <p>Jurisdiction(s) registered: _____ Categories of registration: _____</p>
_____	<p>(s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) paragraph (i) [and in Ontario, paragraphs (a.1) to (d.1) or paragraph (i.1)] in form and function,</p> <p>Jurisdiction organized: _____ Type of entity: _____</p>
_____	<p>(t) a person in respect of which all of the owners of interests, direct, indirect, or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors [If this is your applicable category, each owner of interest must individually complete and submit to the Company its own copy of this Certificate of Accredited Investor],</p> <p>Name(s) of owners of interest: _____</p> <p>Type of entity (if applicable): _____</p>

	<p>_____</p> <p>Categories of accredited investor:</p>
<p>_____</p> <p>_____</p>	<p>(u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser, Name of advisor: _____ Jurisdiction(s) registered: _____ Categories of registration: _____ Basis of exemption: _____</p>
<p>_____</p> <p>_____</p>	<p>(v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor, (v.1) in Ontario, a person or company that is recognized or designated by the Commission as an accredited investor, Jurisdiction(s) recognized or designated: _____</p>
<p>_____</p>	<p>(w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child, or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse. Name(s) of settlor: _____ Name(s) of trustees: _____ Categories of accredited investor: _____ Categories of beneficiaries: _____</p>

NOTES:

For the purposes hereof:

- (a) **“Canadian financial institution”** means:
- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of the *Cooperative Credit Associations Act* (Canada); or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of

Canada;

- (b) **“control person”** has the meaning ascribed to that term in securities legislation except in Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories and Nunavut where “control person” means any person that holds or is one of a combination of persons that hold:
- (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer; or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of that issuer;
- (c) **“director”** means:
- (i) a member of the board of directors of a company or an individual who performs similar functions for a company; and
 - (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;
- (d) **“eligibility adviser”** means:
- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a Subscriber and authorized to give advice with respect to the type of security being distributed; and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants, or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (A) have a professional, business, or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons; and
 - (B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate, or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders, or control persons within the previous 12 months;
- (e) **“executive officer”** means, for an issuer, an individual who is:
- (i) a chair, vice-chair, or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance, or production;
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer; or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) **“financial assets”** means (i) cash, (ii) securities or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation. These financial assets are generally liquid or relatively easy to liquidate.

The value of a purchaser's personal residence would not be included in a calculation of financial assets;

- (g) **"financial statements"** for the purposes of paragraph (m) of the "accredited investor" definition must be prepared in accordance with generally accepted accounting principles;
- (h) **"founder"** means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (i) **"fully managed account"** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (j) **"investment fund"** has the meaning ascribed thereto in National Instrument 81-106 - *Investment Fund Continuous Disclosure*;
- (k) **"person"** includes:
 - (i) an individual;
 - (ii) a corporation;
 - (iii) a partnership, trust, fund and association, syndicate, organization, or other organized group of persons, whether incorporated or not; and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (l) **"person"** in Ontario means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative;
- (m) **"net assets"** means all of the purchaser's total assets minus all of the purchaser's total liabilities. Accordingly, for the purposes of the net asset test, the calculation of total assets would include the value of a purchaser's personal residence and the calculation of total liabilities would include the amount of any liability (such as a mortgage) in respect of the purchaser's personal residence. To calculate a purchaser's net assets under the "accredited investor" definition, subtract the purchaser's total liabilities from the purchaser's total assets (including real estate). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of the security;
- (n) **"related liabilities"** means:
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
 - (ii) liabilities that are secured by financial assets;
- (o) **"Schedule III bank"** means an authorized foreign bank named in Schedule III of the *Bank Act (Canada)*;

- (p) "spouse" means an individual who:
- (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) immediately above or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (q) "subsidiary" means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars (PLEASE CHECK THE BOX OF THE APPLICABLE CATEGORY OF ACCREDITED INVESTOR)

Part 1: Accredited Investor (defined in NI 45-106):

For Ontario residents, in addition to this Part 1, please also complete Part 2 (below). Please initial the criteria that applies to you:

- _____ (a) except in Ontario, a Canadian financial institution or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada),
- _____ (b) except in Ontario, the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada),
- _____ (c) except in Ontario, a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- _____ (d) except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,

Jurisdiction(s) registered: _____

Categories of registration: _____

- _____ (e) an individual registered or formerly registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),

Jurisdiction(s) registered: _____

Categories of registration: _____

- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador),

- _____ (f) except in Ontario, the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada,
- _____ (g) except in Ontario, a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Quebec,
- _____ (h) except in Ontario, any national, federal, state, provincial, territorial, or municipal government of or in any foreign jurisdiction, or any agency of that government,
- _____ (i) except in Ontario, a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada,

Jurisdiction(s) registered: _____

Categories of registration: _____

- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds \$1,000,000,

IF THIS APPLIES, YOU MUST ALSO COMPLETE FORM 45-106F9 ATTACHED AS APPENDIX "1" TO THIS SCHEDULE "A"

- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,

IF THIS APPLIES, YOU MUST ALSO COMPLETE FORM 45-106F9 ATTACHED AS APPENDIX "1" TO THIS SCHEDULE "A"

- _____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,

IF THIS APPLIES, YOU MUST ALSO COMPLETE FORM 45-106F9 ATTACHED AS APPENDIX "1" TO THIS SCHEDULE "A"

- _____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000,

IF THIS APPLIES, YOU MUST ALSO COMPLETE FORM 45-106F9 ATTACHED AS APPENDIX "1" TO THIS SCHEDULE "A"

_____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements,

Type of entity: _____

Jurisdiction and date of formation: _____

_____ (n) an investment fund that distributes or has distributed its securities only to

(i) a person that is or was an accredited investor at the time of the distribution,

(ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment] and 2.19 [Additional investment in investment funds] of NI 45-106, or

(iii) a person described in paragraph (i) or (ii) immediately above that acquires or acquired securities under section 2.18 [Investment fund reinvestment] of NI 45-106,

_____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt,

_____ (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account by the trust company or trust corporation, as the case may be,

Jurisdiction(s) registered: _____ **Registration number(s):** _____

_____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,

Jurisdiction(s) registered: _____

Categories of registration: _____

_____ (r) a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,

Jurisdiction(s) registered: _____

Categories of registration: _____

_____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function,

Jurisdiction organized: _____ **Type of entity:** _____

_____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,

If this is applicable, each owner of interest must complete and submit its own copy of this Accredited Investor Certificate,

_____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,

Name of Advisor: _____

Jurisdiction(s) registered: _____

_____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as an accredited investor, or

Jurisdiction(s) recognized or designated: _____

_____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.

Name(s) of settlor: _____

Name(s) of trustees: _____

NOTE: The Subscriber should initial or place a check-mark beside the portion of the above definition applicable to the Subscriber.

**Part 2: Accredited Investor (defined in section 73.3(1) of the *Securities Act* (Ontario)):
For Ontario residents only: Please initial the criteria that applies to you:**

- _____ (a) a financial institutional listed in Schedule I, II or III of the *Bank Act* (Canada), an association to which the *Cooperative Credit Association Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act, or a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be,
- _____ (b) the Business Development Bank of Canada,
- _____ (c) a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- _____ (d) a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations,
- _____ (e) the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency, or wholly-owned entity of the Government of Canada or of the government of a province or territory of Canada,
- _____ (f) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Quebec,
- _____ (g) any national, federal, state, provincial, territorial, or municipal government of or in any foreign jurisdiction, or any agency of that government,
- _____ (h) a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada, or
- _____ (i) A person or company that is recognized or designated by the Ontario Securities Commission as an accredited investor.

NOTE: The Subscriber should initial or place a check-mark beside the portion of the above definition applicable to the Subscriber.

For the purposes of this Schedule "A":

- (a) **"Canadian financial institution"** means
 - (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of the *Cooperative Credit Associations Act* (Canada), or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

- (b) **“control person”** has the meaning ascribed to that term in securities legislation except in Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories and Nunavut where “control person” means any person that holds or is one of a combination of persons that hold
- (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of that issuer;
- (c) **“eligibility adviser”** means
- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants, or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (A) have a professional, business, or personal relationship with the issuer, or any of its directors, executive officers, founders, or control persons, and
 - (B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate, or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders, or control persons within the previous 12 months;
- (d) **“executive officer”** means, for an issuer, an individual who is
- (i) a chair, vice-chair, or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance, or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (e) **“financial assets”** means cash, securities or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;
- (f) **“founder”** means, in respect of an issuer, a person who,
- (i) acting alone, in conjunction or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and

- (ii) at the time of the trade is actively involved in the business of the issuer;
- (g) **“fully managed account”** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (h) **“investment fund”** has the meaning ascribed thereto in National Instrument 81-106 - *Investment Fund Continuous Disclosure* except in Ontario where “investment fund” means a mutual fund or anon-redeemable fund;
- (i) **“person”** includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization, or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;except in Ontario where “person” means
 - (i) an individual,
 - (ii) a partnership,
 - (iii) an unincorporated association,
 - (iv) an unincorporated syndicate,
 - (v) an unincorporated organization,
 - (vi) a trust,
 - (vii) an executor,
 - (viii) an administrator, and
 - (ix) a legal representative;
- (j) **“related liabilities”** means
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
 - (ii) liabilities that are secured by financial assets.
- (k) **“spouse”** means, an individual who,
 - (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,

(ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or

(iii) in Alberta, is an individual referred to in paragraph (i) or (ii) immediately above or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and

(l) “*subsidiary*” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

Affiliated Entities and Control

For the purposes of Part 1:

1. An issuer is considered to be an affiliate of another issuer if one of them is a subsidiary of the other, or if each of them is controlled by the same person.

2. A person (first person) is considered to control another person (second person) if

(i) *the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless the first person holds the voting securities only to secure an obligation,*

(ii) *the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests in the partnership, or*

(iii) *the second person is a limited partnership and the general partner of the limited partnership is the first person.*

For the purposes of Part 2:

1. A company shall be deemed to be an affiliate of another company if one of them is a subsidiary of the other, or if both are subsidiaries of the same company or if each of them is controlled by the same person or company.

2. A company shall be deemed to be controlled by another person or company or by two or more companies if,

(a) voting securities of the first-mentioned company carrying more than 50 per cent of the votes for the election of directors or held, otherwise than by way of security only, by or for the benefit of the other person or company or by or for the benefit of the other companies; and

(b) the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of the first-mentioned company.

The foregoing representations contained in this certificate are true and accurate as of the date of this certificate and will be true and accurate as of the Closing Time. If any such representations shall not

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be true and accurate prior to the Closing Time, the undersigned shall give immediate written notice of such fact to the Company prior to the Closing Time.

Dated: _____, 202__

Signed _____

Print the name of Subscriber

Jurisdiction of Residence

If Subscriber is a corporation,
print name and title of Authorized Signing
Officer

All monetary references in this Schedule "A" are in Canadian Dollars.

APPENDIX "II" TO SCHEDULE "A"

Form 45-106F9

Form for Individual Accredited Investors

<p>WARNING!</p> <p>This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.</p>
--

SECTION 1 TO BE COMPLETED BY ISSUER OR SELLING SECURITY HOLDER

1. About your investment	
Type of securities: Common Shares	Issuer: 1250598 B.C. Ltd.

SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER

2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$ _____ .	
Liquidity risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You may not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .	
3. Accredited investor status	
You must meet at least one of the following criteria to be able to make this	Your

<p>investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.</p>	<p>initials</p>
<ul style="list-style-type: none"> Your net income before taxes was more than \$200,000 in each for the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.) 	
<ul style="list-style-type: none"> Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. 	
<ul style="list-style-type: none"> Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the case and securities. 	
<ul style="list-style-type: none"> Either alone or with your spouse, you may have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) 	
<p>4. Your name and signature</p>	
<p>By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.</p>	
<p>First and last name (please print):</p>	
<p>Signature:</p>	<p>Date:</p>
<p>SECTION 5 TO BE COMPLETED BY SALESPERSON</p>	
<p>5. Salesperson information</p>	
<p><i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i></p>	
<p>First and last name of salesperson (please print):</p>	
<p>Telephone:</p>	<p>Email:</p>
<p>Name of firm (if registered):</p>	
<p>SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY</p>	

HOLDER

6. For more information about this investment

Please contact:

1250598 B.C. Ltd.

[Redacted - Personal Contact
Information]

Attention: Kim Oishi

E-mail: [Redacted - Personal Contact
Information]

**For more information about prospectus exemptions, contact your local securities regulator.
You can find contact information at www.securities-administrators.ca**

SCHEDULE "B"

NSR ROYALTY AGREEMENT

This NSR Royalty Agreement is attached to and part of the Ceovishte Pledge Agreement and Finders Fee dated January the 25th, 2021 (the "Agreement") between:

- a) **1250598 BC Ltd.** a company formed and existing under the laws of British Colombia, Canada, whose registered office is at [Redacted - Personal Contact Information], (the "**Grantor**");
- b) **Tera Balkanika d.o.o.** a company formed and existing under the laws of the Republic of Serbia, registered under the number 21540382, whose registered office is at [Redacted - Personal Contact], (the "**Holder**");
- c) **Rockstone Group d.o.o.** a company formed and existing under the laws of the Republic of Serbia, registered under the number 20809531, whose registered office is at [Redacted - Personal Contact], (the "**Grantee**");

BACKGROUND

- (A) The Holder shall in accordance with the terms of the Ceovishte Pledge Agreement and Finders Fee for the Ceovishte Licence Area become the beneficial and recorded owner of the License.
- (B) The Grantor directly or indirectly owns 100% of the Holder and has agreed to grant the Grantee the NSR Royalty being equal to 2.5% of Net Smelter Returns in respect of all Products recovered from the Ceovishte License Area (as defined in the Parts 1,4 and 6 of the Option Agreement for the Ceovishte License) and in accordance with the terms and provisions of this NSR Royalty Agreement.

1. DEFINITIONS

- (a) "**Independent Auditor**" means an international firm of accountants of good repute agreed between the Parties or, failing agreement between the Parties, upon the application of any of the Parties, being one of KPMG, EY, PwC or Deloitte.
- (b) "**License**" means the mineral exploration license for the Ceovishte Project (the "**Property**"), upon which the Company submitted a license application number 310-02-00433/2020-02 to the Ministry of Mines and Energy of the Republic of Serbia in regard to lead, zinc, silver, copper, gold, and other associated metals exploration over the Ceovishte Licence Area applied for by TB on March the 2nd, 2020.

[Redacted - Initials]

(c) **“Net Smelter Returns”** shall have the meaning provided in Section 3.1 of this NSR Royalty Agreement;

(d) **“NSR Royalty”** means the percentage of Net Smelter Returns to which the Recipient is entitled pursuant to the terms of this NSR Royalty Agreement;

(e) **“Commencement of Commercial Production”** means commercial production of Minerals by the Optionee after exercise of the Option on the License Area, which is deemed to have commenced on the earlier of:

(i) if a plant is located on the License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been processed through such plant for not less than fifteen (15) of such days, at an average rate not less than fifty (50%) percent of the initial rated capacity of such plant; or

(ii) if no plant is located on the License Area, on the first day of the month following the first period of thirty (30) consecutive days during which ore, Minerals or concentrates have been shipped from the License Area for the purpose of earning revenue, provided, however, that the processing or shipping of bulk samples for testing purposes shall not be considered for the purpose of establishing the commencement of Commercial Production;

(f) **“Payor”** has the meaning provided in Section 3.1;

(g) **“Parties”** means parties to this NSR Royalty Agreement;

(h) **“Ceovishte License Area”** means the area subject to mineral exploration license upon which the Company submitted a license application number 310-02-00433/2020-02 to the Ministry of Mines and Energy of the Republic of Serbia in regards to lead, zinc, silver, copper, gold and other associated metals exploration over the Ceovishte Licence Area applied for by TB on March the 2nd, 2020, and any renewal, reissuance, extension, modification, substitution, replacement, variation, amalgamation or subdivision thereof and successors thereto (including certificates on resources and reserves and mining licenses arising therefrom) as more particularly described in Schedule “C” to the Ceovishte Pledge Agreement and Finders Fee;

(i) **“Payment Date”** has the meaning provided in Section 2.1;

(j) **“Products”** means minerals mined from the Licence in a form of which they can be and are typically sold.

(k) **“Reacquisition Notice”** has the meaning set forth in Section 7.1;

(l) **“Quarterly Production”** has the meaning provided in Section 3.1;

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2 THE NSR ROYALTY

2.1 The Grantor hereby creates and grants to the Grantee the NSR Royalty being equal to 2.5% of Net Smelter Returns in respect of all Products recovered from the Ceovishte License Area on the terms and conditions specified in this agreement. The NSR Royalty will be due and payable after the Commencement of Commercial Production. Instalments of the NSR Royalty payable will be paid by the Payor to the Grantee on a calendar quarterly basis within 30 days upon the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates from the Ceovishte License Area (the "Payment Date"). All such payments shall be made in either United States Dollars or Euros by the Grantor or Holder, as determined in the sole discretion of the Grantor, and be paid by the Grantor or Holder by money wire to the Grantee, bank account details to be provided by Grantee.

3 THE NET SMELTER RETURNS

3.1 The Net Smelter Returns means the gross revenues received by the Holder for all Products recovered from production from the Ceovishte License Area during the preceding calendar quarter ("Quarterly Production") and delivered or sold to the smelter, refiner, processor, purchaser or other recipient of such production, or an insurer as a result of casualty to such production (collectively, "Payor") and subtracting only the following if actually incurred:

- (a) all reasonable costs, expenses, charges of any nature whatsoever imposed by the Payor for smelting, refining or processing the Products contained in such production, including all weighing, sampling, assaying, representation and storage costs, metal losses and umpire charges, and any penalties charged by the processor, refiner or smelter, but excluding any and all charges and costs related to Grantor's mills or other processing plants constructed for the purpose of milling or processing the Products, in whole or in part;
- (b) reasonable charges and costs, if any, for transportation and insurance of the Products thereof from Grantor's final mill or other final processing plant to places where such Products are smelted, refined and/or Sold or otherwise disposed of;
- (c) any government royalties, production taxes, severance taxes and sales and other taxes levied on the Products or on the production value thereof (other than income taxes of the Grantor).

3.2 The Grantor shall calculate the Net Smelter Returns and the sums to be disbursed to the Grantee as at the end of each calendar quarter, subject to Section 2.1.

3.3 The Grantor shall on the Payment Date pay to the Grantee 2.5% of the Net Smelter Returns to which the Grantee is entitled according to this NSR Royalty Agreement.

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3.4 On the Payment Date, the Grantor will provide the Grantee with a detailed copy of the calculation of the NSR Royalty, as follows:

- a) the quantities and grades of Products produced and sold or deemed sold by the Holder in the preceding calendar quarter;
- b) the proceeds of Sale of Products on which the NSR Royalty is due;
- c) any deductions from the NSR Royalty, that are allowed in accordance with this Agreement; and
- d) other pertinent information in sufficient detail to explain the calculation of the NSR Royalty.

3.5 The Grantee may, within thirty days (30) of the receipt of the copy of the calculation of the NSR Royalty, give written notice to the Grantor requiring an audit. The Parties shall then appoint an Independent Auditor who shall be directed to carry out an audit at the sole expense of the Grantee subject to reimbursement as described below and a copy of the Independent Auditor's report shall be provided to the Grantor promptly upon completion of the audit. The Independent Auditor's report shall be subject to such qualifications as the Independent Auditor wishes to make, if any.

3.6 If it is determined that the amount of the NSR Royalty which should have been paid to the Grantee is different from the amount of the NSR Royalty actually determined and paid to the Grantee in accordance with the Section 3.1, the calculation of the NSR Royalty for the audited period shall be amended to agree with the auditor's determination; and:

(a) If the result is a net increase in payment due to the Grantee in respect of the NSR Royalty, the amount of such net increase shall be paid to the Grantee. Additionally, if the net increase in payment exceeds one percent (5%) of the amount actually paid to the Grantee, then the Grantor shall pay the entire costs of the audit; and

(b) If the result is a net decrease in payment due to the Grantee, then the Grantee shall promptly refund such overpayment to the Grantor.

3.7 The Holder covenants to ensure that the Grantor or Holder has sufficient funds to make the required NSR Royalty payments as required hereunder to the Grantee, and the Holder irrevocably and unconditionally guarantees, to the maximum extent permitted by the Law, the due and punctual payment by the Holder or Grantor to the Grantee of the NSR Royalty and any other monetary obligations under this Agreement.

4. COMMINGLING

4.1 Ores, concentrates and derivatives mined or retrieved from the Ceovishte License Area may be commingled with ores, concentrates or derivatives mined or retrieved from other properties. All determinations required for calculation of the NSR Royalty, including without limitation the amount of the metals contained in or recovered from ores, solutions, concentrates, or derivatives mined or retrieved from the Ceovishte License Area, the amount of the metals

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contained in or recovered from commingled ores, solutions, concentrates or derivatives shall be made in accordance with prudent engineering, metallurgical and cost accounting practices.

5. STOCKPILING AND TAILINGS

5.1 All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively "Materials") resulting from Holder's operations and activities on the Property shall be the sole property of Holder, but shall remain subject to the NSR Royalty should the Materials be processed or reprocessed, as the case may be, in the future and result in the production and Sale or other disposition of the Products. Notwithstanding the foregoing, Grantor shall have the right to dispose of Materials from the Ceovishte License Area in or out of the Ceovishte License Area and to commingle the same (as provided herein) with materials from other properties. In the event Materials from the Ceovishte License Area are processed or reprocessed, as the case may be, and regardless of where such processing or reprocessing occurs, the NSR Royalty payable thereon shall be determined on a pro rata basis as determined by using reasonable engineering and technical practices reflecting industry practice at that time. In the event that Grantor stockpiles Materials, it shall ensure the security for the site in accordance with normal business practice.

6. BOOKS AND INSPECTIONS

6.1 Books

The Grantor and Holder shall keep true and accurate books and records of its operations and activities in the Ceovishte License Area and under this agreement.

6.2 Inspections

The Grantee or their authorized agents or representatives, on not less than one (1) Business days' notice to the Holder, may enter upon all surface and subsurface portions of the Ceovishte License Area (but only so as not to interfere with their activities) for the purpose of inspecting the Licenses, all improvements thereto and operations thereon, as well as inspecting and copying all records and data, including without limitation such records and data which are maintained electronically, pertaining to all activities and operations on or with respect to the Ceovishte License Area, improvements thereto and operations thereon. The Grantee or their authorized agents or representatives shall enter the Ceovishte License Area at their own risk and expense. The Grantee shall indemnify and hold the Grantor and the Holder, and their affiliates and their respective officers, directors, employees and agents harmless from any damage, claim or demand by reason of injury to either the Grantee or any of their agents or representatives caused by such Grantee' exercise of their rights herein.

7. SURRENDERED LICENCES

7.1 In the event that the Holder intends to abandon or otherwise surrender all or any part of any of the licenses comprised in the Licenses (the "Surrendered Licenses"), it shall deliver a

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notice in writing of its intention to do so to the Grantee at least thirty (30) days prior to the proposed surrender, such notice to list the proposed Surrendered Licenses. If, within fifteen (15) days of receipt of such notice, the Grantee deliver to the Grantor a notice (the "Reacquisition Notice") stating their desire to reacquire one or more of the Surrendered Licenses, the Holder will deliver to the Grantee duly executed recordable transfers of such of the Surrendered Licenses, for a consideration of 1 EUR as the Grantee has set forth in the Reacquisition Notice and the Grantor and the Holder shall undertake all the required activities in order to obtain the approval of the Ministry and/or other competent governmental authorities, in order to enable the Grantee, or an entity designated by the Grantee, to reacquire the Licenses. If reacquisition of License is not possible due to changes of applicable law, or for any reason outside of Parties' control, Parties shall work together in order to find appropriate solution for achieving the same effects that would be achieved through reacquisition of the License.

7.2 Other than pursuant to section 7.4 below, the Holder may not assign or transfer the License and the Grantor may not dispose of its interest in the Holder (including without limitation establishing of any encumbrance on the License or Grantor's interest in the Holder), unless the Grantee provides the Grantor and the Holder with its explicit written consent, which is not to be unreasonably withheld. In any case the Holder and the Grantor shall ensure that such assignment, transfer or disposition will not be effective against the Grantee as it relates to the NSR Royalty until the assignee or purchaser has delivered to the Grantee a written acknowledgment agreement to be bound, to the extent of the interest assigned, transferred or disposed of, by all of the terms and conditions of this Agreement, whereupon the Grantor and the Holder will be irrevocably released by the Grantee of all its obligations under this Agreement.

7.3 The Holder may at any time (in its sole discretion) abandon or otherwise surrender all or any part of any of the Licenses in accordance with clause 7.1. For greater certainty, any abandoned or Surrendered Licenses or part thereof will not be subject to the NSR Royalty.

7.4 The Grantor may, in its sole discretion assign its obligations under this Agreement to another entity in the, by obtaining written consent of the Grantee, not to be unreasonably withheld. In the event of such assignment pursuant to this section 7.4, the Grantor shall remain as a guarantor to the Grantee of the obligations of the Grantor to the Grantee herein.

8. CONFIDENTIALITY AND ANNOUNCEMENTS

8.1 The Grantee undertakes to the Grantor and the Holder in each case that they shall keep confidential the terms of this agreement and all confidential information or trade secrets in his possession concerning the business and affairs of the Grantor and the Holder;

8.2 Notwithstanding any other provision of this agreement, neither of the Grantee or Holder is required to keep confidential or to restrict its use of any information that:

- a) is or becomes public knowledge or otherwise generally available to the public (other than as a direct or indirect result of the information being disclosed in breach of this agreement); or,
- b) that the Parties agree in writing is not confidential; or,

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c) is required to be disclosed by regulatory authorities.

8.3 Each Party shall supply the other Party with such information about itself, or this agreement as the other Party may reasonably require for the purposes of satisfying the requirements of any law or any judicial, governmental, regulatory or similar body or any securities exchange of competent jurisdiction to which the requiring Party is subject.

9. FURTHER ASSURANCE

9.1 Each Party shall (at its own expense) promptly execute and deliver such documents and perform such acts as the other Parties may reasonably require from time to time for the purpose of giving full effect to this agreement.

9.2 The Grantee shall have the right from time to time to register or record a deed of or other notice of this agreement, the other instruments to which this agreement relates, a notice of the NSR Royalty and a caution or other title document against the title to the Licenses and/or title to the land and buildings within the radius of the Licenses, and/or to register existence of this NSR Royalty in other relevant registries and the Grantor and the Holder shall cooperate with such registration or recordation and provide its written consent or signature to any documents or things necessary to accomplish such registration or recordation.

10 ACTING ON OWN BEHALF

10.1 Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

11 VARIATION AND WAIVER

11.1 No variation of this agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

11.2 A waiver of any right or remedy under this agreement or by law is only effective if it is given in writing. Any such waiver shall apply only to the circumstances for which it is given and shall not be deemed a waiver of any subsequent breach or default.

11.3 A failure or delay by a Party to exercise any right or remedy provided under this agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

12 COSTS

12.1 Except as expressly provided in this agreement, each Party shall pay its own costs and expenses incurred in connection with this agreement, including the negotiation, preparation and execution of this agreement (and any documents referred to in it).

[Redacted - Initials]

13 NOTICES

13.1 A notice given to a Party under or in connection with this agreement:

- a) shall be in writing and in English;
- b) shall be signed by or on behalf of the Party giving it;
- c) shall be sent to the relevant Party for the attention of the person and to the address specified in clause 12.2, or to such other address, or person as that Party may notify to the other in accordance with clause (12);
- d) shall be:
 - (i) delivered by hand; or,
 - (ii) sent by pre-paid first-class post, recorded delivery or special delivery; or
 - (iii) sent by airmail or by reputable international overnight courier (if the notice is to be served by post to an address outside the country from which it is sent);
 - (iv) sent by email; and
- e) unless proved otherwise is deemed received as set out in clause 13.4.

13.2 The addresses for service of notices are:

a) The Grantor

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Kim Oishi
- iii. email address: [Redacted - Personal Contact Information]

b) The Holder

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Aleksandar Mišković
- iii. email address: [Redacted - Personal Contact Information]

c) The Grantee

- i. address: [Redacted - Personal Contact Information]
- ii. for the attention of Aleksandar Ilic
- iii. email address: [Redacted - Personal Contact Information]
- iv. email address: [Redacted - Personal Contact Information]

[Redacted - Initials]

13.3 A Party may change its details for service of notices as specified in Section 13.1 by giving notice in writing to the other Party. Any change notified pursuant to this clause shall take effect at 9.00 am on the later of:

- a) the date (if any) specified in the notice as the effective date for the change; or
- b) five Business Days after deemed receipt of the notice of change.

13.4 Delivery of a notice is deemed to have taken place (provided that all other requirements in this clause 16 have been satisfied):

- a) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the address;
- b) if sent by pre-paid first-class post, recorded delivery or special delivery to an address in the country from which it is sent, at 9.00 am on the second Business Day after posting;
- c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Days after posting;
- d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice is left at the address;
- e) if deemed receipt under the previous paragraphs of this clause 13.4 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this clause, all references to time are to local time in the place of deemed receipt; or
- f) If sent by email, at the time of transmission.

13.5 To prove service, it is sufficient to prove that:

- a) if delivered by hand, the notice was delivered to the correct address;
- b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted.

14. SEVERANCE

14.1 If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

[Redacted - Initials]

15. SUCCESSORS

14.1 This agreement (and the documents referred to in it) are made for the benefit of the Parties and their successors and permitted assigns, and the rights and obligations of the Parties under this agreement shall continue for the benefit of, and shall be binding on, their respective successors and permitted assigns.

16. THIRD PARTY RIGHTS

16.1 No one other than a Party to this agreement, their personal representatives, successors and permitted assignees, shall have any right to enforce any of its terms, except for the successor of the Grantor.

16.2 The rights of the Parties to terminate, rescind, or agree any variation, waiver or settlement under this agreement are not subject to the consent of any other person.

17. COUNTERPARTS

17.1 This agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

18. GOVERNING LAW AND JURISDICTION

18.1 This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of British Columbia, Canada.

18.2 Each Party irrevocably agrees that the courts of British Columbia shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this agreement or its subject matter or formation (including non-contractual disputes or claims).

This agreement has been entered into on the date stated at the beginning of it.

[Redacted - Initials]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

1250598 B.C. LTD.

Per: (Signed) “*Kim Oishi*”
Authorized Signatory

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD

Per: (Signed) “*Aleksandar Miskovic*”
Authorized Signatory

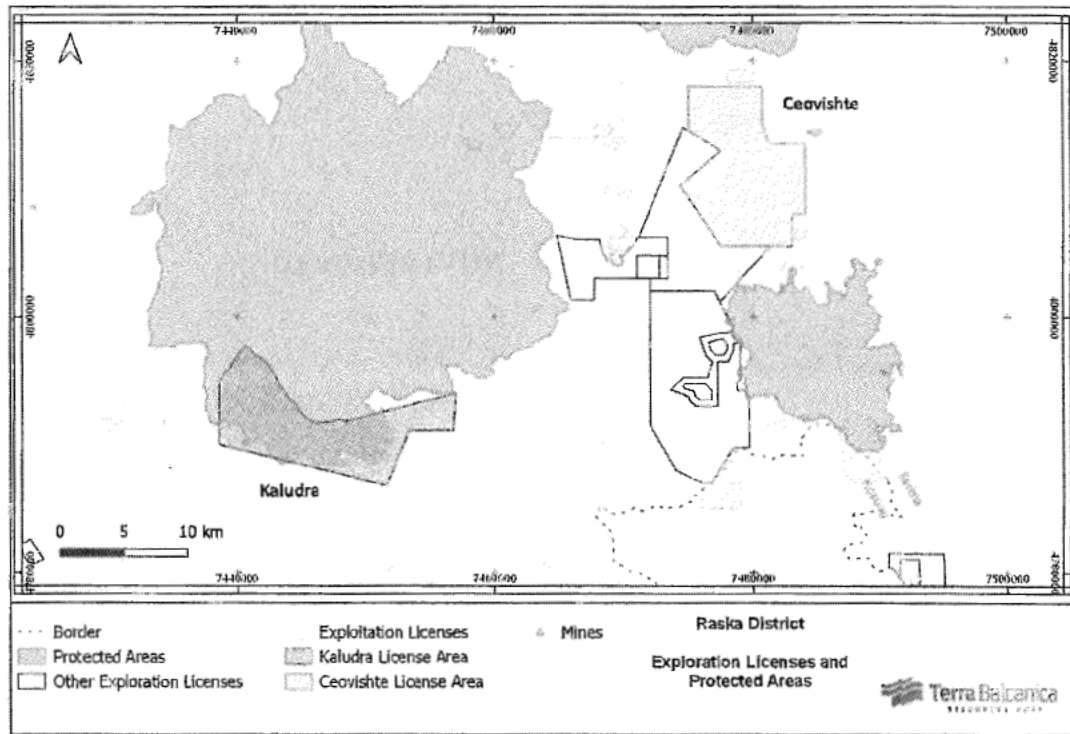
ROCKSTONE GROUP D.O.O KAC

Per: (Signed) “*Aleksandar Ilic*”
Authorized Signatory

SCHEDULE C

CEOVISHTE LICENSE AREA

Mineral Interests comprising the Ceovishte License Area



CEOVISHTE LICENSE AREA COORDINATES

POINT	X	Y
1	474574	4817067
2	480322	4817067
3	480322	4814068
4	480822	4812619
5	483571	4812619
6	483571	4807070
7	482571	4807070
8	482571	4804571
9	477073	4804571
10	473924	4809320
11	477073	4812069
12	474574	4813568

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SCHEDULE D

[attached]

AM

RIGHT OF FIRST REFUSAL AGREEMENT

THIS AGREEMENT is made as of the 25th day of January, 2021.

AMONG:

ROCKSTONE GROUP D.O.O. - KAĆ a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information], and the corporate registration number of 20809531:

(“Rockstone”)

AND:

ALEKSANDAR ILIĆ, an individual with an address at [Redacted - Personal Contact Information], and having the personal ID number 2403977710493:

(“AI”)

AND:

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD a corporation existing under the laws of the Republic of Serbia, having a registered office at [Redacted - Personal Contact Information], and the corporate registration number of 21540382:

(the “Company”)

AND:

1250598 B.C. LTD., a corporation existing under the laws of the Province of British Columbia, having a registered office at [Redacted - Personal Contact Information]

(the “Parent”)

WHEREAS:

- A. AI is the registered and beneficial holder of all securities in Rockstone;
- B. AI and Rockstone are in the business of identifying and acquiring metal mining or metallic mineral exploration properties (the “Mineral Interests”);
- C. The Company, a wholly owned subsidiary of the Parent, is interested in acquiring Mineral Interests in the geographic region specifically consisting of Bosnia and

[Redacted - Initials]

Herzegovina, Serbia, Montenegro, Macedonia, Croatia, Slovenia, Greece, Italy, Romania, Turkey, Albania, Kosovo, and Bulgaria (the "Territory") with the view to undertaking mineral exploration and related activities thereon; and

- D. The parties wish for the Company to have a first right of refusal in accordance with the terms of this Agreement, for any Mineral Interests controlled by AI and Rockstone.

THIS AGREEMENT WITNESSES THAT in consideration of CDN \$10.00 and other good and valuable consideration paid by each of the Parties to each of the others of them (the receipt and sufficiency of which is hereby acknowledged) the Parties have agreed as follows:

PART 1

RIGHT OF FIRST REFUSAL

Notice and Exercise

1.1 AI and Rockstone agree that forthwith, it will provide a written notice (the "Offering Notice") to the Company and Parent of its intention to sell or option any Mineral Interests in the Territory in which it owns 100% interest ("Control") indicating all pertinent information in respect of the Mineral Interest, with a right to the Company and the Parent to make an offer (the "First Look Offer") to acquire such Mineral Interest ahead of any other party for a period of 30 days. For further clarity, AI and Rockstone are not obligated to accept the First Look Offer, and can seek a superior offer from other parties, 30 days after the Offering Notice.

1.2 Provided that the Company or Parent does not exercise the ROFR as set forth in this Agreement over a specific Mineral Interest, AI or Rockstone may option, sell, transfer, or otherwise convey or offer to option, sell, transfer, or otherwise convey the Mineral Interest to any other third party, subject to the terms of Section 1.3 hereof.

1.3 If at any time and from time to time, AI or Rockstone reach a bona fide agreement for the sale, transfer, or conveyance of a Mineral Interest under either's Control to a third party, or receive any bona fide offer by a third party to acquire a Mineral Interest from AI, Rockstone, or any entity under the Control of either AI pursuant to Section 1.6 hereof ("Third Party Agreement"), they will deliver written notice (the "ROFR Offering Notice") immediately to the Company and the Parent (or its successor), outlining the terms of such agreement or offer, providing all pertinent information in respect of the Mineral Interest, including but not limited to any liens, charges, encumbrances, as well as all rights, permits, and licenses, and allowing the Company or the Parent a right to match the terms contained in such agreement or offer and acquire the subject Mineral Interest, or any portion thereof that was the subject of such agreement or offer (the "ROFR"). Should the terms of any Third Party Agreement materially change prior to completion of the sale, transfer, conveyance, or option over a Mineral Interest that is subject to this Agreement, such alteration will require the submission of an additional ROFR Offering Notice and extension of the ROFR to the Company.

1.4 Any Offering Notice or the ROFR Offering Notice, shall be outstanding until 5:00 pm (Vancouver Time) on the 30th Day after the receipt by the Company and Parent of such notice, or such later date as is mutually agreed in writing by the applicable parties (the "Expiry Time"). For greater certainty, in determining the number of days since receipt of any notice, the day the notice is received will be excluded. Prior to the Expiry Time, the Company must deliver a response in respect of its intention as to whether it will exercise the ROFR, and should the Company exercise the ROFR, the parties hereto must use commercially reasonable efforts to complete the sale, transfer, option, or conveyance of the Mineral Interest to the Company or Parent.

1.5 AI and Rockstone covenant to promptly provide all information requested by the Company or Parent, acting reasonably, as may assist the Company or Parent in determining whether to exercise any ROFR that the Company or Parent may have.

1.6 AI further covenants that he will cause any entity in which he owns 100% interest, to provide a ROFR over any identified Mineral Interests in the Territory on the same terms as contained in this Agreement.

PART 2

TERM

2.1 This Agreement shall come into force and effect as of the date first written above and shall continue in force until the date on which this Agreement is terminated by the mutual written consent of the Parties, or at AI's option if his ownership of the Parent, or the Parent's successor, is less than 5%.

PART 3

ARBITRATION

Settlement of Disputes

3.1 All questions or matters in dispute will be submitted to arbitration pursuant to the terms hereof. For the purposes of this Part 3, the AI and Rockstone shall be treated as one party, and the Company and the Parent shall be treated as the other party.

3.2 It will be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that any party intending to refer any matter to arbitration will have given not less than 21 days' prior written notice of its intention so to do to the other party together with particulars of the matter in dispute.

3.3 On the expiration of such 21 days, the party who gave such notice may proceed to refer the dispute to arbitration as provided in section 3.4.

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3.4 Any dispute or claim arising out of or relating to this Agreement shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The number of arbitrators shall be one, and shall be mutually agreed between the parties, and the arbitrator shall be qualified by education and training to pass upon the particular matter to be decided.

3.5 If the parties fail to appoint a mutually acceptable arbitrator within 14 days after the expiration of the notice pursuant to Section 4.3, the arbitrator will be appointed by the International Chamber of Commerce.

3.6 The language to be used in the arbitral proceedings shall be English.

3.7 The arbitrator will fix a time and place in London, UK, which will be the place of arbitration, for the purpose of hearing the evidence and representations of the parties, and he will preside over the arbitration and determine all questions of procedure not provided for under UNCITRAL Arbitration Rules or this Part 14.

3.8 After hearing any evidence and representations that the parties may submit, the arbitrator will make an award and reduce the same to writing and deliver one copy thereof to each of the parties.

3.9 The expense of the arbitration will be paid as specified in the award.

3.10 The parties agree that the award of the arbitrator, will be final and binding upon each of them.

PART 4

NOTICES

Procedure for Notice

4.1 Any notice, demand or other communication required or permitted to be given or made hereunder shall be in writing and shall be sufficiently given or made if:

(a) delivered in person during normal business hours (9:00 a.m. to 5:00 p.m. local time at the place of receipt) on a Business Day and left with the recipient (for notice delivered to individuals) or with a receptionist or other responsible employee of the recipient, in either case at the applicable address set forth in §4.2 below; or

(b) sent by any electronic means of sending messages, including facsimile transmission and e-mail, during normal business hours (9:00 a.m. to 5:00 p.m. local time at the place of receipt) on a Business Day, provided that notice by electronic transmission shall be deemed to have been given and received on the day it was so sent if sent during normal business hours or on the next following Business Day if sent outside of normal business hours, and, in either case, such delivery is confirmed by reply or "read receipt" or similar method.

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Address for Notice

4.2 Each Party's proper address for notice hereunder will be the following until such Party specifies another address by written notice to the other Party:

- (a) if to AI or Rockstone:

[Redacted - Personal Contact Information]

Attention: Aleksandar Ilić

Email: [Redacted - Personal Contact

Facsimile: n/a

- (b) if to the Company or the Parent:

[Redacted - Personal Contact Information]

Attention: Aleksandar Mišković

Email: [Redacted - Personal Contact

Facsimile: n/a

PART 5

GENERAL

5.1 If a provision of this Agreement calls for any action to be taken within a specified period that ends on a day that is not a Business Day, the expiry of such period shall be extended to the next following Business Day. For the purposes of this Agreement, "Business Day" means any day except Saturday, Sunday or any other day or holiday on which major banks located in Vancouver, Canada, and Belgrade, Serbia are closed for business.

5.2 If any of the parties are delayed in complying with any provisions of this Agreement by reason of, power shortages, fuel shortages, fires, wars, strikes or labour or industrial disturbances including lock-outs, civil disturbances, acts of public enemies, acts, orders, legislation, regulations or directives of any governmental authorities or other public authorities riots, sabotage, blockages, embargoes, shortages of labour, materials, or supplies, lightening, earthquakes, fires, storms, epidemics or pandemics, floods, wash-outs, explosions, acts of God, or shipping delays, the time limited for the performance by the 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.

[Redacted - Initials]

5.3 No change, modification or alteration of this Agreement will be valid unless the same is made in writing, signed by all of the Parties; and no course of dealing between the Parties will be construed so as to alter the terms of this Agreement.

5.4 Time is of the essence of this Agreement.

5.5 This Agreement will be interpreted and construed in accordance with the laws of British Columbia, and the Parties hereby attorn to the jurisdiction of the courts of British Columbia, with limited jurisdiction being granted under this Agreement to the courts of the Republic of Serbia for any matter which may require injunctive relief to protect the rights of a party to this Agreement.

5.6 If any provision of this Agreement is in conflict or inconsistent with the applicable law than that provision will be severed from this Agreement and an equitable adjustment will be made and necessary, further provisions will be agreed upon so as to give effect to the intention of the Parties as expressed in this Agreement at the time of its execution.

5.7 This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

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

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the day and year first above written.

ROCKSTONE GROUP D.O.O KAĆ

Per: (Signed) "Aleksandar Ilic"
Aleksandar Ilić, Director

TERA BALKANIKA D.O.O. BEOGRAD – NOVI BEOGRAD

Per: (Signed) "Aleksandar Miskovic"
Aleksandar Mišković, Director

1250598 B.C. LTD.

Per: (Signed) "Kim Oishi"
Kim Oishi, Director and President

Signed, Sealed and Delivered by)
ALEKSANDAR ILIĆ in the presence of:)
[Redacted – Personal Information])
Witness (Signature))
[Redacted – Personal Information])
Name (please print))
[Redacted – Personal Information])
Address)
[Redacted – Personal Information])
City, Province)

(Signed) "Aleksandar Ilic"
ALEKSANDAR ILIĆ