

## SHARE EXCHANGE AGREEMENT

**THIS AGREEMENT** is made effective as of the 26<sup>th</sup> day of March, 2021.

AMONG:

**LODE METALS CORP.**, a company incorporated under the laws of British Columbia and having an office Suite 918, 1030 West Georgia Street, Vancouver, British Columbia, V6E 2Y3

(the “**Issuer**”)

AND:

**2262496 ALBERTA LTD.**, a corporation incorporated under the laws of Alberta and having an office at 410 – 10113 104 Street NW, Edmonton, Alberta T5J 1A1

(“**226**”)

AND:

**THE HOLDERS OF 226 Shares**, who have executed Schedule B to this Agreement and who are therefore made a party to this Agreement

(herein individually referred to as a “**226 Shareholder**” and collectively as “**226 Shareholders**”)

**WHEREAS:**

- A. The Issuer is a company that intends to apply for a listing on the Canadian Securities Exchange;
- B. 226 has rights to certain mineral properties located in Oregon, through agreements with Cracker Creek Gold Corporation and Minefinders LLC, as more particularly set forth in Schedule C hereto (the “**Claims**”);
- C. The 226 Shareholders are the beneficial and legal owners of all of the issued and outstanding 226 Shares; and
- D. The Issuer wishes to purchase and acquire all of the issued and outstanding 226 Shares from the 226 Shareholders in exchange for the Issuer Consideration Shares, upon and subject to the terms and conditions set forth in this Agreement.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that, in consideration of the covenants and agreements herein contained, the parties hereto do covenant and agree each with the other as follows:

## 1. INTERPRETATION

1.1 **Defined Terms** - The following terms have the following meanings in this Agreement, including the recitals and any schedules hereto, unless otherwise stated or unless there is something in the subject matter or context inconsistent therewith:

- (a) **"226 Financial Statements"** mean the audited financial statements of 226 for the period from incorporation on May 21, 2020 to January 31, 2021;
- (b) **"226 Material Contracts"** has the meaning ascribed thereto in Section 7.2(h);
- (c) **"226 Shareholders"** means the Persons who will, at Closing, beneficially and legally own the 226 Shares, as set forth and described in Schedule A to this Agreement;
- (d) **"226 Shares"** means 17,485,719 issued and outstanding common shares in the capital of 226, being all of the issued and outstanding common shares in the capital of 226 as at the Closing;
- (e) **"Agreement"** means this agreement and includes any agreement amending this agreement or any agreement or instrument which is supplemental or ancillary thereof, and the expressions "above", "below", "herein", "hereto", "hereof" and similar expressions refer to this agreement;
- (f) **"Applicable Law"** means, with respect to any Person, all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority, regulatory body or stock exchange;
- (g) **"Business"** means the business presently carried on by the Issuer or 226, as the case may be, as a going concern and the intangible goodwill associated therewith and any and all interests of whatsoever kind and nature related thereto;
- (h) **"Claims"** has the meaning given to that term in Recital B;
- (i) **"Closing"** means the completion of the Transaction on the Closing Date pursuant to the terms and conditions contained in this Agreement;
- (j) **"Closing Date"** means March 31, 2021, or such other date upon which the Issuer and 226 mutually agree;
- (k) **"Documents"** means all contracts, agreements, documents, permits, licenses, certificates, plans, drawings, specifications, reports, compilations, analysis, studies, financial statements, budgets, market surveys, minute books, corporate records, corporate seals and any other documents or information of whatsoever nature relating to the Issuer or 226, as the case may be, and any all rights in relation thereto;
- (l) **"Effective Date"** means the date of this Agreement;
- (m) **"Electing Shareholder"** has the meaning ascribed thereto in Section 2.7;
- (n) **"Encumbrance"** means, whether or not registered or registrable or recorded or recordable, and regardless of how created or arising:

- (i) a mortgage, assignment of rent, lien, encumbrance, adverse claim, charge, restriction, title defect, security interest, hypothec or pledge, whether fixed or floating, against assets or property (whether real, personal, mixed, tangible or intangible), hire purchase agreement, conditional sales contract, title retention agreement, equipment trust or financing lease, and a subordination to any right or claim of others in respect thereof;
  - (ii) a claim, interest, or estate against or in assets or property (whether real, personal, mixed, tangible or intangible), including, without limitation, an easement, right-of-way, servitude or other similar right in property granted to or reserved or taken by any Person;
  - (iii) an option or other right to acquire any interest in, any assets or property (whether real, personal, mixed, tangible or intangible);
  - (iv) a lien or charge for taxes, assessments, duties, fees, premiums, imposts, levies and other charges imposed by any lawful authority;
  - (v) any other encumbrance of whatsoever nature and kind against assets or property (whether real, personal, mixed, tangible or intangible); or
  - (vi) any agreement to create, or right capable of becoming, any of the foregoing;
- (o) **“Environmental Laws”** means all applicable federal, provincial, state, local and foreign laws, imposing liability or standards of conduct for, or relating to, the regulation of activities, materials, substances or wastes in connection with, or for, the protection of human health, safety, the environmental or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);
  - (p) **“Exchange”** means the Canadian Securities Exchange;
  - (q) **“Exemptions”** has the meaning ascribed thereto in Section 2.6;
  - (r) **“generally accepted accounting principles”** means the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which date such calculation is made or required to be made in accordance with generally accepted accounting principles applied on a basis consistent with preceding years;
  - (s) **“Governmental Authority”** means any government or governmental, administrative, regulatory or judicial body, department, commission, authority, tribunal, agency or entity;
  - (t) **“Hazardous Substance”** means any waste, pollutant, contaminant, material or substance which is or may be dangerous, hazardous, toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic or mutagenic or which could otherwise pose a risk to health, safety or the environment or which is the subject of any Environmental Laws governing its release, use, storage or identification;

- (u) **"IFRS"** means generally accepted accounting principles set out in the CPA Canada Handbook for an entity that prepares its financial statements in accordance with International Financial Reporting Standards;
- (v) **"Issuer"** means Lode Metals Corp.;
- (w) **"Issuer Consideration Shares"** means the 17,485,719 Issuer Shares to be issued by the Issuer to the 226 Shareholders in exchange for the 226 Shares at the Closing pursuant to the terms and conditions of this Agreement;
- (x) **"Issuer Financial Statements"** means the audited financial statements of the Issuer for the financial years ended January 31, 2021 and 2020;
- (y) **"Issuer Material Contracts"** has the meaning ascribed thereto in Section 7.1(n);
- (z) **"Issuer Shares"** means the common shares of the Issuer;
- (aa) **"Listing Date"** means the date that Resulting Issuer will become listed on the Exchange;
- (bb) **"Losses"** shall have the meaning ascribed thereto in Section 7.5;
- (cc) **"Material Adverse Change"** means any change (or any condition, event or development involving a prospective change) in the business, operations, results of operations, assets, capitalization, financial condition, licences, permits, concessions, rights, liabilities, prospects or privileges, whether contractual or otherwise, of the party referred to which is, or would reasonably be expected to be, materially adverse to the business of such party other than a change: (i) which has prior to the date hereof been publicly disclosed or otherwise disclosed in writing to the other party; or (ii) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere;
- (dd) **"Permits"** means all licenses, permits and similar rights and privileges that are required and necessary under applicable legislation, regulations, rules and orders for the Issuer or 226, as the case may be, to own and operate their assets and Business or for the status and qualification of the Issuer or 226, as the case may be, to own and operate their assets and to carry on their Business;
- (ee) **"Person"** means an individual, company, corporation, body corporate, partnership, joint venture, society, association, trust or unincorporated organization, or any trustee, executor, administrator, or other legal representative;
- (ff) **"Resulting Issuer"** means the Issuer upon completion of the Transaction, having 226 as a wholly-owned subsidiary thereof;
- (gg) **"Securities Acts"** means the *Securities Act* of British Columbia and Alberta, as amended and restated from time to time;
- (hh) **"Tax Act"** means the *Income Tax Act* (Canada), as amended and restated from time to time;
- (ii) **"Termination Date"** has the meaning ascribed thereto in Section 10.1; and

- (jj) **“Transaction”** means the acquisition of the 226 Shares by the Issuer in exchange for the Issuer Consideration Shares, upon and subject to the terms and conditions of this Agreement.

1.2 **Schedules** – The following schedules attached hereto constitute a part of this Agreement:

Schedule A – Name, Address, and 226 Shares held

Schedule B – Signature pages of the 226 Shareholders

Schedule C – Claims

1.3 **Schedule References** – Wherever any provision of any schedule to this Agreement conflicts with any provision in the body of this Agreement, the provisions of the body of this Agreement shall prevail. References herein to a schedule shall mean a reference to a schedule to this Agreement. References in any schedule to this Agreement shall mean a reference to this Agreement. References to any schedule to another schedule shall mean a reference to a schedule to this Agreement.

1.4 **Headings** - The headings in this Agreement are for reference only and do not constitute terms of this Agreement.

1.5 **Interpretation** - Whenever the singular or masculine is used in this Agreement the same shall be deemed to include the plural or the feminine or the body corporate as the context may require. As used in this Agreement, “or” is not exclusive and “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it.

1.6 **Currency** – Unless otherwise stated, all references to money in this Agreement shall be deemed to be references to the currency of Canada.

1.7 **Knowledge** – Where a representation or warranty is made in this Agreement on the basis of the knowledge or the awareness of the party, such knowledge or awareness consists only of the actual knowledge or awareness, as of the date of this Agreement, of that party, if an individual or of the directors and senior executive officers of that party if it is a corporation or a similar entity, but does not include the knowledge or awareness of any other individual or any constructive, implied or imputed third party knowledge.

## 2. **PURCHASE AND SALE**

2.1 **Agreement** – Upon and subject to the terms and conditions of this Agreement, each 226 Shareholder agrees, to the extent applicable to it, to sell, transfer and convey to the Issuer, and the Issuer agrees to purchase, all and no less than all of the 226 Shares owned by such 226 Shareholder as set forth and described in Schedule A, on the Closing Date a deemed consideration of \$0.10 per 226 Share, to be satisfied by the issuance of the Issuer Consideration Shares, each at a deemed price of \$0.10, on the basis of one Issuer Consideration Share for each one 226 Share held.

2.2 **Issuer Consideration Shares** – The Issuer Consideration Shares shall be issued in exchange for the 226 Shares as set forth and described in Schedule A.

2.3 **Purchase of Entire Interest** – It is the understanding of the parties that this Agreement provides for the purchase of all of the 226 Shares that are owned or held by the 226 Shareholders at the Closing, whether same are owned as at the date hereof or to be acquired after the date hereof and prior to the Closing, and the 226 Shareholders therefore covenant and

agree with the Issuer that, if prior to the Closing, they acquire any further shares or securities of 226 or rights to acquire any shares or securities of 226, in addition to those set forth in this Agreement, then such shares or securities of 226 shall be subject to the terms of this Agreement, and shares or securities of 226 shall be delivered or such rights shall be transferred to the Issuer at the Closing, without the payment of any additional or further consideration.

**2.4 Restriction on Resale** – 226 and the 226 Shareholders agree that the following contractual restrictions on transfer will apply to their Issuer Consideration Shares.

<b>Issuer Consideration Shares</b>	
<b>Restricted from transfer for</b>	<b>Percentage of Issuer Consideration Shares restricted as to each release date</b>
3 months from the Listing Date	20%
6 months from the Listing Date	15%
9 months from the Listing Date	15%
12 months from the Listing Date	20%
15 months from the Listing Date	15%
18 months from the Listing Date	15%

Additionally, when the Resulting Issuer applies to list on the Exchange, as soon as practicable following the Closing, 226 Shareholders will, as required by the Exchange, in respect of their Issuer Consideration Shares enter into an escrow agreement in the prescribed form or accept their Issuer Consideration Share with such resale restrictions as may be required by the Exchange.

**2.5 Delivery of Shares** – Subject to the fulfilment of all of the terms and conditions hereof (unless waived as herein provided), at Closing, the 226 Shareholders shall be deemed to have delivered to the Issuer certificates or equivalents representing the 226 Shares to the Issuer and the 226 Shareholders acknowledge that, without further action required, such 226 Shares shall be cancelled upon completion of the Transaction, in accordance with Article 11 hereof.

**2.6 Acknowledgements** – Each 226 Shareholder hereby acknowledges and agrees with the Issuer as follows:

- (a) the transfer of the 226 Shares to the Issuer, and the issuance of the Issuer Consideration Shares to the 226 Shareholders will be made pursuant to appropriate exemptions (the “**Exemptions**”) from the formal takeover bid and prospectus (or equivalent) requirements of applicable securities laws;

- (b) as a consequence of acquiring the Issuer Consideration Shares pursuant to the Exemptions:
- (i) the Issuer is relying on an exemption from the requirements to provide the 226 Shareholders with a prospectus and to, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by the Securities Acts, including statutory rights of rescission or damages, will not be available to the 226 Shareholders;
  - (ii) the 226 Shareholders may not receive information that might otherwise be required to be provided to the 226 Shareholders, and the Issuer is relieved from certain obligations that would otherwise apply under the Securities Acts if the Exemptions were not being relied upon by the Issuer;
  - (iii) there is no government or other insurance covering the Issuer Consideration Shares;
  - (iv) there are risks associated with the acquisition of the Issuer Consideration Shares;
  - (v) there may be restrictions on the 226 Shareholders' ability to resell the Issuer Consideration Shares and it is the responsibility of each 226 Shareholder to find out what those restrictions are and to comply with them before selling the Issuer Consideration Shares; and
  - (vi) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Issuer Consideration Shares;
- (c) the 226 Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Law of that jurisdiction which applies to the sale of the 226 Shares and the issuance of the Issuer Consideration Shares and which may impose restrictions on the resale of such Issuer Consideration Shares and it is the responsibility of each 226 Shareholder to become aware of what those resale restrictions are, and to comply with them before selling any of the Issuer Consideration Shares; and
- (d) the Issuer Consideration Shares may be subject to certain resale restrictions under Applicable Law, and the 226 Shareholders agree to comply with such restrictions and the 226 Shareholders also acknowledge that the certificates for the Issuer Consideration Shares may bear an applicable legend or legends respecting restrictions on transfers as required under Applicable Law if and as required by Section 2.6 of this Agreement (or legend notation on each applicable Issuer Consideration Share issued electronically in a direct registration system), and that each 226 Shareholder has been advised to consult its own legal advisor with respect to applicable resale restrictions and that each is solely responsible for complying with such restrictions.

**2.7 Tax Matters** - Generally, a 226 Shareholder who (i) is, or is deemed to be, resident in Canada, (ii) deals at arm's length with 226 and the Issuer, (iii) is not affiliated with 226 and the Issuer, (iv) is not connected with 226 and the Issuer (v) holds the 226 Common Shares as capital property, and (vi) sells such shares to the Issuer under this Agreement for only shares of common stock of Issuer (or fractions thereof) should be entitled to an automatic rollover under

subsection 85.1(1) of the Tax Act to defer recognition of any capital gain (or capital loss) from the disposition of those 226 Common Shares for Canadian federal income tax purposes without limiting the 226 Shareholder's ability to report and recognize a capital gain (or capital loss) from the disposition of those 226 Common Shares.

### 3. **CHANGE IN DIRECTORS AND OFFICERS OF 226 AND THE ISSUER; NAME CHANGE OF THE ISSUER**

3.1 **Resignations** – At the Closing, the Issuer shall deliver the resignations of the directors and/or officers of the Issuer who are not continuing as directors and/or officers of the Resulting Issuer.

#### 3.2 **New directors and officers**

(a) Effective as of the Closing, the directors and officers of the Resulting Issuer will consist of:

Ken Tullar	President, Chief Executive Officer and Director
James Yates	Director
Tom Lewis	Director
David Patterson	Director
Marlis Yassin	Chief Financial Officer and Corporate Secretary

or such other persons as the Issuer and 226 may mutually agree.

(b) Effective as of the Closing, the directors and officers of 226 will consist of:

Ken Tullar	President, Chief Executive Officer and Director
Marlis Yassin	Chief Financial Officer and Director

or such other persons as the Issuer and 226 may mutually agree.

### 4. **COVENANTS AND AGREEMENTS**

4.1 **Given by 226** – 226 covenants and agrees with the Issuer that it will:

(a) permit representatives of the Issuer, at their own cost, reasonable access during normal business hours to 226's documents including, without limitation, all of the assets, contracts, financial records and minute books of 226, so as to permit the Issuer to make such investigation of 226 as the Issuer deems reasonably necessary;



- (b) assist in the completion of any steps required in any other jurisdictions where 226 holds assets, which the Issuer may deem reasonably necessary to complete the Transaction;
- (c) from and including the Effective Date through to and including the Closing, preserve and protect the goodwill, assets and undertaking of 226, carry on the Business of 226 in the ordinary course in a reasonable and prudent manner consistent with past practice;
- (d) not borrow money or incur indebtedness (except for trade payables and legal / accounting fees incurred in the ordinary course or in connection with the Transaction);
- (e) use its commercially reasonable efforts to obtain all required third party consents, Permits, approvals, authorizations, filings, assignments or waivers and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations hereunder and to carry out the transactions contemplated by this Agreement, including obtaining any shareholder approvals, consents or agreements as may be required under applicable corporate laws, securities laws, the rules and policies of the Exchange and the constating documents of 226 to be able to fulfill its obligations hereunder and in connection with the delivery of all of the 226 Shares on Closing;
- (f) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out Section 6.1 and 6.2 so as to close the Transaction and all related transactions by the Closing Date;
- (g) from and including the Effective Date through to and including the Closing, except as set out in this Agreement, not enter into any agreement or understanding with any other party to issue any securities of 226 without the prior written consent of the Issuer, such consent not to be unreasonably withheld, nor declare or pay any dividends or distribute any of 226's properties or assets to 226 Shareholders;
- (h) from and including the Effective Date through to and including the Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any Person (other than the Issuer), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of 226;
- (i) make other necessary filings and applications under applicable, foreign, federal and provincial laws and regulations required on the part of it in connection with the transactions contemplated herein;
- (j) use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of it contained herein shall be true and correct in all material respects on and as of the Closing Date as if made on the Closing Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (k) not to enter into any transaction or material contract, except as reasonably necessary to give effect to the matters contemplated in this Agreement, or as required in the ordinary course of 226's Business;

- (l) notify the Issuer immediately upon becoming aware that any of the representations or warranties of it contained herein are no longer true and correct in any material respect; and
- (m) from and including the Effective Date through to and including the Closing, ensure that it complies in all material respects with the foregoing covenants of this Agreement.

4.2 **Given by the Issuer** - the Issuer covenants and agrees with 226 and the 226 Shareholders that the Issuer will:

- (a) permit representatives of 226 and the 226 Shareholders reasonable access during normal business hours to the Issuer's documents including, without limitation, all of the assets, contracts, financial records and minute books of the Issuer, so as to permit such investigation of the Issuer as 226 and the 226 Shareholders deem reasonably necessary;
- (b) take all corporate action necessary to approve and to permit the issuance of the Issuer Consideration Shares on Closing;
- (c) if required, to use its reasonable commercial efforts to cause a majority of the Issuer's shareholders to vote their Issuer Shares in favour of and otherwise approve the Transaction and otherwise take all reasonable actions to complete Transaction and to not take any action contrary to or in opposition to the Transaction;
- (d) not to alter or amend the Issuer's articles or notice of articles in any manner which may adversely affect the success of the Transaction, except as strictly required to give effect to the matters contemplated herein;
- (e) from and including the Effective Date through to and including the Closing, preserve and protect the goodwill, assets and undertaking of the Issuer, carry on the Business of the Issuer in the ordinary course in a reasonable and prudent manner consistent with past practice;
- (f) not borrow money or incur indebtedness (except for trade payables and legal / accounting fees incurred in the ordinary course or in connection with the Transaction);
- (g) from and including the Effective Date through to and including the Closing, not issue any debt or equity securities and not enter into any agreement or understanding with any third party to issue any securities, nor declare or pay any dividends or distribute any of the Issuer's properties or assets to its shareholders, without the prior written consent of 226;
- (h) from and including the Effective Date through to and including the Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any Person (other than 226 and the 226 Shareholders), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of the Issuer;

- (i) make other necessary filings and applications under applicable, foreign, federal and provincial laws and regulations required on the part of it in connection with the transactions contemplated herein;
- (j) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out in Sections 6.1 and 6.3 and to close the Transaction and all related transactions by the Closing Date;
- (k) use its commercially reasonable efforts to conduct its affairs so that the representations and warranties of the Issuer contained herein shall be true and correct in all material respects on and as of the Closing Date as if made on the Closing Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (l) use its commercially reasonable efforts to obtain all consents, approvals, Permits, authorizations or filings as may be required under applicable corporate laws, securities laws, the rules and policies of the Exchange and the constating documents of the Issuer for the performance by the Issuer of its obligations under this Agreement prior to the Closing;
- (m) not to enter into any transaction or material contract, except as reasonably necessary to give effect to the matters contemplated in this Agreement or as required in the ordinary course of the Issuer's Business;
- (n) notify 226 immediately upon becoming aware that any of the representations or warranties of it contained herein are no longer true and correct in any material respect; and
- (o) from and including the Effective Date through to and including the Closing, ensure that the Issuer complies in all material respects with the foregoing covenants of this Agreement.

## 5. TRANSACTION EXPENSES

Each of the parties to this Agreement will bear all costs and expenses incurred by such party in negotiating and preparing this Agreement and in Closing and carrying out the transactions contemplated by this Agreement. All costs and expenses related to satisfying any condition or fulfilling any covenant contain in this Agreement will be borne by the party whose responsibility it is to satisfy the outstanding condition or fulfill the covenant in question.

## 6. CONDITIONS PRECEDENT

6.1 **In Favour of all Parties** - The obligations of all parties under this Agreement are subject to the fulfillment of the following conditions prior to the Closing or such other time as herein provided:

- (a) approval of the directors of the Issuer of the Transaction;
- (b) approval of the shareholders of 226 of the Transaction, if required;
- (c) approval of the directors of 226 of the Transaction;
- (d) approval of the shareholders of the Issuer of the Transaction, if required;

- (e) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Transaction;
- (f) there being no prohibition at law against closing of the Transaction;
- (g) all consents, orders and approvals required for the completion of the Transaction and transactions ancillary thereto shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, all on terms satisfactory to all of the parties hereto, acting reasonably; and
- (h) this Agreement shall have not been terminated in accordance with Article 10 of this Agreement.

The conditions precedent set forth above are for the benefit of all parties and may only be waived in writing by the Issuer and 226 for itself, and on behalf of the 226 Shareholders, in whole or in part on or before Closing.

**6.2 In Favour of the Issuer** – the Issuer’s obligations under this Agreement are subject to the fulfilment of the following conditions prior to Closing or such other time as herein provided:

- (a) the 226 Shareholders and 226 shall have materially complied with all of their respective covenants and agreements contained in this Agreement;
- (b) the representations and warranties of the 226 Shareholders and 226 contained in this Agreement shall be true and correct in all material respects as if such representations and warranties had been made by each of the 226 Shareholders and 226 as of the Closing;
- (c) the Issuer will have determined in its sole judgment, acting reasonably, that no Material Adverse Change in the condition of 226, during the time between the Effective Date and the Closing, has occurred;
- (d) the delivery of a technical report on the Claims by 226 to the Issuer in compliance with National Instrument 43-101;
- (e) there being no legal proceeding or regulatory actions or proceedings against 226 at the Closing which may, if determined against the interest of 226, cause a Material Adverse Change to 226; and
- (f) all corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto and other documents in connection with the purchase and sale hereunder (including documents to be delivered pursuant to Section 8.2) will be completed and satisfactory in form and substance to the Issuer and the Issuer’s counsel, each acting reasonably, and the Issuer will have received all executed counterpart original and certified or other copies of such documents as such counsel may reasonably request.

The conditions precedent set forth above are for the exclusive benefit of the Issuer and may be waived by it in whole or in part on or before Closing.

**6.3 In Favour of 226 and the 226 Shareholders** – The respective obligations of 226 and the 226 Shareholders under this Agreement are subject to the fulfilment of the following conditions:

- (a) the Issuer shall have materially complied with all of its covenants and agreements hereunder to be performed and complied with on or before the Closing;
- (b) the representations and warranties of the Issuer contained in this Agreement shall be true and correct in all material respects as if such representations and warranties had been made by the Issuer as of the Closing;
- (c) all documents and steps necessary, in the view of 226 and counsel to 226, acting reasonably, to complete the issuance of the Issuer Consideration Shares to the 226 Shareholders in accordance with this Agreement and the Transaction shall have been delivered and completed at Closing;
- (d) 226 will have determined in its sole judgment, acting reasonably, that no Material Adverse Change in the condition of the Issuer during the time between the Effective Date and the Closing has occurred;
- (e) there being no legal proceeding or regulatory actions or proceedings against the Issuer at the Closing which may, if determined against the interest of the Issuer, cause a Material Adverse Change to the Issuer;
- (f) no inquiry or investigation (whether formal or informal) in relation to the Issuer or its directors or officers, shall have been commenced or threatened by any securities commission, or similar regulatory body having jurisdiction such that the outcome of such inquiry or investigation could cause a Material Adverse Change to the Issuer;
- (g) the completion of the Transaction is in compliance in all material respects with all laws, policies, rules and regulations applicable thereto; and
- (h) all corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto and other documents in connection with the purchase and sale hereunder (including documents to be delivered pursuant to Section 8.3), will be completed and satisfactory in form and substance to 226 and 226's counsel, each acting reasonably, and they will have received all executed counterpart original and certified or other copies of such documents as such counsel may reasonably request; and
- (i) the Issuer having not more than 21,597,000 Issuer Shares issued and outstanding on the Closing Date and not having any securities outstanding that are convertible into Issuer Shares.

The conditions precedent set forth above are for the exclusive benefit of the 226 and the 226 Shareholders and may be waived by 226 for itself, and on behalf of the 226 Shareholders, in whole or in part on or before the Closing.

## 7. REPRESENTATIONS AND WARRANTIES

7.1 **Concerning the Issuer** - In order to induce 226 and the 226 Shareholders to enter into this Agreement and complete their respective obligations hereunder, the Issuer represents and warrants to 226 and the 226 Shareholders that:

- (a) the Issuer is a valid and subsisting corporation incorporated under the laws of British Columbia;
- (b) the Issuer is duly registered and licenced to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;
- (c) the Issuer has full corporate power and authority to carry on its Business as now carried on by it, to enter into this Agreement and complete the Transaction and related transactions and to carry out its obligations hereunder and this Agreement, Transaction will have been, prior to the Closing, authorized by all necessary shareholder (if necessary) and corporate action on the part of the Issuer. This Agreement has been duly executed and delivered by the Issuer and constitutes a legal, valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered;
- (d) as of the date hereof, the authorized capital of the Issuer consists of an unlimited number of common shares, of which 21,597,000 Issuer Shares are issued and outstanding as fully paid and non-assessable;
- (e) all financial statements of the Issuer including all Issuer Financial Statements, have been prepared in accordance IFRS and/or generally accepted accounting principles, present fairly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of the Issuer, as of the date thereof, and there has been no Material Adverse Change in the financial position of the Issuer since the date of the Issuer Financial Statements and the business of the Issuer has been carried on in the usual and ordinary course consistent with past practice since the date thereof;
- (f) the Issuer is not a party to any actions, suits or proceedings which could materially affect its Business or financial condition, and to the best of the Issuer's knowledge, no such actions, suits or proceedings are contemplated or, have been threatened;
- (g) there are no judgments against the Issuer which are unsatisfied, nor are there any consent decrees or injunctions to which the Issuer is subject;
- (h) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any Governmental Authority, to the extent that any of the foregoing is due and payable;

- (i) the Issuer does not have any material outstanding indebtedness or liabilities and is not party to or bound by any guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person that are material to the Issuer, other than those specifically disclosed to 226 in writing or incurred in the ordinary course of business;
- (j) the execution and delivery of this Agreement by the Issuer and the performance of its obligations under this Agreement will not:
  - (i) conflict with, or result in the breach or the acceleration of any indebtedness under, or constitute default under the constating documents of the Issuer, or any indenture, mortgage, agreement, lease, licence, contract, permit or other instrument of any kind whatsoever to which the Issuer is a party or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which the Issuer is bound;
  - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever by the Issuer; or
  - (iii) violate the constating documents of the Issuer, or any resolutions of the directors or shareholders of the Issuer;
- (k) the financial books, records and accounts of the Issuer have in all material respects, been maintained in accordance with Applicable Law, in accordance with applicable accounting standards and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Issuer and accurately and fairly reflect the basis for the Issuer Financial Statements;
- (l) all of the material transactions of the Issuer have been recorded or filed in, or with, the books or records of the Issuer and the minute books of the Issuer contain all records of the material meetings and proceedings of shareholders and directors of the Issuer actually held since its incorporation, as well as the current constating documents of the Issuer, and no modifications or alterations to such constating documents have been proposed or approved by its shareholders or directors;
- (m) the Issuer has made available to 226 for inspection true and complete copies of all material contracts to which the Issuer is a party and that are currently in force (the “**Issuer Material Contracts**”). The Issuer Material Contracts are in full force and effect, and the Issuer is entitled to all rights and benefits thereunder in accordance with the terms thereof. All the Issuer Material Contracts are valid and binding obligations, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors’ rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. The Issuer has complied in all material respects with all terms of the Issuer Material Contracts, has paid all amounts due thereunder if, as and when due, has not waived any rights thereunder and no material default or breach exists in respect thereof on the part of the Issuer or, to the knowledge of the Issuer, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, could constitute such a

default or breach or trigger a right of termination of any of the Issuer Material Contracts;

- (n) the Issuer is in material compliance with all Applicable Laws in the jurisdictions in which it carries on business and which may materially affect the Issuer, has not received a notice of non-compliance, nor does the Issuer know of any facts that could give rise to a notice of such non-compliance with any such laws, regulations and statutes, and the Issuer is not aware of any pending change or contemplated change to any Applicable Law or governmental position that would materially affect the Business of the Issuer or the Business or legal environment under which the Issuer operates;
- (o) there are no securities of the Issuer outstanding, other than the Issuer Shares, which have the right to vote generally, or are convertible into or exchangeable for securities having the right to vote generally, with the holders of Issuer Shares on any matter;
- (p) are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of the Issuer, threatened affecting the Issuer or affecting its property or assets at law or in equity before or by any Governmental Authority, including matters arising under Environmental Laws. Neither the Issuer nor its assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree;
- (q) the Issuer has obtained and is in compliance with all Permits required by Applicable Laws necessary to conduct its Business as now being conducted. To the knowledge of the Issuer, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with the Permits as are necessary to conduct its Business;
- (r) other than accrued legal/accounting fees incurred in the ordinary course of business, the Issuer does not have any loans or other indebtedness outstanding;
- (s) to the best of the Issuer's knowledge, the Issuer is not aware of any material contingent tax liabilities of the Issuer of any kind whatsoever or any grounds which would prompt a reassessment of the Issuer;
- (t) upon their issuance, the Issuer Consideration Shares will be validly issued and outstanding as fully paid and non-assessable securities of the Issuer registered in accordance with the instructions provided by each 226 Shareholder on its respective execution page hereof, free and clear of all liens, charges, escrow conditions or Encumbrances of any kind whatsoever other than those imposed by applicable securities laws under the Securities Acts or the Exchange, or as otherwise contemplated in this Agreement; and
- (u) since January 31, 2021, there has not been any Material Adverse Change of any kind whatsoever to the financial position or condition of the Issuer or any damage, loss or other change of any kind whatsoever in circumstances materially affecting the Business, assets or listing of the Issuer or the right or capacity of the Issuer to carry on its Business.

**7.2 Concerning 226** - In order to induce the Issuer to enter into this Agreement and complete its obligations hereunder 226 represents and warrants to the Issuer that:



- (a) 226 is a valid and subsisting corporation incorporated under the laws of the jurisdiction in which it is incorporated;
- (b) Except as disclosed to the Issuer, 226 is duly registered and licenced to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;
- (c) Except as disclosed to the Issuer, 226 has full corporate power and authority to carry on its Business as now carried on by it, to enter into this Agreement and will have at the Closing, full power and authority to complete the Transaction and related transactions and to carry out its obligations hereunder and the Transaction will be at the Closing, duly authorized by all necessary shareholder and corporate action on the part of 226. This Agreement has been duly executed and delivered by 226, and constitutes a valid and binding obligation of 226 in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered;
- (d) as of the date hereof, the authorized capital of 226 consists of an unlimited number of common shares, of which 17,485,719 226 Shares, registered in the names of the 226 Shareholders, are issued and outstanding as fully paid and non-assessable, and, to the knowledge of 226, such shares are free and clear of all trading restrictions (except pursuant to Applicable Laws, or as provided for herein and in the constating documents of 226), liens, charges or Encumbrances of any kind whatsoever;
- (e) 226 is in material compliance with all Applicable Laws in the jurisdictions in which it carries on business and which may materially affect 226, has not received a notice of non-compliance, nor does 226 know of any facts that could give rise to a notice of such non-compliance with any such laws, regulations and statutes, and 226 is not aware of any pending change or contemplated change to any Applicable Law or governmental position that would materially affect the Business of 226 or the Business or legal environment under which 226 operates;
- (f) all securities of 226 have been issued in compliance with all Applicable Laws, including the Securities Acts. There are no securities of 226 outstanding, other than the 226 Shares, which have the right to vote generally, or are convertible into or exchangeable for securities having the right to vote generally, with the holders of 226 Shares on any matter;
- (g) all financial statements of 226, including the 226 Financial Statements, have been prepared in accordance with IFRS and/or generally accepted accounting principles, present fairly, in all material respects, the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of 226, as of the date thereof, and there has been Material Adverse Change in the financial position of 226 since the date of the 226 Financial Statements and the business of 226 has been carried on in the usual and ordinary course consistent with past practice since the date thereof;
- (h) 226 has made available to the Issuer for inspection true and complete copies of all material contracts to which 226 is a party and that are currently in force (the

**“226 Material Contracts”**). The 226 Material Contracts are in full force and effect, and 226 is entitled to all rights and benefits thereunder in accordance with the terms thereof. All the 226 Material Contracts are valid and binding obligations, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors’ rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. 226 has complied in all material respects with all terms of the 226 Material Contracts, has paid all amounts due thereunder if, as and when due, has not waived any rights thereunder and no material default or breach exists in respect thereof on the part of 226 or, to the knowledge of 226, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, could constitute such a default or breach or trigger a right of termination of any of the 226 Material Contracts;

- (i) except as disclosed to the Issuer in writing, there are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of 226, threatened affecting 226 or affecting its property or assets at law or in equity before or by any Governmental Authority, including matters arising under Environmental Laws. Neither 226 nor its assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree;
- (j) 226 has obtained and is in compliance with all Permits required by Applicable Laws necessary to conduct its Business as now being conducted. To the knowledge of 226, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with the Permits as are necessary to conduct its Business;
- (k) 226 is not a party to any actions, suits or proceedings which could materially affect its business or financial condition, and to the best of 226’s knowledge no such actions, suits or proceedings are contemplated or have been threatened;
- (l) there are no judgments against 226 which are unsatisfied, nor are there any consent decrees or injunctions to which 226 is subject;
- (m) 226 has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any Governmental Authority, to the extent that any of the foregoing is due and payable;
- (n) other than accrued legal/accounting fees incurred in the ordinary course of business and except as disclosed to the Issuer, 226 does not have any loans or other indebtedness outstanding;
- (o) to the best of 226’s knowledge, 226 is not aware of any material contingent tax liabilities of 226 of any kind whatsoever or any grounds which would prompt a reassessment of 226;
- (p) 226 does not have any material outstanding indebtedness or liabilities and is not party to or bound by any guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person that are material to 226, other than those

specifically disclosed to the Issuer in writing prior to the date hereof, or incurred in the ordinary course of business;

- (q) the execution and delivery of this Agreement and the performance of 226's obligations under this Agreement will not:
  - (i) conflict with, or result in the breach or the acceleration of, any indebtedness under, or constitute default under, the charter or constating documents of 226, or any indenture, mortgage, agreement, lease, licence or other instrument of any kind whatsoever to which 226 is a party, or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which it is bound; or
  - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever by 226; or
  - (iii) violate the constating documents of 226, or any resolutions of the directors or shareholders of 226;
- (r) the financial books, records and accounts of 226 have in all material respects, been maintained in accordance with Applicable Law, in accordance with applicable accounting standards and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of 226 and accurately and fairly reflect the basis for all financial statements of 226, including the 226 Financial Statements;
- (s) all of the material transactions of 226 have been recorded or filed in, or with, the books or records of 226 and the minute books of 226 contain all records of the material meetings and proceedings of shareholders and directors of 226 actually held since its incorporation, as well as the current constating documents of 226, and no modifications or alterations to such constating documents have been proposed or approved by its shareholders or directors;
- (t) 226 has one subsidiary entity, being Elkhorn Gold Exploration LLC, a Nevada LLC; and
- (u) since January 31, 2021 there has not been any Material Adverse Change of any kind whatsoever to the financial position or condition of 226 or any damage, loss or other change of any kind whatsoever in circumstances materially affecting the business, assets of 226 or the right or capacity of 226 to carry on its business.

**7.3 Concerning the 226 Shareholders** - In order to induce the Issuer to enter into this Agreement and complete its obligations hereunder, each of the 226 Shareholders severally represents and warrants to the Issuer solely with respect to itself that:

- (a) if a corporation, it is a valid and subsisting corporation duly incorporated under the laws of the jurisdiction in which it is incorporated or formed;
- (b) it will be, at Closing, the legal and beneficial owner of the 226 Shares, registered in its name as set out in Schedule A, free and clear of all Encumbrances and has no right, title or interest in or to any additional shares or other securities of 226;

- (c) at the Closing the 226 Shareholder will have complete and unrestricted right, power and authority to transfer legal and beneficial title in and to its 226 Shares to the Issuer, free and clear of all liens, claims, charges and Encumbrances whatsoever;
- (d) the 226 Shareholder has not granted to anyone any option or right to acquire any of its 226 Shares;
- (e) the entering into and performance of this Agreement and the transactions contemplated herein by it will not violate:
  - (i) if a corporation, its constating documents or bylaws;
  - (ii) will not result in the creation or imposition of any Encumbrance or restriction of any nature whatsoever in favour of a third party upon or against the 226 Shares owned by it; or
  - (iii) any statute, regulation, by law, order, judgment, or decree by which it is bound, except for such violations which would not have a Material Adverse Change on the 226 Shareholder;
- (f) if a corporation, the 226 Shareholder has taken all necessary corporate action to permit and authorize the sale of its 226 Shares to the Issuer;
- (g) it acknowledges and agrees to be bound by any restrictions on the resale of the Issuer Consideration Shares issued to it at the Closing, as agreed in Section 2.4 and that may be imposed by Applicable Law and/or the Exchange as contemplated by Section 2.4 of this Agreement; and
- (h) the 226 Shareholder has been advised to obtain independent legal and tax advice prior to entering into this Agreement.

**7.4 Survival** – The representations and warranties made by the parties under this Article 7 are true and correct as of the date hereof and shall be true and correct at Closing as though they were made at that time, and should such not be the case, the parties to whom the representations and warranties were made shall be entitled, for a period of one year following the Closing, to seek remedy against that party for any such misrepresentation or breach of warranty. After the expiration of such period, as applicable, no party shall have any further liability with respect to any breach of any representation or warranty contained herein, except for those alleged breaches for which notice has been given prior to the end of such period, as applicable.

**7.5 Indemnity** - The Issuer agrees to indemnify and save harmless 226, and 226 similarly agrees to indemnify and save harmless the Issuer, from and against all losses, claims, actions, causes of action and liabilities, including legal fees and disbursements, of any and all nature whatsoever ("**Losses**"), which the other may suffer, sustain or incur or which may be brought, made or asserted against the other as the result of any inaccuracy in any representation and warranty made in this Agreement by the indemnifying party, or which may be suffered or incurred as a result of, in respect of or arising out of any non-fulfillment of any covenant or agreement on the part of such indemnifying party, subject to the following limitations:

- (a) there shall be no obligation to indemnify in respect of a claim not made in writing within either:

- (i) the applicable survival period, if any, specified in Section 7.4; or
  - (ii) the period of 180 days from the date upon which the party claiming the indemnity first learned of the facts giving rise to the claim;
- (b) 226 shall not be considered to be in breach of any representation or warranty concerning the assets or liabilities of 226 by reason of an inaccuracy in aggregate assets or aggregate liabilities which occurs in good faith and does not exceed \$20,000; and
- (c) the Issuer shall not be considered to be in breach of any representation and warranty concerning the assets or liabilities of the Issuer by reason of an inaccuracy in aggregate assets or aggregate liabilities, which occurs in good faith and does not exceed \$20,000.

**7.6 Limitations on Representations and Warranties** – The parties shall not be deemed to have made any representation or warranty other than as expressly made in Sections 7.1 to 7.4 hereof. Notwithstanding anything to the contrary contained herein, no party hereto shall be liable for any Losses resulting from or relating to any inaccuracy in or breach of any representation or warranty in this Agreement if the party seeking indemnification for such Losses had actual or constructive knowledge of such breach or inaccuracy before Closing.

## 8. CLOSING

**8.1 Closing Date** - The Closing shall take place on the Closing Date at the offices of Miller Thomson LLP, 400-725 Granville Street, Vancouver, British Columbia, or at such other date or place upon which 226 and the Issuer may mutually agree.

**8.2 Deliveries by 226 and the 226 Shareholders** - At the Closing, upon the fulfillment or waiver of all of the conditions set out in Article 6, 226 and the 226 Shareholders shall deliver to the Issuer the following documents:

- (a) a certified true copy of the register of shareholders of 226, showing the Issuer as the sole shareholder of 226;
- (b) a 226 Share certificate (or non-certificated notice), registered in the name of the Issuer, representing 100% of the 226 Shares issued and outstanding;
- (c) a certified true copy of the resolutions of the directors evidencing that the board of directors of 226, have approved this Agreement and all of the transactions of 226 contemplated hereunder;
- (d) such other materials that are, in the opinion of the Issuer acting reasonably, required to be delivered by the 226 Shareholders and by 226 in order for them to meet their obligations under this Agreement; and
- (e) evidence satisfactory to the Issuer and its legal counsel, acting reasonably, of the completion of all corporate proceedings of 226 and all other matters which, in the reasonable opinion of counsel for the Issuer, are necessary in connection with the transactions contemplated by this Agreement.

**8.3 Deliveries by the Issuer** - At the Closing on the Closing Date, upon the fulfillment or waiver of all of the conditions set out in Article 6, the Issuer shall deliver to 226, on its own behalf and on behalf of the 226 Shareholders:

- (a) a certified true copy of the resolutions of the directors evidencing that the board of directors of the Issuer, have approved this Agreement and all of the transactions of the Issuer contemplated hereunder;
- (b) a certificate signed by an officer of the Issuer confirming that the representations and warranties of the Issuer contained in this Agreement are true and correct in every respect as of Closing;
- (c) the Issuer Consideration Shares duly registered in accordance with the instructions provided by each 226 Shareholder on their respective execution page hereof;
- (d) resignations of the directors and officers of the Issuer not remaining with the Issuer;
- (e) evidence satisfactory to 226 of the appointment of the directors and officers identified in Section 3.2;
- (f) evidence satisfactory to 226 of the completion of the Name Change;
- (g) such other materials that are, in the opinion of 226 acting reasonably, required to be delivered by the Issuer in order for the 226 Shareholders and/or 226 to meet their obligations under this Agreement; and
- (h) evidence satisfactory to the 226 Shareholders, 226 and its legal counsel, acting reasonably, of the completion of all corporate proceedings of the Issuer and all other matters which, in the reasonable opinion of counsel for the 226 Shareholders and 226, are necessary in connection with the transactions contemplated by this Agreement.

## 9. ORDINARY COURSE

Until the Closing, neither 226 nor the Issuer shall, without the prior written consent of the other or as expressly contemplated herein, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and each of 226 and the Issuer shall continue to carry on its Business and maintain its assets in the ordinary course of business, with the exception of reasonable costs incurred in connection with the Closing, the Transaction, and, without limitation, but subject to the above exceptions, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage in any extraordinary material transactions and shall make no distributions, dividends or special bonuses, shall not repay any shareholders' loans, or enter into or renegotiate any employment or consulting agreement with any senior officer, in each case without the prior written consent of the other.

## 10. TERMINATION

10.1 If any of the conditions contained in Article 6 hereof shall not be fulfilled or performed by the Closing Date (the "**Termination Date**"), or such other later date mutually agreed upon by the Issuer and 226 and such condition is contained in:

- (a) Section 6.1 hereof, either of the Issuer or 226 (on its own behalf and on behalf of the 226 Shareholders) may terminate this Agreement by written notice to the Issuer or 226 (on its own behalf and on behalf of the 226 Shareholders), as applicable;

- (b) Section 6.2 hereof, the Issuer may terminate this Agreement by written notice to 226 (on its own behalf and on behalf of the 226 Shareholders); or
- (c) Section 6.3 hereof, 226 (on its own behalf and on behalf of the 226 Shareholders) may terminate this Agreement by written notice to the Issuer.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder, and provided that any of such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

10.2 If any of the parties hereto shall determine at any time prior to the Closing Date that it intends to refuse to consummate the Transaction or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, the party shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

## 11. ACKNOWLEDGEMENT OF 226 SHAREHOLDERS

11.1 The 226 Shareholders each acknowledge and agree that upon completion of the exchange of the 226 Shares, any and all rights they may have in or to any securities of 226 shall automatically (without any further action) be absolutely terminated and cancelled and no 226 Shareholder shall be entitled to any consideration in respect of same other than as explicitly set forth herein.

## 12. STANDSTILL AGREEMENT

12.1 From the date of the acceptance of this Agreement until the earlier of: (i) completion of the transactions contemplated herein, (ii) the earlier termination hereof, or (iii) March 31, 2021, 226, the 226 Shareholders and the Issuer will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter into discussions or negotiations with, or provide information relating to its securities or assets, business, operations, affairs or financial condition to any Persons in connection with the acquisition or distribution of any securities of 226 or the Issuer, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of 226 or the Issuer, unless such action, matter or transaction is (i) part of the transactions contemplated in this Agreement, (ii) satisfactory to, and is approved in writing in advance by 226 or the Issuer, as applicable, (iii) is necessary to carry on the normal course of business or (iv) required as a result of the fiduciary duties of the directors and officers of the relevant company.

## 13. PUBLIC DISCLOSURE AND CONFIDENTIALITY

13.1 **Restrictions on Disclosure** - No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by the Issuer or 226 without the prior written agreement of the other as to timing, content and method, provided that the obligations herein will not prevent the Issuer or 226 from making, after consultation with the other, such disclosure as its counsel advises is required by Applicable Law or as is required

to carry out the transactions contemplated in this Agreement or the obligations of the Issuer or 226.

**13.2 Confidentiality** - Except with the prior written consent of the other, each of the Issuer or 226 and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from the Issuer or 226, as applicable concerning any of the Issuer, 226 and the 226 Shareholders in strictest confidence and shall not be disclosed or used by the recipients thereof, except such information and documents available to the public or as are required to be disclosed by Applicable Law, including the rules and policies of the Exchange. All such information in written or electronic form and documents will be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

**13.3 Personal Information** - Each of the 226 Shareholders hereby consents to the disclosure of his or her personal information in connection with the transactions contemplated by this Agreement, including without limitation the Transaction, and acknowledges and consents to the fact that 226 and the Issuer are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the 226 Shareholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each 226 Shareholder acknowledges and consents to 226 and the Issuer retaining such personal information for as long as permitted or required by law or business practices. Each 226 Shareholder further acknowledges and consents to the fact that 226 and the Issuer may be required by applicable securities legislation or the rules and policies of the Exchange to provide regulatory authorities with any personal information provided by the 226 Shareholders in this Agreement and each 226 Shareholder further consents to the public disclosure of such information by electronic filing or by any other means.

#### **14. POWER OF ATTORNEY**

**14.1** Each of the 226 Shareholders hereby nominates, constitutes and appoints Sherry Cuku as such 226 Shareholder's true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, and in such Shareholder's name, place and stead, to execute any and all documents, instruments and agreements relating to the Transaction, including all documents, instruments and agreements that may be required to effect the exchange of the 226 Shares, and the subsequent cancellation and termination of the 226 Shares as contemplated hereby, with full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully and to all intents and purposes as each of the undersigned 226 Shareholders might or could do in person, and each of the undersigned 226 Shareholders hereby ratifies and agrees to ratify and confirm all that the said attorney-in-fact and agent, or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

#### **15. GENERAL**

**15.1 Time** - Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement and any waiver by the parties of this paragraph or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.

**15.2 Entire Agreement** - This Agreement constitutes the entire Agreement between the parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as



expressly set forth or referred to herein. In particular, upon the execution and delivery of this Agreement, the Letter of Intent dated January 28, 2021 made between the Issuer and 226 is hereby terminated and of no further force and effect.

**15.3 Independent Legal Advice.** Each of the parties to this Agreement acknowledges and agrees that Miller Thomson LLP (“**MT**”) has acted as legal counsel to the Issuer only, and DuMoulin Black LLP (“**DB**”) has acted as legal counsel to 226 only, and not to any other party to this Agreement, and that neither MT nor DB has been engaged to protect the rights and interests of any of the 226 Shareholders. Each of the 226 Shareholders acknowledges and agrees that 226, the Issuer, the other 226 Shareholders, MT and DB have given them adequate opportunity to seek, and have recommended that they seek and obtain, independent legal and taxation advice (particularly as it relates to section 2.7) with respect to the subject matter of this Agreement and for the purpose of ensuring their rights and interests are protected. Each of the 226 Shareholders represents and warrants to the Issuer, 226, MT and DB that he/she/it has sought independent legal and taxation advice or consciously chosen not to do so with full knowledge of the risks associated with not obtaining such independent legal and taxation advice.

**15.4 Further Assurances** - The parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any party may, either before or after the Closing, reasonably require of the others in order that the full intent and meaning of this Agreement is carried out. The provisions contained in this Agreement which, by their terms, require performance by a party to this Agreement subsequent to the Closing, shall survive the Closing.

**15.5 Amendments** - No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid or binding upon the parties hereto unless such alteration, amendment, modification or interpretation is in a form executed by 226, the Issuer and not less than 66 2/3% of the 226 Shareholders; provided that if any such alteration, amendment, modification, or interpretation materially adversely affects a particular 226 Shareholder or group of 226 Shareholders more so than the other 226 Shareholders, the written consent of such materially adversely affected 226 Shareholder(s) shall also be required. Notwithstanding the foregoing, the provisions hereof may be altered, amended or modified on written consent of the Issuer and 226 only, provided such alteration, amendment or modification is made for any one or more or all of the following purposes:

- (a) adding to the provisions hereof such additional covenants, enforcement provisions, and release provisions (if any) as in the opinion of counsel acceptable to the Issuer and 226 are necessary or advisable, provided the same are not, in the opinion of counsel to the Issuer and 226, prejudicial to the interests of the 226 Shareholders;
- (b) adding to the covenants of the Issuer or 226 in this Agreement for the protection of the 226 Shareholders;
- (c) providing for the issuance of an alternative number of the Issuer Consideration Shares and any consequential amendments hereto as may be required by the Issuer and 226 relying on the advice of counsel, provided the same are not, in the opinion of counsel to the Issuer and 226, materially prejudicial to the interests of the 226 Shareholders;
- (d) making such provisions not inconsistent with this Agreement as may be deemed necessary or desirable with respect to matters or questions arising

hereunder, provided the same are not, in the opinion of counsel to the Issuer and 226, prejudicial to the interests of the 226 Shareholders;

- (e) to rectify any ambiguity, defective provision, clerical omission or mistake or manifest or other error contained herein or in any deed or agreement supplemental or ancillary hereto provided that, in the opinion of the counsel to the Issuer and 226, the rights of the 226 Shareholders are not prejudiced thereby;
- (f) adding to or altering the provisions hereof in respect of the transfer of securities and making provision for the exchange of securities of different denominations which do not affect the substance thereof; or
- (g) for any other purpose not inconsistent with the provisions of this Agreement, provided that, in the opinion of counsel to the Issuer and 226, the rights of the 226 Shareholders are in no way prejudiced thereby.

**15.6 Notices** - Any notice, request, demand, election and other communication of any kind whatsoever to be given under this Agreement shall be in writing and shall be delivered by hand, e-mail or mail to the Issuer or 226 (on its own behalf and on behalf of the 226 Shareholders) at their following respective addresses:

**To the Issuer:**

Lode Metals Corp.  
Suite 918 – 1030 West Georgia Street  
Vancouver, BC V6E 2Y3

**Attention:** Marlis Yassin

**Email:** [REDACTED]

**To 226 or the 226 Shareholders:**

410 – 1012 104 Street NW  
Edmonton, Alberta T5J 1A1

**Attention:** Dean Besserer

**Email:** [REDACTED]

or to such other addresses as may be given in writing by the Issuer or 226, in the manner provided for in this paragraph, and the party sending such notice should request acknowledgment of delivery and the party receiving such notice should provide such acknowledgment. Notwithstanding whether or not a request for acknowledgment has been made or replied to, whether or not delivery has occurred will be a question of fact. If a party can prove that delivery was made as provided for above, then it will constitute delivery for the purposes of this Agreement whether or not the receiving party acknowledged receipt.

**15.7 Assignment** - This Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.

**15.8 Governing Law** - This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada

applicable therein, and the parties hereby irrevocably and unconditionally attorn to the jurisdiction of the Courts of British Columbia.

15.9 **Counterparts** - This Agreement may be signed by fax, e-mail (scan) or other means of electronic transmission and in counterpart, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

15.10 **Severability** - If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions will not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

15.11 **Number and Gender** - Unless the context of this Agreement otherwise requires, to the extent necessary so that each clause will be given the most reasonable interpretation, the singular number will include the plural and vice versa, the verb will be construed as agreeing with the word so substituted, words importing the masculine gender will include the feminine and neuter genders, words importing persons will include firms and corporations and words importing firms and corporations will include individuals.

15.12 **Enurement** – This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, trustees, representatives, heirs and executors.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

**LODE METALS CORP.**








*"Marlis Yassin"*  
Per: \_\_\_\_\_  
Authorized Signatory

**2262496 ALBERTA LTD.**

*"Sherry Cuku"*  
Per: \_\_\_\_\_  
Authorized Signatory

**SCHEDULE A - 226 SHAREHOLDERS**


This Schedule A is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

<b>NAME AND ADDRESS</b>	<b>NUMBER OF SHARES (POST ROLL-BACK)</b>
Ty And Sons Investments Inc. 	1,785,714
Carrera Capital Management Inc. 	1,785,714
Vince Sorace 	2,142,858
Haywood Securities Inc. 	8,571,432
Dean J Besserer 	1,200,000 <sup>1</sup>
Kenneth Tullar 	2,000,000
Kenneth Tullar 	1 <sup>2</sup>

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<sup>1</sup> Shares for debt transaction

<sup>2</sup> Issued for the purchase of Elkhorn Gold Exploration LLC

NAME AND ADDRESS	NUMBER OF SHARES (POST ROLL-BACK)
	
<b>Total</b>	17,485,719

**SCHEDULE B - Signatures of 226 Shareholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder: Vince Sorace

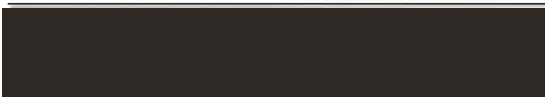
Address of 226 Shareholder:



**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: Vince Sorace

Address of Record for Shareholder:



Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.

WITNESSED BY:

"Dean Besserev"

Signature

*Dean Besserev*

Name

Address

Occupation

*Vince Sorace*

**Print name: Vince Sorace**



**SCHEDULE B - Signatures of 226 Shareholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder: Ty And Sons Investments Inc.

Address of 226 Shareholder: 918-1030 West Georgia St.  
Vancouver, BC  
V6E 2Y3

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: Ty And Sons Investments Inc.

Address of Record for Shareholder: 918-1030 West Georgia St.  
Vancouver, BC  
V6E 2Y3

Delivery Address (if different from address of record):

Contact Person Name: Talal Yassin

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.

Corporate Name: TY & Sons Investments Inc.

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Per: "Talal Yassin"  
**Authorized Signatory**

Name: Talal Yassin

Title: President

**SCHEDULE B - Signatures of 226 Shareholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder: Kenneth Tullar

Address of 226 Shareholder:

[REDACTED]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: Kenneth Tullar

Address of Record for Shareholder:

[REDACTED]

Delivery Address (if different from address of record):

[REDACTED]

Contact Person Name:

Kenneth Tullar

Contact Person Telephone:

[REDACTED]

Contact Person Email Address:

[REDACTED]

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.

WITNESSED BY:

"Rew Goodenow"

Signature

*Rew Goodenow*

Name

*Kenneth N. Tullar*

Print name:

Address

Occupation

C

**SCHEDULE B - Signatures of 226 Shareholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder: Carrera Capital Management Inc.

Address of 226 Shareholder: 311 Bay Street  
Suite 4605  
Toronto, ON  
M5H 4G5

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: Carrera Capital Management Inc

Address of Record for Shareholder: 311 Bay Street  
Suite 4605  
Toronto, ON  
M5H 4G5

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.

Corporate Name: **Carrera Capital Management Inc.**

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Per: "Jeffrey Zicherman"  
**Authorized Signatory**

Name: Jeffrey Zicherman

Title: **Director**

**SCHEDULE B - Signatures of 226 Shareholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder:

Dean Besserer

Address of 226 Shareholder:

[REDACTED]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Dean Besserer

Address of Record for Shareholder:

[REDACTED]

Delivery Address (if different from address of record):

Haywood Securities Inc.

Contact Person Name:

Angie Kerr (c/o Andrew Williams)

Contact Person Telephone:

[REDACTED]

Contact Person Email Address:

[REDACTED]

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.







**SCHEDULE B - Signatures of 226 Shareholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**226 Shareholder Details:**

Name of 226 Shareholder: Haywood Securities Inc.

Address of 226 Shareholder: 700-200 Burrard Street  
Vancouver, BC  
V6B 1B4

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: Haywood Securities Inc.

Address of Record for Shareholder: 700-200 Burrard Street  
Vancouver, BC  
V6B 1B4

Delivery Address (if different from address of record):

~~Haywood Securities Inc.~~  
700 - 200 Burrard St.  
Vancouver, B.C.  
V6C 3L6

Contact Person Name:

*Henry [Signature]*

Contact Person Telephone:

Contact Person Email Address:



The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the 226 Shareholder agrees to transfer to the Issuer all of the 226 Shares it owns, as described in Schedule A.

Corporate Name Haywood Securities Inc.

Per: "Kerry Nyhan"  
**Authorized Signatory**

Name: Kerry Nyhan

Title: VP Operations

APR 09 2021

## SCHEDULE C

### CLAIMS

226 is party to an exploration and purchase option agreement dated November 9, 2020 with Cracker Creek Gold Corporation and a services agreement dated November 21, 2020 with Minefinders LLC, in respect of which 226 has certain rights and obligations to Cracker Creek Gold Corporation and Minefinders LLC, in respect of the Claims noted below, as set out in the foregoing agreements.

#### TRACT I

Land in Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, described as follows:

Section 28: Lots 12 and 13.

Section 29: Lot 9.

Section 32: Lots 4 to 10 inclusive, 14 and 15.

Section 33: Lots 3 to 7 inclusive and 9.

#### TRACT II

The following claims and lands are a portion of what is commonly and collectively known as the "Bourne Group".

That certain mining claim or premises known as the Consolidated Fractional Quartz Lode Mining Claim, consisting of the Summit Quartz and Fractional Quartz Lode Claims, embracing a portion of Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, and as described in Patent recorded in Deed Book "V", Page 607, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 50, and known as the Taber Fractional Mine.

ALSO INCLUDING the Patented Mining Claims and real property comprising a portion of what is known as the North Pole Mine, embracing a portion of Townships 8 and 9, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, described as follows:

The North Pole Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book "V", Page 150, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 42; the Central Placer Mining Claim, as described in United States Patent recorded in Deed Book "Y", Page 472, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 62;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to January 7, 1893.

the Williams Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book "Y", Page 476, Records of Baker County, Oregon, said mining claim being designated by the Surveyor General as Lot No. 43;

the North Star Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book "Y", Page 555, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 51;

the More or Less Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book "Z", Page 404, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 298;

the Villard Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 42, Page 116, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 267;

the Gold Dollar Lode Mining Claim, as described in United States Patent recorded in Deed Book 48<sup>3</sup>, Page 289, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 424;

the Anniversary Consolidated Quartz Mining Claim, consisting of the Fritz, Protection, and Anniversary claims as described in United States Patent recorded in Deed Book 48, Page 285, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 494;

the Blue Mountain Quartz Lode Claim, as described in United States Patent recorded in Deed Book 50, Page 635, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 365;

the Baring Consolidated Placer Mining Claim, consisting of the Baring, Maryland, Annex, and Basin Placer Claims, as described in United States Patent recorded in Deed Book 58, Page 438, Records of Baker County, Oregon, said mineral claims having been designated by the Surveyor General as Lot No. 61;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to January 27, 1893.

the South Pole and Evans Lode Mining Claims, as described in United States Patent recorded in Deed Book 58, Page 612, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 422;

the Majestic Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 58, Page 614, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 423;

the Raging Roland Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 60, Page 1, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 53;

the North Star No. 2 Lode Mining Claim, as described in United States Patent recorded in Deed Book 61, Page 584, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 502;

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<sup>3</sup> The Underlying Report and Bargain and Sale Deed recorded September 4, 2019 at instrument number B19 35 0250 incorrectly list the recording information for the patent for the Gold Dollar Lode Mining Claim as Book 43, Page 289.

the Bismark Consolidated Mining Claim, consisting of the Bismark Quartz and Gladstone Quartz Lode Claims, as described in United States Patent recorded in Deed Book 61, Page 586, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 471;

and the Yankee Jack and the South 358.6 feet of the Yankee Jim Lode Mining Claims, known as a portion of the Yankee Jim Quartz Claim, as described in United States Patent recorded in Deed Book 61, Page 588, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 490;

ALSO INCLUDING the Patented Mining Claims and real property, situated in Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, described as follows:

The Cracker and Oregon Consolidated Quartz Claims, consisting of the Cracker and Oregon Quartz Lodes, as described in United States Patent recorded in Deed Book "V", Page 611, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 52;

the Eureka Quartz Lode Mining and Mill Site Claims, as described in United States Patent recorded in Deed Book 100, Page 150, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot Nos. 37-A and 37-B a;

the Excelsior Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 152, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 38;

the Shyster Consolidated Mining Claim, consisting of the Shyster and Blackmailer Quartz Lode Mining, and Shyster Mill Site Claims, as described in United States Patent recorded in Deed Book 100, Page 156, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot Nos. 315-A and 315-B;

the Excelsior No. 2 Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 159, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 455;

the Webfoot Placer Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 161, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 45;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to April 16, 1889.

the Willamette Placer Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 163, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 46;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to April 16, 1889.

the Small Hope Placer Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 165, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 44;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to April 16, 1889.

the Northern Consolidated Placer Claim, consisting of the Northern, Southern, and Creek Placer Claims, as described in United States Patent recorded in Deed Book 100, Page 168, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 56;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to March 1, 1892.

and the Tamarack Placer Mining Claim, as described in United States Patent recorded in Deed Book 100, Page 170, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 303;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to February 12, 1896.

### **TRACT III**

The following claims and lands are commonly and collectively known as a portion of the "Bourne Group".

The Patented Mining Claims and real property comprising a portion of what is known as the Columbia Group, embracing a portion of Township 8, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon described as follows:

The Appomattox Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 35, Page 402, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 48;

the Cyclone Consolidated Quartz mining claim, consisting of the Cyclone and Protection Lode Claims, as described in United States Patent recorded in Deed Book 42, Page 487, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 366;

the Old Middleman and Tin Horn Lode Mining and Tin Horn Mill Site Claims, as described in United States Patent recorded in Deed Book 125, Page 627, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot Nos. 367 and 367-B;

the Columbia Quartz Lode Mining Claim, as described in United States Patent recorded in Deed Book 173, Page 883, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 40.

ALSO including a parcel of land in Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, according to the official plat of the survey

of the said land on file in the General Land Office, said lands being lieu selection No. 3521 (now known as The Dalles 026766) as finally adjusted and patented, described as follows:

Section 30: The Southeast quarter of the Northwest quarter; the Northeast quarter of the Southwest quarter; and the Northwest quarter of the Southeast quarter.

ALSO including a parcel of land in Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, according to the official plat of the survey of the said land on file in the General Land Office, said lands being covered by a portion of the lieu selection No. 817 (now known as The Dalles 023714), described as follows:

Section 29: The East half of the Southeast quarter of the Southwest quarter; and the East half of the West half of the Southeast quarter of the Southwest quarter.

Section 32: The North half of the Northeast quarter of the Northeast of the Northwest quarter; and the Northeast quarter of the Northwest quarter of the Northeast quarter of the Northwest quarter.

ALSO INCLUDING the Patented Mining Claims and real property comprising a portion of what is known as the North Pole Mine, embracing a portion of Townships 8 and 9, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, described as follows:

The Louise Consolidated Mining Claim, consisting of the Alexander, Louise, and Cassel Placer Claims, as described in United States Patent recorded in Deed Book "Y", Page 462, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 60;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to October 28, 1892.

the Bear Consolidated Mining Claim, consisting of the Black Bear, Brown Bear, and Grizzly Bear Lode Claims, as described in United States Patent recorded in Deed Book 109, Page 345, Records of Baker County, Oregon, said mining claims having been designated by the Surveyor General as Lot No. 470;

and the Hydraulic Placer Mining Claim, as described in United States Patent recorded in Deed Book 50, Page 637, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 410;

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to January 31, 1901.

ALSO INCLUDING the Homestake and Golden Gate Lode Mining Claims, embracing a portion of Townships 8 and 9 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, as described in United States Patent recorded in Deed Book 109, Page 349, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 514, said claims comprising the patented portion of what is known as the Gleason and Davenport Holdings.

ALSO INCLUDING the Patented Mining Claim and real property, situated in Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, described as follows:



The Afterthought Quartz Claim, as described in United States Patent recorded in Deed Book 100, Page 154<sup>4</sup>, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 296-A.

#### **TRACT IV**

The Sampson Consolidated Quartz Mine, consisting of the Sampson, Risk, and Venture Lode Mining Claims, embracing a portion of Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, as described in United States Patent recorded in Deed Book 58, Page 332, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 493.

#### **TRACT V**

A portion of the Cracker Placer Mining Claim, which is a part of the Eureka Consolidated Placer Mining Claim, embracing a portion of Township 8 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon, as described in United States Patent recorded in Deed 79 21 091, Records of Baker County, Oregon, said mineral claim having been designated by the Surveyor General as Lot No. 11-7, more particularly described as follows:

A strip of land lying North of Columbia Street and West of Main Street, as described by the BOURNE TOWNSITE, according to the official plat thereof, and lying East of Cracker Creek, all within the County of Baker and State of Oregon.

EXCEPTING THEREFROM any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits, which may have been discovered within said limits and known to exist prior to June 14, 1889.

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<sup>4</sup> The Underlying Report incorrectly includes a scrivener's error, listing the Patent recording information from the one of the preceding mining claim descriptions.