

EXPLORATION AND PURCHASE OPTION AGREEMENT

 THIS EXPLORATION AND PURCHASE OPTION AGREEMENT ("Agreement") is made as of the 15th day of November 2020 (the "Effective Date").

BETWEEN:

CRACKER CREEK GOLD CORPORATION, an Oregon corporation having an office at
("Optionor")

AND:

2262496 ALBERTA LTD., an Alberta, Canada corporation having an office at 410-10113
104 Street NW, Edmonton, Alberta T5J1A1
("Optionee")

Optionor and Optionee may be referred to herein individually as a "Party" or collectively as the "Parties," as the context requires.

WHEREAS:

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

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

ARTICLE 1 - DEFINITIONS

- 1.1 For the purposes of this Agreement the following words and phrases will have the following meanings, namely:
 - (a) "Affiliate" means, with respect to a Party, any person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Party;
 - (b) "Agreement" means this Exploration and Purchase Option Agreement, as amended from time to time;
 - (c) "AOI Property" has the meaning attributed to such term in Section 7.1;

- (d) **"Business Day"** means a day other than a Saturday, Sunday or any day on which the banks in the City of Portland, Oregon, are not open for business during normal banking hours;
- (e) **"Closing"** has the meaning set out in Section 3.5;
- (f) **"Commercial Production"** means the commercial exploitation of ore from the Property, but does not include milling for the purpose of testing or milling or leaching by a pilot plant or during the initial tune-up period of a plant. Commercial Production shall be deemed to have commenced (i) if a plant is located on any portion of the Property, on the first day of the month following the first period of 40 consecutive days during which ore has been processed through such plant for not less than 30 days at an average rate of not less than 70% of the initial rated capacity of such plant; or (ii) if no plant is located on the Property, on the first day of the month following the first period of 30 days during which ore has been shipped from the Property for the purpose of earning revenue;
- (g) **"Due Diligence Operations"** has the meaning set out in Section 5.1;
- (h) **"Effective Date"** means the date of this Agreement, as first set out above;
- (i) **"Encumbrance"** means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien, charge, royalty, restrictive covenant or other encumbrance or claim of any nature, whether registered or unregistered, and whether arising by agreement, statute or otherwise;
- (j) **"Exercise Notice"** has the meaning set out in Section 3.3;
- (k) **"Gross Revenue"** has the meaning set out in Schedule C, attached hereto and incorporated herein;
- (l) **"Minerals"** means all materials of commercial value produced or derived from the Property and all base metals and minerals, all precious metals and minerals, all rare earth, non-metallic minerals including diamonds, all industrial minerals and all ores, concentrates, precipitates, beneficiated products, and solutions containing any of the aforementioned metals or minerals, and all forms in which such metals and minerals may occur, be found, extracted or produced on, in or under the Property;
- (m) **"Net Smelter Returns"** has the meaning set out in Schedule C, attached hereto and incorporated herein;
- (n) **"NSR Royalty"** has the meaning set out in Section 4.1;
- (o) **"Option"** has the meaning attributed to such term in Section 3.1;

- (p) "Option Period" means the period commencing on the Effective Date and ending on the earlier of (i) the date that the Option is deemed to have been exercised by Optionee in accordance with the terms of this Agreement and (ii) the date that this Agreement is terminated in accordance with its terms;
- (q) "Optionee" means 2262496 Alberta Ltd.;
- (r) "Optionor" means Cracker Creek Gold Corporation;
- (s) "Property" means the Cracker Creek Gold Property located in Bourne, Oregon, as more particularly described in Schedule B, attached hereto and by this reference incorporated herein (and, solely for reference and orientation purposes, not for descriptive or definitional purposes, a map showing the location of the Property is provided in Schedule A hereto);
- (t) "Purchase Price" has the meaning set out in Section 3.1;
- (u) "Representatives" means (i) partners, employees, personnel, officers, managers, directors, members, stockholders, equity owners and counsel of a Party or any of its Affiliates; or (ii) any consultant, advisor, representative or agent retained by a Party or the Parties listed in the foregoing subsection (i), and;
- (v) "Special Warranty Deed" has the meaning set out in Section 3.5.
- (w) "Timber Operations" has the meaning set forth in Section 3.6.

1.2 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein and supersedes all prior arrangements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal, express or implied, including the memorandum of understanding between the Parties dated July 8, 2020.

1.3 Headings

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

1.4 Currency

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

ARTICLE 2 – REPRESENTATIONS, WARRANTIES AND COVENANTS

- 2.1 Optionor represents and warrants to, and covenants with Optionee that:
- (a) it is a company duly organized, validly existing and in good standing under the laws of the State of Oregon;
 - (b) it has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to herein or contemplated hereby and to consummate the transactions contemplated hereby;
 - (c) neither the execution and delivery of this Agreement, nor any of the agreements referred to herein or contemplated hereby, nor the consummation of the transactions hereby contemplated conflict with, result in the breach of or accelerate the performance required by any agreement to which it is a party;
 - (d) the execution and delivery of this Agreement and the agreements referred to herein or contemplated hereby will not violate or result in the breach of the laws of any jurisdiction applicable to it or its constating documents;
 - (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder;
 - (f) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms;
 - (g) Optionor owns an undivided 100% legal, beneficial and recorded interest in and to the Property and has the exclusive right to enter into this Agreement and all necessary authority to dispose of an undivided 100% interest in and to the Property in accordance with the terms of this Agreement;
 - (h) the Property is properly and accurately described in Schedule B to this Agreement;
 - (i) the Property is in good standing and free and clear of any Encumbrances or third party interests or other interest whatsoever in production from any part of the Property and no previously existing royalty is payable in respect of any part of the Property, and Optionor is not aware of any agreements or options to grant or convey any interest or rights in the Property or to pay any royalties with respect to the Property in force as of the date hereof, other than the NSR Royalty;

- (j) other than this Agreement, Optionor It is not a party to any outstanding agreements or options to acquire, purchase or sell the Property or any portion thereof or any interest therein;
- (k) no part of the Property is subject to any area of common interest or similar obligation to or with a third person;
- (l) there is no adverse claim or challenge against or to the ownership of or title to any part of the Property, and no party has any right, title, claim or other interest in the Property, nor to the knowledge of Optionor after due inquiry is any of the foregoing pending or threatened nor is there any basis therefor;
- (m) all fees, taxes, assessments, rentals, levies or other payments, and all reports and other filings, required to be made to such date relating to the Property have been made in a timely manner;
- (n) to Optionor's knowledge, there are no actions, or claims, investigations, suits, proceedings or inquiries (judicial or otherwise) pending or threatened against or relating to the Property before or by any governmental or regulatory agency or board, which would reasonably be expected to have a materially adverse effect on the ability of Optionor to perform its obligations hereunder;
- (o) to Optionor's knowledge, none of the Property is subject to any environmental investigation or requires any remedial action under any environmental laws;
- (p) Optionor has not received and has no reason to expect to receive from any governmental or regulatory agency or board any notice of or communication relating to any actual or alleged environmental claims, including but not limited to any notice of or communication relating to a release, threatened release or disposal of any hazardous substance at, on, under or from the Property, and there are no outstanding agreements, orders, decrees, judgments, licenses, permit conditions or other directives of any governmental authority relating to or requiring any action relating to environmental matters respecting the Property or any operations carried out on the Property;
- (q) Optionor has no reason to believe that all prior work carried out on the Property by third parties has not been done in full compliance with all applicable laws and regulations;
- (r) to the best of Optionor's knowledge, information and belief, no part of the Property lies within any protected area, rescued area, reserve, reservation or reserved area or other designated area, that would impair the development of a mining project thereon;

- (s) Optionor has provided to Optionee data, maps, interpretive data, samples and other materials relevant to the Property for evaluation in the possession or control of Optionor and Optionor will permit Optionee to retain possession of such materials and information during the Option Period, it being understood that these materials will remain in Optionee's possession in the event the Option is exercised and, if the Option is not exercised, returned to Optionor;
- (t) during the Option Period, Optionor will immediately notify Optionee of any defaults with respect to ownership of the Property and will not abandon any portion of the Property without the prior written consent of Optionee; and
- (u) it will, before it conducts any Timber Operations hereunder, give notice to the Optionee of its intention and scope of proposed Timber Operations so that the proposed Timber Operations can be reasonably coordinated with the Optionee's planned and documented exploration activities on the Property.

2.2 Optionee represents and warrants to, and covenants with Optionor that:

- (a) It is a company duly organized, validly existing and in good standing under the laws of the Province of Alberta;
- (b) it has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to herein or contemplated hereby and to consummate the transactions contemplated hereby;
- (c) neither the execution and delivery of this Agreement, nor any of the agreements referred to herein or contemplated hereby, nor the consummation of the transactions hereby contemplated conflict with, result in the breach of or accelerate the performance required by any agreement to which it is a party;
- (d) the execution and delivery of this Agreement and the agreements referred to herein or contemplated hereby will not violate or result in the breach of the laws of any jurisdiction applicable to it or its constituting documents;
- (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder;
- (f) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms;
- (g) Optionee is qualified under applicable law to own the Property and is qualified to hold and perform under any and all permits, licenses and other

authorizations required by applicable law to conduct mineral exploration, development, mining and production activities on the Property;

- (h) Optionor shall not directly or indirectly have any responsibility, liability or expense as a result of undertakings or agreements of Optionee or any of Optionee's Representatives or Affiliates for any brokerage fees, finder's fees, agent's commissions or other similar forms of compensation in connection with the negotiation, execution or delivery of this Agreement, Optionee's exercising of the Option or any other agreement or transaction contemplated hereby;
 - (i) Optionee will have ample opportunity during the Option Period under this Agreement to examine the Property and all available records, documents and other information pertaining to the Property and to fully investigate the Property's surface and subsurface environmental and physical condition. If Optionee elects to exercise the Option, Optionee (i) shall rely solely on its own independent investigation of and judgment regarding the Property, the advice of its own legal, economic and technical advisors, and the express representations, warranties and covenants of Optionor contained in this Agreement, (ii) will have made such inspections and environmental assessments of the Property as Optionee deems appropriate, and (iii) will have satisfied itself through its own due diligence of the acceptability of the Property's surface and subsurface environmental and physical condition; and
 - (j) In the event that this Agreement is terminated before Optionee exercises the Option, Optionee shall within sixty (60) days after such termination return and assign to Optionor in full all exploration and technical information and data, maps, interpretive data, samples and other material relevant to the Property and in its possession or control.
- 2.3 The representations, warranties and covenants set out in this Article 2 are conditions on which the Parties have relied in entering into this Agreement, and will survive the exercise of the Option or the termination of this Agreement in accordance with its terms, whichever will first occur, for a period of two years. Each Party will indemnify and save the other harmless from all losses, damages, costs (including reasonable legal expenses, but not including losses of profits or opportunity or punitive, consequential or incidental damages), actions and suits arising out of or in connection with any material breach of any representation or warranty contained in this Agreement, and each Party will be entitled, in addition to any other remedy to which it may be entitled, to set off any such loss, damage or costs suffered by it as a result of any such breach against any payment required to be made by it to any other Party hereunder.
- 2.4 Except as and to the extent expressly set forth in Section 2.1, Optionor makes no representations or warranties, express, statutory or implied, and expressly disclaims all liability and responsibility for any extraneous statements or communications

(made orally or in writing) to Optionee or Optionee's Affiliates or Representatives regarding this Agreement or the Property.

- 2.5 Except as and to the extent expressly set forth in Section 2.1, Optionor expressly disclaims any representation or warranty, express, statutory or implied, oral or written, as to (a) the contents, character or nature of any descriptive memorandum, or any report of any engineering consultant, or any geological or seismic data or interpretation, or any technical report, relating to the Property, (b) the quantity, quality or recoverability of Minerals in or from the Property, (c) any estimates of the value of the Property or future revenues generated by or from the Property, (d) the production of Minerals from the Property, or whether production from the Property has occurred or been continuous or economical, (e) the maintenance, repair, condition, quality, suitability, design or marketability of the Property, or (f) any other information that may have been made available or communicated to Optionee in connection with the transactions contemplated by this Agreement or any discussion or presentation relating thereto; and Optionor further disclaims any representation or warranty, express, statutory or implied, oral or written, of merchantability, fitness for a particular purpose, or conformity to models or samples, it being expressly understood and agreed by the Parties that Optionee is and shall be deemed to be acquiring the Property in its present status, condition and state of repair, "as is" and "where is" with all faults, except as otherwise expressly provided in Section 2.1.
- 2.6 Except as and to the extent expressly set forth in 2.1, Optionor does not make any representation or warranty regarding any matter or circumstance relating to environmental laws, the release of hazardous materials or other materials into the environment or the protection of human health, safety or the environment, or any other environmental condition of the Property, and nothing in this Agreement or otherwise shall be construed as such a representation or warranty, it being expressly understood and agreed by the Parties that Optionee will make or cause to make such inspections and environmental assessments of the property as Optionee deems appropriate, and, in respect of the property's environmental condition, Optionee will be acquiring the Property "as is" and "where is" with all faults except as otherwise expressly provided in Section 2.1.
- 2.7 Before signing or accepting this Agreement, Optionor and Optionee will work cooperatively to address any particular land use requirements and related boilerplate contract requirements mandated by Oregon statutory law.

ARTICLE 3 - GRANTING AND EXERCISE OF OPTION; CLOSING

- 3.1 Optionor hereby grants to Optionee the sole and exclusive option (the "Option") to acquire an undivided 100% legal and beneficial right, title and interest in and to the Property free and clear of all Encumbrances, save and except for the NSR Royalty, for a total purchase price of \$3,000,000 (the "Purchase Price"). As full consideration for both (1) the Option granted by Optionor under this Agreement, and (2) the right to conduct Due Diligence Operations during the Option Period pursuant to Article 5

below, Optionee shall pay Optionor by wire transfer of immediately available funds to an account designated in writing by Optionor the following amounts:

- (a) \$100,000 on the Effective Date; and
- (b) \$60,000 every six months after the Effective Date until the date that Optionee exercises the Option as provided under this Agreement or until the date that this Agreement terminates according to its terms.

3.2 To maintain the Option in good standing, Optionee shall timely make the cash payments specified in Section 3.1, above, and shall otherwise comply with all of Optionee's obligations under this Agreement.

3.3 If the Option has been maintained in good standing by Optionee under the terms of this Agreement, Optionee may exercise the Option at any time after the Effective Date as follows:

- (a) on or before the Option's expiration date specified in Section 3.4, deliver written notice to Optionor of Optionee's decision to exercise the Option (the "Exercise Notice");
- (b) concurrently with Optionee's delivery of the Exercise Notice to Optionor, pay Optionor by wire transfer of immediately available funds the sum of \$300,000 as a deposit towards the Purchase Price; and
- (c) performing the requirements for Closing (defined below), including payment in full of the remaining balance of the Purchase Price, in accordance with Sections 3.5 and 3.8 below.

3.4 Optionee must exercise the Option on or before May 1, 2024. If Optionee does not exercise the Option on or before that date, the Option shall automatically cease and expire and (other than those provisions that by their express terms survive the termination of this Agreement) this Agreement will terminate, all without further action or documentation by either Party. Any and all payments by Optionee to Optionor under Section 3.3 are nonrefundable when paid, regardless of whether Optionee exercises the Option, whether this Agreement is terminated before Optionee exercises the Option or whether Optionee has performed any Due Diligence Operations as contemplated under Article 5.

3.5 Consummation of Optionor's sale and Optionee's purchase of the Property as contemplated by this Agreement (the "Closing") shall, unless otherwise agreed to in writing by the Parties, take place by conference call and electronic transfer of signature pages and deliverables on the tenth (10th) Business Day after the date of Optionor's Exercise Notice. The sale, transfer, assignment and conveyance of the Property (save and except for the NSR Royalty) by Optionor to Optionee shall be by special warranty of title, by, through and under the Optionee, but not otherwise, in the form attached hereto as Schedule D (the "Special Warranty Deed"). Except as

otherwise set forth in this Agreement, Optionee's sole remedy in respect of title matters from and after the Closing shall be pursuant to the special warranty of title set forth in the Special Warranty Deed.

3.6 Notwithstanding anything in this Agreement to the contrary and subject to Section 3.7, until the Option on the Property is exercised and the Property sold, Optionor retains and shall have the right but not the obligation, at its own risk and expense, subject to the priority of the Optionee conducting exploration activities on the Property and making reasonable accommodations to Optionor, to cut, harvest, remove and sell timber on and from the Property for its own account and to enter onto and use the Property for purposes incidental to such activities, such activities on and uses of the Property being collectively referred to herein as "Timber Operations". The Optionor will hold harmless, release, indemnify and defend Optionee and Optionee's affiliates, stockholders, equity owners, directors, officers, employees, agents, representatives, attorneys, consultants and advisors from and against any and all liabilities, claims, causes of action, demands, damages, costs and expenses (including reasonable attorneys' fees) arising out of or incurred in connection with (a) Optionor's conduct of Timber Operations on the Property and failure to comply with any permit, license or approval or any law, regulation or requirement applicable to the Timber Operations on and uses of the Property for Timber Operations; and (b) any personal injury, death or property damage to the extent caused by any willful or negligent act or omission of Optionor conducting Timber Operations as permitted under this Agreement. If the Optionor builds any roads in connection with its Timber Operations, the Optionee will have access and will be authorized to use such roads.

3.7 Insurance for Timber Operations.

- (a) Until the Option on the Property is exercised and the Property sold, Optionor shall maintain the following insurance and in each case whenever reasonably commercially possible naming Optionee as an additional named insured:
 - (i) Employer's Liability and Workers Compensation. Optionor shall effect and maintain insurance providing coverage against any and all claims and liabilities relating to worker's compensation, occupational harm and employers' liability for any loss, accident or injury (including death) to any person employed or engaged by Optionor in connection with the Timber Operations.
 - (ii) Comprehensive General Liability. Optionor shall effect and maintain comprehensive general liability or excess umbrella liability insurance, including without limitation coverage for any loss or liability for bodily injury, death and property damage arising from or based on any willful or negligent act or omission of Optionor or any of its employees, agents, representatives or subcontractors under this Agreement. The insurance policy shall be effected for an amount not less than

US\$2,000,000 in respect of any one occurrence and shall be unlimited as to the number of occurrences during the period of insurance.

- (iii) Motor Vehicle Insurance. Optionor shall effect and maintain motor vehicle third-party liability insurance for all owned, hired, leased, and non-owned motor vehicles used by Optionor in connection with the Timber Operations. The insurance policy shall be effected for an amount not less than \$1,000,000 (or as required by law in the place of use, whichever is greater) for every loss due to bodily injury, death or property damage and unlimited in the aggregate in respect of all losses occurring during the period of insurance. In addition, Optionor shall comply with all statutory requirements concerning the arrangement of motor vehicle third-party liability insurance in respect to the ownership, possession, operation or use of motor vehicles.
 - (iv) Property Insurance. Optionor shall effect and maintain appropriate insurance against loss or damage to its property, including any equipment, supplies, materials and tools, used in performing the Timber Operations, including items of property that are hired, leased or otherwise acquired by Optionor.
- (b) Optionor shall require each of its subcontractors performing work on the Property to carry insurance policies substantially similar in scope, coverage and conditions to all of those required of Optionor hereunder.
 - (c) Each policy of insurance shall include a waiver by the insurer of its rights of subrogation to bring a claim against Optionee. Each policy of insurance shall be primary and any insurance maintained by Optionee shall be excess and non-contributory for claims brought by third parties for death, bodily injury or property damage, to the extent resulting from Optionor's negligent acts or omissions.
 - (d) Before commencing any Timber Operations under this Agreement and whenever requested in writing by Optionee, Optionor shall submit evidence to the reasonable satisfaction and approval of Optionee that the insurance policies required under this Section 3.7 are effected and maintained.
 - (e) The terms and conditions of this Section 3.7 shall survive the termination of this Agreement for any period of time that Optionee remains obligated to perform removal, restoration or reclamation obligations under Section 8.5 below.
- 3.8 At Closing, Optionor shall deliver to Optionee (a) the Special Warranty Deed, duly executed by Seller and acknowledged before a notary public, (b) a counterpart of the Cracker Creek NSR Royalty Agreement, duly executed by Optionor, dated as of the date of the Special Warranty Deed and acknowledged before a notary public and (c) any other instruments, documents and other items necessary to effectuate the terms

of this Agreement and the transactions contemplated hereby. At Closing, Optionee shall deliver to Optionor (x) the full remaining balance of the Purchase Price (i.e., that portion not paid as a deposit under Section 3.3), paid by wire transfer of immediately available funds to an account designated in writing by Optionor, (y) a counterpart of the Crack#r Creek NSR Royalty Agreement, duly executed by Optionee, dated as of the date of the Special Warranty Deed and acknowledged before a notary public and (z) any other instruments, documents and other items necessary to effectuate the terms of this Agreement and the transactions contemplated hereby.

- 3.9 As soon as practicable after the Closing, Optionee shall record the Special Warranty Deed and any other recordable instruments delivered at the Closing in the appropriate counties as well as with all appropriate governmental authorities and provide Optionor with copies of all such recorded instruments.
- 3.10 Once Closing has been completed in accordance with the terms and conditions of this Agreement, Optionee will be vested with an undivided 100% legal and beneficial right, title and interest in and to the Property free and clear of all Encumbrances save for the NSR Royalty.

ARTICLE 4 - NET SMELTER RETURNS ROYALTY

- 4.1 Upon the commencement of Commercial Production Optionor will thereafter be entitled to a 2.5% Net Smelter Returns royalty with respect to the Property on the terms set out in Schedule C (the "NSR Royalty") attached hereto and incorporated herein (the "NSR Royalty Agreement").

ARTICLE 5 – OPTIONEE’S DUE DILIGENCE OPERATIONS

- 5.1 Subject to the terms and conditions of this Agreement (including but not limited to Optionee’s payment obligations under Section 3.1 above), Optionee shall have the sole and exclusive right during the Option Period to enter onto the Property and, at its sole expense, conduct such Due Diligence Activities (as defined below) that Optionee deems necessary to determine whether it wishes to exercise its Option to purchase the Property. Under this Agreement, the term "Due Diligence Operations" means all operations and activities of Optionee (or performed at the request of Optionee) on or relating to the Property conducted for purposes of investigating and assessing the surface and subsurface environmental and physical condition of the Property as well as ascertaining and evaluating the existence, location, quantity, quality or commercial value of ore reserves and mineralization on the Property, including surveying, exploring, testing, sampling, trenching, bulk sampling, prospecting and drilling for ores, minerals and mineral deposits or mineral substances and using so much of the surface of the Property in such a manner as Optionee deems necessary to evaluate the Property; provided, however, that the NSR Royalty amount identified and referenced in Schedule C will apply to any Gross Proceeds generated from the sale of ore reserves and mineralization during such due diligence and exploration operations.

- 5.2 In conducting its Due Diligence Operations, Optionee shall have the full right, power and authority to do everything necessary or desirable to determine the manner of such operations and activities, including the right, power and authority to:
- (a) regulate access to the Property subject only to the right of Optionor or the Representatives of Optionor to have access to the Property at all reasonable times and on reasonable notice, for the purpose of evaluating and inspecting work being done thereon but at its own risk and expense;
 - (b) employ and engage such employees, agents and independent contractors as Optionee may consider necessary or advisable to carry out its duties and obligations hereunder and in this connection to delegate any of its powers and rights to perform its duties and obligations hereunder;
 - (c) remove any Minerals from the Property reasonably necessary for sampling and testing as Optionee shall in its sole discretion deem advisable; provided, however, Optionor shall be advised of same by written notice and provided with all sample and test results as they are obtained; and
 - (d) explore and do such work upon the Property and to have exclusive possession of the Property, including in order to sample, examine, diamond drill, prospect or explore on the Property in such manner as Optionee may in its sole discretion determine (subject to the applicable laws, regulations, policies or orders of all governmental authorities having jurisdiction), including without limitation, the right to erect, bring and install thereon all buildings, vehicles, machinery, equipment and supplies as Optionee shall deem necessary or advisable.

ARTICLE 6 - OPTIONEE'S OBLIGATIONS DURING DUE DILIGENCE OPERATIONS

- 6.1 During the Option Period, Optionee will, in regard to the Property:
- (a) permit Optionor, at its own expense, reasonable and timely access to the results of the work done on the Property;
 - (b) keep the Property free and clear of all liens, charges and encumbrances of every character arising from its operation hereunder (except for liens for taxes not then due, other inchoate liens and liens diligently contested in good faith by Optionee), and proceed with all reasonable diligence to contest or discharge any lien that is filed;
 - (c) pay, when due and payable, all wages or salaries for services rendered in connection with the Property and all accounts for materials supplied on or in respect of any work or operation performed on the Property;
 - (d) do or cause to be done all work on the Property, including any clean-up work, in a good and workmanlike fashion and in accordance with all applicable

regulations, orders and ordinances of any applicable governmental authority;
and

- (e) at all times during the Option Period, keep the Property in good standing, including making all claim payments required by law, in accordance with applicable laws and regulations.
- 6.2 Before commencing any Due Diligence Operations on the Property, Optionee shall secure all permits, licenses and other approvals necessary to conduct such activities. Optionee shall conduct all Due Diligence Operations in a professional manner, in accordance with standards and practices generally prevailing in the mining industry, and in compliance with all permits, licenses and approvals and applicable laws, regulations and requirements, whether relating to environmental matters, land use, resource development, employment and labor, health and safety or otherwise. Optionee shall also secure and maintain insurance in accordance with Section 6.7 below.
- 6.3 Optionee shall be solely responsible for and shall pay all taxes, fees, charges, levies, liabilities, assessments and other costs and expenses arising from or associated with its Due Diligence Operations, including but not limited to all costs and expenses required to secure, maintain and comply with all permits, licenses and other approvals necessary for such activities and uses and all costs and expenses associated with any reclamation, remediation, response and/or cleanup liabilities or obligations arising from or relating to such activities or uses. The terms and conditions of this Section 6.3 in their entirety shall survive the termination of this Agreement.
- 6.4 Optionee shall keep written records of its Due Diligence Operations, including but not limited to any and all records, information and data concerning environmental conditions at or pertaining to the Property, and all maps, assays, surveys, technical reports, drill logs, samples, mine, mill, processing and smelter records, and metallurgical, geological, geophysical, geochemical, and engineering data, and interpretive reports derived therefrom, relating to the Property. If this Agreement terminates for any reason without Optionee exercising its option to purchase the Property, Optionee shall within thirty (30) days following the date of such termination transfer and convey all such records, information and data to Optionor for no additional consideration whatsoever, subject to the condition that Optionee will make no representation or warranty as to the accuracy, reliability or completeness of any such records, information and data, and Optionor shall rely on the same at its sole risk. The terms and conditions of this Section 6.4 in their entirety shall survive the termination of this Agreement.
- 6.5 Optionee shall hold harmless, release, indemnify and defend Optionor and Optionor's affiliates, stockholders, equity owners, directors, officers, employees, agents, representatives, attorneys, consultants and advisors from and against any and all liabilities, claims, causes of action, demands, damages, costs and expenses (including reasonable attorneys' fees) arising out of or incurred in connection with (a)

Optionee's breach of any covenant or obligation under this Article 6; (b) Optionee's failure to comply with any permit, license or approval or any law, regulation or requirement applicable to the activities on and uses of the Property; and (c) any personal injury, death or property damage to the extent caused by any willful or negligent act or omission of Optionee under this Agreement. The term "Optionee," as used under this Section 6.5, includes Optionee and any and all of Optionee's Representatives and Affiliates. If Optionee builds any roads in connection with its operations, the Optionor shall have access and will be authorized to use such roads. The terms and conditions of this Section 6.5 in their entirety shall survive the termination of this Agreement.

6.6 During the Option Period, Optionor will cooperate with Optionee in its efforts to satisfy its obligations under this Agreement.

6.7 Insurance.

(a) During the Option Period (and, if applicable, for so long thereafter as Optionee is performing its obligations under Section 8.4 below), Optionee shall maintain the following insurance and in each case whenever reasonably commercially possible naming Optionor as an additional named insured:

- (i) Employer's Liability and Workers Compensation. Optionee shall effect and maintain insurance providing coverage against any and all claims and liabilities relating to worker's compensation, occupational harm and employers' liability for any loss, accident or injury (including death) to any person employed or engaged by Optionee in connection with Its Due Diligence Operations on the Property.
- (ii) Comprehensive General Liability. Optionee shall effect and maintain comprehensive general liability or excess umbrella liability insurance, including without limitation coverage for any loss or liability for bodily injury, death and property damage arising from or based on any willful or negligent act or omission of Optionee or any of its employees, agents, representatives or subcontractors under this Agreement. The insurance policy shall be effected for an amount not less than US\$2,000,000 in respect of any one occurrence and shall be unlimited as to the number of occurrences during the period of insurance.
- (iii) Motor Vehicle Insurance. Optionee shall effect and maintain motor vehicle third-party liability insurance for all owned, hired, leased, and non-owned motor vehicles used by Optionee in connection with Its Due Diligence Operations on the Property. The insurance policy shall be effected for an amount not less than \$1,000,000 (or as required by law in the place of use, whichever is greater) for every loss due to bodily injury, death or property damage and unlimited in the aggregate in respect of all losses occurring during the period of insurance. In addition, Optionee shall comply with all statutory

requirements concerning the arrangement of motor vehicle third-party liability insurance in respect to the ownership, possession, operation or use of motor vehicles.

- (iv) Property Insurance. Optionee shall effect and maintain appropriate insurance against loss or damage to its property, including any equipment, supplies, materials and tools, used in performing its Due Diligence Operations on the Property, including items of property that are hired, leased or otherwise acquired by Optionee.
- (b) Optionee shall require each of its subcontractors performing work on the Property to carry insurance policies substantially similar in scope, coverage and conditions to all of those required of Optionee hereunder.
- (c) Each policy of insurance shall include a waiver by the insurer of its rights of subrogation to bring a claim against Optionor. Each policy of insurance shall be primary and any insurance maintained by Optionor shall be excess and non-contributory for claims brought by third parties for death, bodily injury or property damage, to the extent resulting from Optionee's negligent acts or omissions.
- (d) Before commencing any Due Diligence Operations on the Property under this Agreement and whenever requested in writing by Optionor, Optionee shall submit evidence to the reasonable satisfaction and approval of Optionor that the insurance policies required under this Section 6.7 are effected and maintained.
- (e) The terms and conditions of this Section 6.7 shall survive the termination of this Agreement for any period of time that Optionee remains obligated to perform removal, restoration or reclamation obligations under Section 8.4 below.

ARTICLE 7 - AREA OF COMMON INTEREST

- 7.1 If at any time during the term of this Agreement, Optionor or an Affiliate of Optionor acquires, directly or indirectly, any interest in any property which is all or partly within two kilometres of the outermost boundary of the Property (the "AOI Property"), then Optionor or its Affiliate, as applicable, must disclose the acquisition (including all costs and information it has relating to the AOI Property) promptly to Optionee, and Optionee may, by notice to Optionor or its Affiliate, as applicable, within thirty days of receipt of notice of the acquisition, elect to include the AOI Property within the Property.
- 7.2 If Optionee elects to include the AOI Property as part of the Property in accordance with this Article 7, then the acquisition costs of the AOI Property (including the purchase price thereof) will, upon verification by Optionee, be reimbursed to

Optionor, and such AOI Property will be included as part of the Property without the payment of any additional consideration by the Optionee.

ARTICLE 8 - TERMINATION

- 8.1 If Optionee has not exercised the Option on or before the date specified in Section 3.4 above, this Agreement shall terminate automatically on such date unless it is otherwise extended or renewed by mutual agreement of the Parties.
- 8.2 Optionee may, at any time prior to its exercise of the Option and subject to any survival terms and conditions provided in this Agreement, terminate this Agreement in its entirety on written notice to Optionor and except for the obligations set out in Section 8.4 hereof and any liability for any obligation incurred prior to such termination, will thereafter have no liability to Optionor as a result of such termination. Upon any such Agreement termination by Optionee, the payment otherwise required to be made pursuant to Section 3.1(b) above shall be prorated, for example, if the Agreement is terminated during the fifth month of the six-month period in which the next option payment of \$60,000 is due and payable, then the Optionee shall pay the Optionor five sixths of the amount otherwise due on the sixth month.
- 8.3 If at any time Optionee fails to perform any obligation required to be performed by it hereunder, or Optionee is otherwise in breach of a warranty or a covenant given by it hereunder, then Optionor may terminate this Agreement, but only after it will have first given written notice of default to Optionee and Optionee has not cured the default within (a) 10 Business Days following delivery of the notice of default if the default is a failure to timely pay money, or (b) within 30 calendar days following delivery of the notice of default if the default is other than a failure to timely pay money. Upon termination of this Agreement, Optionee will have no legal or beneficial interests in or to the Property and an appropriate document will be prepared and recorded to reflect the fact that the Option has been terminated.
- 8.4 Notwithstanding any other provisions of this Agreement, in the event of termination of this Agreement, Optionee shall within ninety (90) days following the date of such termination (regardless of its cause) finish removing all equipment, machinery, vehicles, buildings, structures, tools and supplies and any rubbish placed on the Property by Optionee. Any such property or rubbish that is not removed within such 60-day period may be removed by Optionor at Optionee's expense. Further, Optionee shall clean up, restore and reclaim the Property as required by law and regulation and the terms of any permits, licenses or approvals to which Optionee or Optionee's Due Diligence Operations are subject, and otherwise leave the Property in clean and orderly condition. If Optionee's activities were not subject to permitting requirements under Oregon Revised Statute 517.705, Optionee shall nonetheless reclaim all areas of the Property impacted by such activities in accordance with the requirements of Oregon Administrative Rule 632-033-0025(7)(c) for reclamation and Oregon Administrative Rule 632-033-0025(7)(e) for drill hole abandonment. Further,

Optionee shall ensure that no liens, judgments, fees or duties can be charged back against the Property as a result of Optionee's actions or undertakings. The terms and conditions of this Section 8.4 in their entirety shall survive the termination of this Agreement, as will Optionee's right to access the Property solely for purposes of complying with the terms and conditions of this Section 8.4.

- 8.5 Notwithstanding any other provisions of this Agreement, in the event of termination of this Agreement, Optionor shall within ninety (90) days following the date of such termination (regardless of its cause) finish removing all equipment, machinery, vehicles, buildings, structures, tools and supplies and any rubbish placed on the Property by Optionor in connection with the Timber Operations. Any such property or rubbish that is not removed within such 60-day period may be removed by Optionee at Optionor's expense. Further, Optionor shall clean up, restore and reclaim the Property as required by law and regulation and the terms of any permits, licenses or approvals to which Optionor or Optionor's Timber Operations are subject, and otherwise leave the Property in clean and orderly condition. If Optionor's activities were not subject to permitting requirements under Oregon Revised Statute 517.705, Optionor shall nonetheless reclaim all areas of the Property impacted by such activities in accordance with the requirements of Oregon Administrative Rule 632-033-0025(7)(c) for reclamation. Further, Optionor shall ensure that no liens, judgments, fees or duties can be charged back against the Property as a result of Optionor's actions or undertakings. The terms and conditions of this Section 8.5 in their entirety shall survive the termination of this Agreement, as will Optionor's right to access the Property solely for purposes of complying with the terms and conditions of this Section 8.5.

ARTICLE 9 – ASSIGNMENT

- 9.1 Optionee may not assign or delegate any of its rights or duties hereunder without the prior written consent of Optionor, which consent Optionor will not unreasonably withhold. Any such assignment or delegation made without Optionor's prior written consent shall be void. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

ARTICLE 10 - FORCE MAJEURE

- 10.1 If any Party to this Agreement is at any time prevented or delayed in complying with any provisions of this Agreement by reason of strikes, lock-outs, labour shortages, power shortages, fuel shortages, fires, wars, insurrection, terrorist activities, inability to gain or maintain surface access not related to the misconduct of such Party, acts of God, governmental regulations restricting normal operations, including as a result of or related to the COVID-19 pandemic, shipping delays or any other extraordinary reason or reasons beyond the control of such Party, other than lack of funds, the effect of which would be to halt work on any or all of the Property, the time limit for the performance by such Party of its obligations hereunder will be extended by a

period of time equal in length to the period of each such prevention or delay, but nothing herein will discharge Optionee from its obligations hereunder to maintain the Property in good standing.

- 10.2 The Party claiming force majeure will give prompt written notice to the other of such event of force majeure under Section 10.1 hereof and upon cessation of such event will furnish to the other Party prompt written notice to that effect together with particulars of the number of days by which the obligations of the notifying Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

ARTICLE 11 - CONFIDENTIAL INFORMATION

- 11.1 The Parties to this Agreement will keep confidential all books, records, files and other information supplied by any Party to the other Party or its Representatives in connection with this Agreement or in respect of the activities carried out on the Property by any Party, including all analyses, reports, studies or other documents prepared by any Party or its Representatives, which contain information from, or otherwise reflects such books, records, files or other information. The Parties will use their reasonable efforts to ensure that their Representatives do not disclose, divulge, publish, transcribe, or transfer such information, in whole or in part, other than to an Affiliate where such disclosure is for routine corporate purposes, and other than to its contractors, legal, accounting and other advisors, financiers, potential investors and potential transaction partners who require such information, without the prior written consent of the other Party, which consent may not be arbitrarily or unreasonably withheld and which will not apply to such information or any part thereof to the extent that:
- (a) it is required to be publicly disclosed pursuant to applicable securities or corporate laws or rules or requirements of any stock exchange, in which event the Party seeking to make such disclosure will provide to the non-disclosing Party, at least 48 hours prior to making such disclosure, a written copy of such proposed disclosure, unless mutually agreed otherwise, and will include any comments the non-disclosing Party may have, acting reasonably, on such proposed disclosure;
 - (b) the disclosure is reasonably required to be made to a taxation authority in connection with the taxation affairs of the disclosing Party; or
 - (c) such information becomes generally disclosed to the public, other than as a consequence of a breach of this Agreement by the disclosing Party or one of its Representatives or Affiliates.
- 11.2 Notwithstanding any other provision hereof each Party agrees to provide to the other Party the text of any proposed news release or information update with respect to this Agreement or the Property at least 48 hours prior to release of such information

to third parties. The Party receiving such proposed news release or information update will review and comment on the text thereof within 48 hours of receipt. The Party proposing the news release or information update will in good faith review the comments provided and will take reasonable steps to modify the release or update according to the concerns raised.

ARTICLE 12 - DISPUTE RESOLUTION

- 12.1 All disputes arising out of or in connection with this Agreement, or in respect of any defined legal relationship associated with or derived therefrom, will be referred to and finally resolved by the procedures described in Schedule E, attached hereto and by this reference incorporated herein.

ARTICLE 13 - COVENANT TO REGISTER AGREEMENT

- 13.1 Forthwith upon the acquisition of the Property pursuant to this Agreement, either Party to this Agreement will, if requested by the other by notice in writing, cooperate with such other Party in taking such steps as are necessary for the registration of the interests of the Parties to this Agreement with the appropriate authorities, governmental agencies or registry offices to properly evidence this Agreement in the jurisdiction in which the Property is located and protect to the extent possible, the rights and interests of the Parties acquired hereunder from time to time from adverse claims by third parties.

ARTICLE 14 - NOTICES

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

In the case of a notice to Optionor, at their address as shown on the first page of this Agreement, or by email to Cynthia Jevne and Jason Hepp at: cfjevne@icloud.com; and JHepp@landadvisors.com.

In the case of a notice to Optionee, at their address as shown on the first page of this Agreement, or by email to Dean Besserer at: dean@dgimports.ca.

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

communication will be deemed to be given and received on the first Business Day after its transmission.

ARTICLE 15 - GENERAL

- 15.1 Each of the Parties hereto will bear its own costs in connection with the negotiation, preparation and finalization of this Agreement and any required approvals in connection herewith.
- 15.2 This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
- 15.3 No waiver of any term of this Agreement by a Party is binding unless such waiver is in writing and signed by the Party entitled to grant such waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement will be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement will be deemed to be a waiver of any subsequent breach of that term.
- 15.4 No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by each Party.
- 15.5 The Parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully and effectively the intent and purpose of this Agreement.
- 15.6 This Agreement will be governed by and construed in accordance with the laws of the State of Oregon without regard to the conflicts of laws provisions thereof.
- 15.7 Time will be of the essence in this Agreement.
- 15.8 The preamble, Recitals and Schedules to this Agreement will be deemed to be incorporated in, and to form part of, this Agreement.
- 15.9 Wherever the neuter and singular is used in this Agreement it will be deemed to include the plural, masculine and feminine, as the case may be.
- 15.10 The word "or" will not be exclusive and the word "including" will not be limiting (whether or not non-limiting language such as "without limitation" or "but not limited to" or other words of similar import is used with reference thereto).
- 15.11 If any provisions of this Agreement will be invalid, illegal or unenforceable in any respect under any applicable law, such provision may be severed from this Agreement, and the validity, legality and enforceability of the remaining provisions hereof will not be affected or impaired by reason thereof.

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

[Signature Page to Follow]

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

CRACKER CREEK GOLD CORPORATION

By: "Franz P. Jenne III and Cynthia B. Jenne"

2262486 ALBERTA LTD.

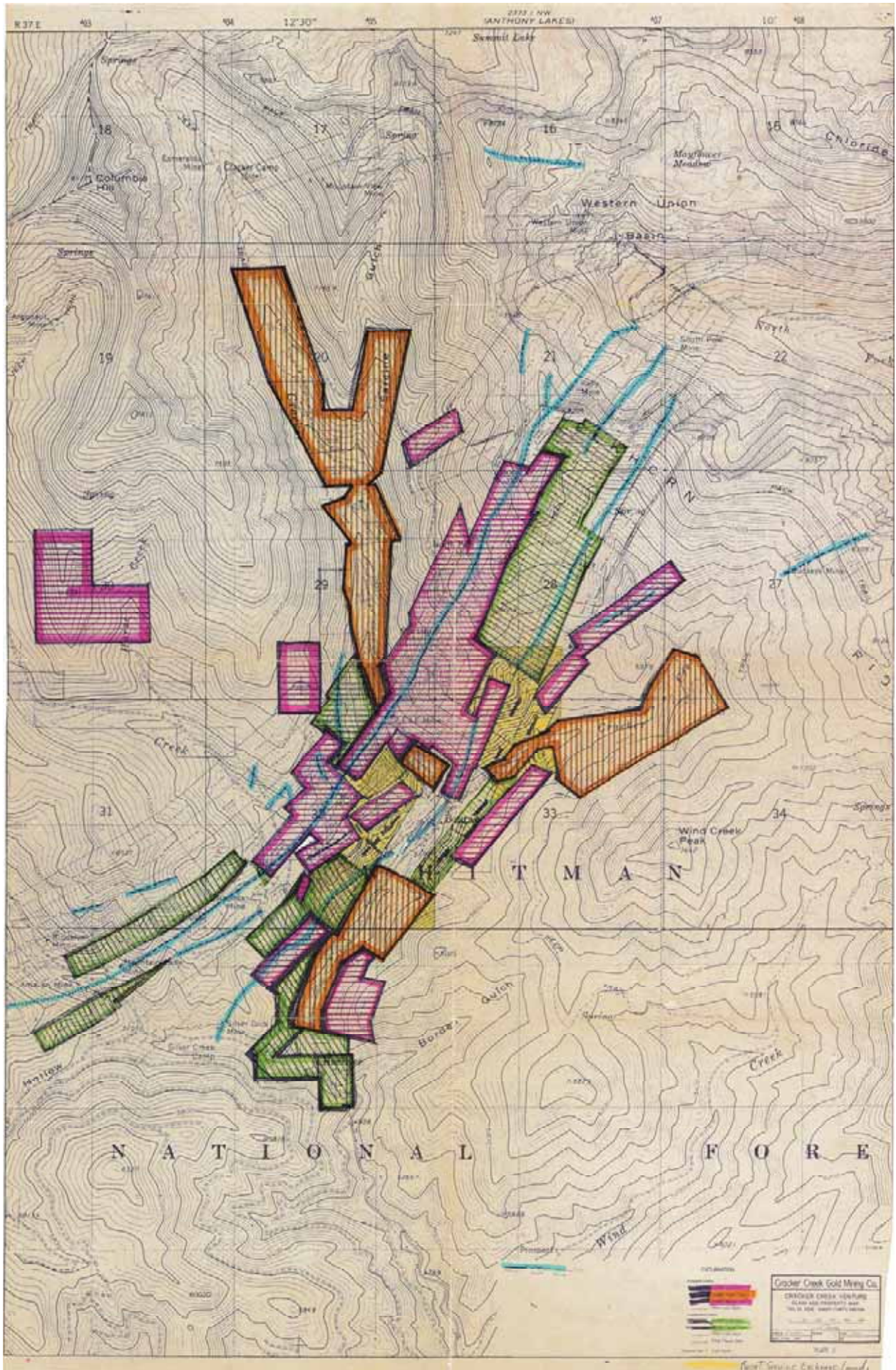
By: "Sherry Chuku"

[Signature Page to the Exploration and Purchase Option Agreement]

SCHEDULE A – MAP OF THE PROPERTY

[See attached]

SCHEDULE A



SCHEDULE B – CRACKER CREEK PROPERTY

[See attached]

SCHEDULE B

Elkhorn Title Company

Your only locally owned Title and Escrow Company in Baker County

1725 Main St. • Baker City, OR 97814 • www.elkhorntitle.com • 541-523-6477

OWNERSHIP AND ENCUMBRANCE REPORT

Intermountain Law, PC
3370 10th Street, Suite H
Baker City, OR 97814

Date: July 29, 2019
Title No.: 19-22359

Report: \$375.00

Attn: Martin Leuenberger

We have searched our Tract Indices as to the following described LAND as of **July 22, 2019, at 8:00 a.m.:**

SEE EXHIBIT "A" ATTACHED HERETO FOR DETAILED LEGAL DESCRIPTION

Vested in:

CRACKER CREEK GOLD MINING COMPANY, AN OREGON CORPORATION

Subject to the following exceptions:

1. Taxes for
2017-2018: \$253.95 plus interest unpaid.
2018-2019: \$259.16 plus interest unpaid.
(Account No. 513 09S3729 100; Ref. No. 6039)

2017-2018: \$311.47 plus interest unpaid.
2018-2019: \$317.93 plus interest unpaid.
(Account No. 507 08S37 101; Ref. No. 15520)

2017-2018: \$58.00 plus interest unpaid.
2018-2019: \$59.21 plus interest unpaid.
(Account No. 507 08S37 102; Ref. No. 15519)

2017-2018: \$2,666.66 plus interest unpaid.
2018-2019: \$2,722.85 plus interest unpaid.
(Account No. 507 08S37 400; Ref. No. 5813)

2017-2018: \$19.07 plus interest unpaid.
2018-2019: \$19.07 plus interest unpaid.
(Account No. 507 08S3733BC 1500; Ref. No. 15372)

2017-2018: \$826.86 plus interest unpaid.
2018-2019: \$843.94 plus interest unpaid.
(Account No. 507 08S37 1800; Ref. No. 5825)

2017-2018: \$26.07 plus interest unpaid.
2018-2019: \$26.32 plus interest unpaid.
(Account No. 507 08S37 2000; Ref. No. 15370)

2017-2018: \$18.87 plus interest unpaid.
2018-2019: \$18.87 plus interest unpaid.
(Account No. 507 08S37 2800; Ref. No. 15366)

2017-2018: \$19.48 plus interest unpaid.
2018-2019: \$19.49 plus interest unpaid.
(Account No. 507 08S37 3100; Ref. No. 15367)

2017-2018: \$316.39 plus interest unpaid.
2018-2019: \$322.81 plus interest unpaid.
(Account No. 507 08S37 3601; Ref. No. 15521)

2017-2018: \$20.19 plus interest unpaid.
2018-2019: \$20.29 plus interest unpaid.
(Account No. 507 08S37 3999; Ref. No. 15522)

2. Subject to Local Government Liens, if any. No search of the Local Government Lien records has been made.
3. This LAND is currently being specially assessed as LAND located in a State Fire Protection District.
4. Rights of the public in and to any portion of the herein described premises lying within the boundaries of roads or highways.
5. Rights of the public and of governmental bodies in and to that portion of this LAND lying below the high-water mark of Cracker Creek and any other Creeks crossing the herein described LAND.
6. The provisions and reservations contained in the following patents from the United State of America, covering the placer mining claims as indicated:
 - a) The Central Placer Mining Claim, dated March 23, 1895, recorded September 18, 1895, in Deed Book "Y, Page 472, Records of Baker County, Oregon.
 - b) The Baring Consolidated Placer Mining Claim, dated October 26, 1895, recorded January 10, 1905, in Deed Book 58, Page 438, Records of Baker County, Oregon.
 - c) The Webfoot Placer Mining Claim, dated January 8, 1892, recorded September 7, 1923, in Deed Book 100, Page 161, Records of Baker County, Oregon.
 - d) The Willamette Placer Mining Claim, dated April 23, 1892, recorded September 7, 1923, in Deed Book 100, Page 163, Records of Baker County, Oregon.
 - e) The Small Hope Placer Mining Claim, dated April 23, 1892, recorded September 7, 1923, in Deed 100, Page 165, Records of Baker County, Oregon.

- f) The Northern Consolidated Placer Mining Claim, dated May 11, 1896, recorded September 7, 1923, in Deed Book 100, Page 168, Records of Baker County, Oregon.
 - g) The Tamarack Placer Mining Claim, dated December 17, 1898, recorded September 7, 1923, in Deed Book 100, Page 170, Records of Baker County, Oregon.
 - h) That portion in the Eureka Consolidated Placer Mining Claim, dated February 26, 1892, recorded May 23, 1979, in Deed 79 21 091, Records of Baker County, Oregon.
7. Reservation in the United States Patents, as referred to above, of any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits within LAND above described which may have been discovered or known to exist on or prior to the dates defined therein, and all rights and easements thereunder by the holder of said mineral estate, or by any party claiming by, through or under said holder.

NOTE: Mineral title not shown further.

8. The provisions and reservations contained in the following patents from the United State of America, covering the lode mining claims as indicated:
- a) The North Pole Quartz Mining Claim, dated March 11, 1892, recorded October 6, 1892, in Deed Book "V, Page 150, Records of Baker County, Oregon.
 - b) The Consolidated Fractional Quartz Lode Mining Claim, dated February 17, 1893, recorded July 7 1893, in Deed Book "V, Page 607, Records of Baker County, Oregon.
 - c) The Cracker and Oregon Consolidated Quartz Mining Claim, dated February 17, 1893, recorded July 7, 1893, in Deed Book "V, page 611, Records of Baker County, Oregon.
 - d) The Williams Quartz Lode Mining Claim, dated June 8, 1892, recorded September 18, 1895, in Deed Book "Y, Page 476, Records of Baker County, Oregon.
 - e) The North Star Quartz Lode Mining Claim, dated August 6, 1895, recorded November 4, 1895, in Deed Book "Y, Page, 555, Records of Baker County, Oregon.
 - f) The More or Less Quartz Lode Mining Claim, dated May 21, 1896, recorded December 11, 1896, in Deed Book "Z", Page 404, Records of Baker County, Oregon.
 - g) The Villard Quartz Lode Mining Claim, dated January 22, 1901, recorded April 9, 1901, in Deed Book 42, Page 116, Records of Baker County, Oregon.
 - h) The Blue Mountain Quartz Lode Mining Claim, dated August 20, 1900, recorded February 26, 1904, in Deed Book 50, Page 635, Records of Baker County, Oregon.
 - i) The South Pole and Evans Lode Mining Claim, dated May 16, 1904, recorded February 24, 1905, in Deed Book 58, Page 612, Records of Baker County, Oregon.
 - j) The Majestic Quartz Lode Mining Claim, dated December 11, 1903, recorded February 24, 1905, in Deed Book 58, Page 614, Records of Baker County, Oregon.

- k) The Raging Roland Quartz Mining Claim, dated December 2, 1892, recorded March 3, 1905, in Deed Book 60, Page 1, Records of Baker County, Oregon.
 - l) The North Star No. 2 Lode Mining Claim, dated April 19, 1905, recorded March 12, 1906, in Deed Book 61, Page 584, Records of Baker County, Oregon.
 - m) The Bismark Consolidated Quartz Lode Mining Claim, dated April 3, 1905, recorded March 12, 1906, in Deed Book 61, Page 586, Records of Baker County, Oregon.
 - n) The Yankee Jack and the Yankee Jim Lode Mining Claims, dated March 1, 1905, recorded March 12, 1906, in Deed Book 61, Page 588, Records of Baker County, Oregon.
 - o) The Anniversary Consolidated Quartz Mining Claim, dated April 18, 1906, recorded March 11, 1907, in Deed Book 48, Page 285, Records of Baker County, Oregon.
 - p) The Gold Dollar Lode Mining Claim, dated March 23, 1906, recorded March 11, 1907, in Deed Book 48, Page 289, Records of Baker County, Oregon.
 - q) The Eureka Quartz Lode Mining and Mill Site Claim, dated June 5, 1891, recorded September 7, 1923, in Deed Book 100, Page 150, Records of Baker County, Oregon.
 - r) The Excelsior Quartz Lode Mining Claim, dated June 5, 1891, recorded September 7, 1923, in Deed Book 100, Page 152, Records of Baker County, Oregon.
 - s) The Shyster Consolidated Mining Claim, dated February 17, 1899, recorded September 7, 1923, in Deed Book 100, Page 156, Records of Baker County, Oregon.
 - t) The Excelsior No. 2 Quartz Lode Mining Claim, dated April 18, 1899, recorded September 7, 1923, in Deed Book 100, Page 159, Records of Baker County, Oregon.
9. Ditch Easement, including the terms and conditions thereof, as disclosed by instrument recorded February 21, 1914, in Lease and Agreements Book "G", Page 451, Records of Baker County, Oregon, "for a ditch line owned by the Sumpter Land Company".
 10. Right of Way Easement, including the terms and provisions thereof, granted to United States of America, by instrument dated March 11, 1968, recorded April 10, 1968, in Deed 68 15 031, Records of Baker County, Oregon, for a trail known as the Elkhorn Crest Trail, Project No. 1611, over a strip of land 15 feet in width.
 11. Terms and provisions of a lease dated March 31, 1980, executed by Cracker Creek Gold Mining Company, c/o Sylven, Young and Schmeits, as Lessor, and Brooks Minerals Incorporated, a Colorado Corporation, as Lessee, recorded May 1, 1980, in Deed 80 18 090, Records of Baker County, Oregon.
 12. Right of Way Easement, including the terms and provisions thereof, granted to CP National Corporation by instrument dated October 26, 1981, recorded November 5, 1981, in Deed 81 44 079, Records of Baker County, Oregon, for utilities over a strip of land 50 feet in width.

13. Easement, including the terms and provisions thereof, granted to the United States of America, through the Soil Conservation Service of the United States Department of Agriculture, by instrument dated March 18, 1991, recorded April 22, 1991, in Deed 91 17 043, Records of Baker County, Oregon, for a snow telemetry site (SNOTEL) located in Government Lots 2 and 3, and the Tamarack Placer Mining Claim.
14. Easement, including the terms and provisions thereof, granted to Oregon Trail Electric Consumers Cooperative, by instrument dated March 18, 1991, recorded April 22, 1991, in Deed 91 17 046, Records of Baker County, Oregon, for utilities over Government Lots 5 and 6. (Exact location not described)
15. By Findings of Fact and Order, Baker County Forestland-Urban Interface Classification Committee, including the terms and conditions thereof, dated February 28, 2008, recorded February 29, 2008, in Book 08 10 0083, Records of Baker County, Oregon, this LAND has been classified as being identified as being within a forest protection district.
16. Right, title or interest if any, of other parties in and to that portion included in the Cracker Placer Mining Claim, which is a portion of the Eureka Consolidated Placer Mining Claim. (Affects Tract II)

NOTE: The documents in the chain of title on the balance of the Eureka Consolidated Placer Mining Claim since at least 1917 have not excepted this portion. Underlying fee Title of Cracker Creek Gold Mining Company.

17. Subject to the interest, if any, of the Bourne Mining Corp., as disclosed by the Assessor's Tax Information. (Affects Tract II)
18. Any proposed policy/policies shall be issued subject to the following exception:
(Affects a portion of the herein described LAND)

Notwithstanding Paragraph 4 of the insuring clauses of the policy, the policy does not insure against loss arising by reason of any lack of a right of access to and from the land.

19. Subject to any unrecorded leases and/or tenancies.
20. This report does not include a search for financing statements filed in the office of the Secretary of State and no liability is assumed if a financing statement is filed in the office of the Baker County Clerk covering fixtures wherein the land is described other than by metes and bounds, the rectangular survey system, or by recorded lot and block.

- END OF EXCEPTIONS -

NOTE: We are informed that the LAND described herein has a physical address of:
Bare Land, Baker County, OR

NOTE: The last recorded deed for the herein described LAND was conveyed to Cracker Creek Gold Mining Company, an Oregon Corporation, the vested owner herein, recorded April 22, 1991, in Deed 91 17 042, Records of Baker County, Oregon.
(Affects Tract I)

The last recorded deed for the herein described LAND was conveyed to Cracker Creek Gold Mining Company, an Oregon Corporation, the vested owner herein, recorded November 3, 1959, in Deed Book 169, Page 1476, Records of Baker County, Oregon. (Affects Tract II)

We have also searched our General Index for judgments and state and federal tax liens against the above named vestee and find the following:

NONE

THIS IS NOT A TITLE REPORT AND NO TITLE INSURANCE IS PROVIDED. The liability in connection with this plant service is expressly limited to the sum paid therefore, and the issuing company will not otherwise be responsible for errors and omissions therein. The charge for this service will not include supplemental reports.

Sincerely,

ELKHORN TITLE COMPANY

"Daniel Lutz"

Daniel Lutz
Title Officer

THANK YOU FOR CHOOSING ELKHORN TITLE COMPANY!

EXHIBIT "A"

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.

This legal description was created prior to January 1, 2008

(507 08S37 101, 102, 2000, 2800, 3100, 3601 and 3999; Ref. Nos. 15520, 15519, 15370, 15366, 15367, 15521 and 15522)
(507 08S3733BC 1500; Ref. No. 15372)

TRACT II

The following claims and properties 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, designated by the Surveyor General as Lot No. 50, Mineral Survey No. 238, embracing a portion of Township 8 South, Range 37 East of the Willamette Meridian, and as more particularly described in the Patent to the same, being Patent No. 22,574, recorded in Deed Book "V", Page 607, Records of Baker County, Oregon, and known as the Taber Fractional Mine.

ALSO including the mining claims and premises constituting and comprising what is known as the North Pole Mine, described as follows:

The following Patented Mining Claims:

The North Pole Quartz Lode 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 Williams Quartz Lode 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 Raging Roland Quartz 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 Central Placer 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;
- the North Star Quartz Lode 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 Baring Consolidated Placer 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;
- the More or Less Quartz Lode 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 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 Villard Quartz Lode 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 Majestic Quartz Lode 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 South Pole and Evans Quartz Lode 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 Yankee Jack and the South 358.6 feet of the Yankee Jim Quartz Lode Claims, 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;
- the Bismark Consolidated Quartz Lode Claim, consisting of the Bismark and Gladstone quartz mining 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;
- the North Star No. 2 Quartz Lode 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;
- the Gold Dollar Quartz Lode Claim, as described in United States Patent recorded in Deed Book 43, Page 289, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 424;
- and the Anniversary Consolidated Quartz Lode 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.

ALSO including the mining claims and real property known as the E and E Holdings, described as follows:

The following parcel of land in Township 9 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon:

Section 29: All of the Northeast quarter of the Northeast quarter; and
the East half of the Northwest quarter of the Northeast quarter.

ALSO including the following described Patented Mining Claims and real property,
situated in Township 8 South, Range 37 East of the Willamette Meridian:

- The Eureka Quartz Lode Claim and Mill Site, designated by the Surveyor General for Oregon as Lot Nos. 37-A and 37-B and for which a patent was issued by the United States (Patent No. 18080, Mineral Certificate No. 63), dated June 5, 1891, recorded in Vol. 199, Pages 93 to 96, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Excelsior Quartz Lode Claim, designated by the Surveyor General for Oregon as Lot No. 38 and for which a patent was issued by the United States (Patent No. 18081, Mineral Certificate No. 64), dated June 5, 1891, recorded in Vol. 198, Pages 142 to 144, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Shyster Consolidated Claim, consisting of the Shyster and Blackmailer Quartz Lode and Shyster Mill Site Claims, designated by the Surveyor General for Oregon as Lot Nos. 315-A and 315-B and for which a patent was issued by the United States (Patent No. 30612, Mineral Certificate No. 157), dated February 17, 1899, recorded in Vol. 315, Pages 55 to 60, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Tamarack Placer Claim, designated by the Surveyor General for Oregon as Lot No. 303 and for which a patent was issued by the United States (Patent No. 30319, Mineral Certificate No. 123), dated December 17, 1891, recorded in Vol. 284, Pages 61 to 64, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Excelsior No. 2 Quartz Lode Claim, designated by the Surveyor General for Oregon as Lot No. 55, Survey No. 244, embracing a portion of said township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 30933, Mineral Certificate No. 101), dated April 18, 1899, recorded in Vol. 319, Pages 130 to 132, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Webfoot Placer Claim, designated by the Surveyor General for Oregon as Lot No. 45, and embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 19320, Mineral Certificate No. 97), dated January 3, 1892, recorded in Vol. 204, Pages 49 to 51, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Willamette Placer Claim, designated by the Surveyor General for Oregon as Lot No. 46, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 20960, Mineral Certificate No. 75), dated April 23, 1892, recorded in Vol. 204, Pages 226 to 228, inclusive, Records of the General Land Office of the United States in Washington, D.C.;

- the Small Hope Placer Claim, designated by the Surveyor General for Oregon as Lot No. 44, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 20963, Mineral Certificate No. 76), dated April 23, 1892, recorded in Vol. 204, Pages 229 to 231, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Northern Consolidated Placer Claim, consisting of the Northern, Southern and Creek Placer Claims, designated by the Surveyor General for Oregon as Lot No. 56, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 26943, Mineral Certificate No. 103), dated May 11, 1896, recorded in Vol. 270, Pages 36 to 40, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Cracker and Oregon Consolidated Quartz Claims, Lot No. 52, situated in Township 8 South, Range 37 East of the Willamette Meridian, near the Town of Bourne, County of Baker and State of Oregon.

(507 08S37 400 and 1800; Ref. Nos. 5813, 5825)
(513 09S3729 100; Ref. No. 6039)

Elkhorn Title Company Privacy Notice

WHAT DOES ELKHORN TITLE COMPANY DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of Elkhorn Title Company, pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Elkhorn Title Company, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes — to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include Eastern Oregon Title, Inc., Columbia Title and Pioneer Title of Walla Walla Washington.</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

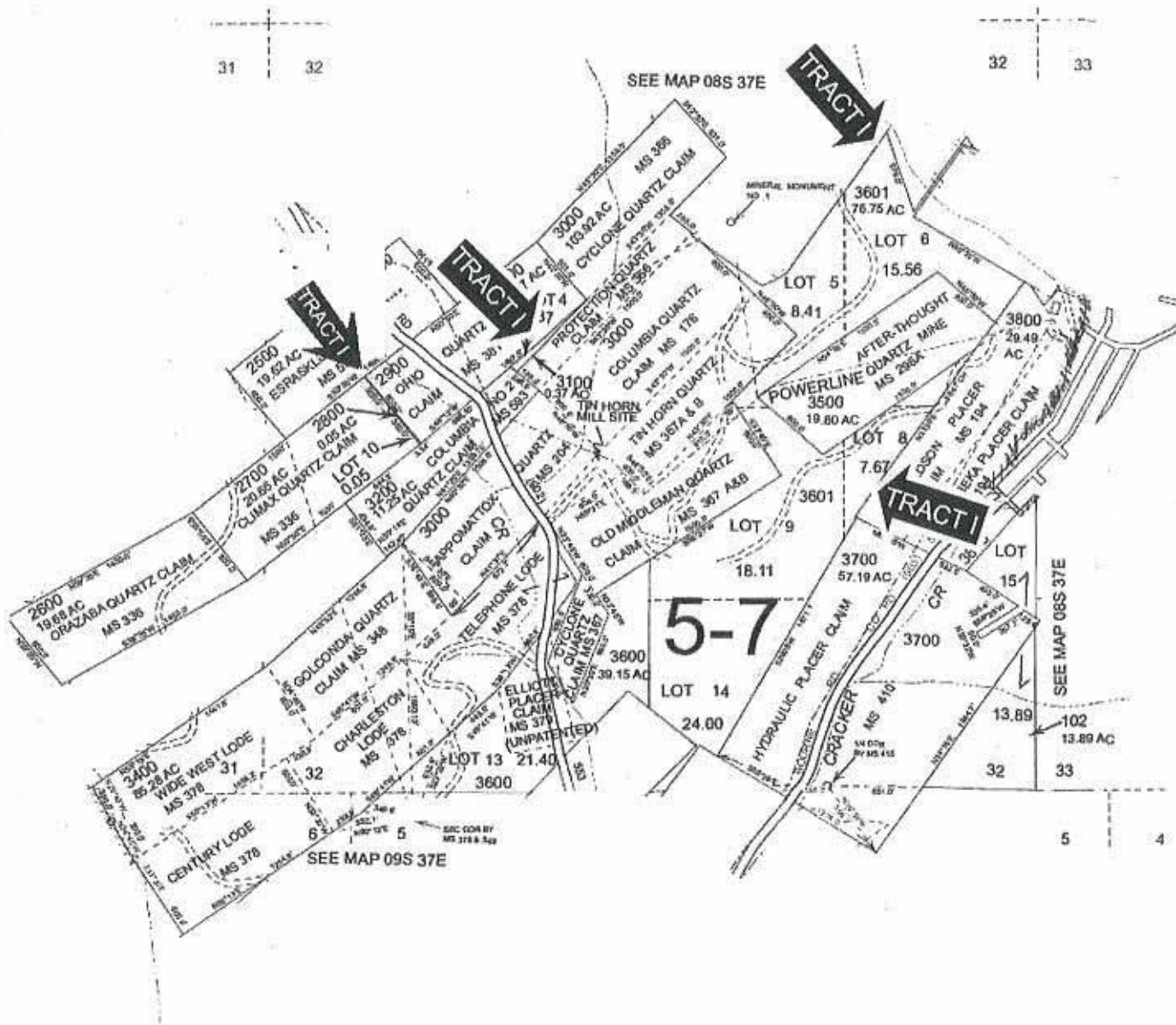
We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES

How often does Elkhorn Title Company notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How does Elkhorn Title Company protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
How does Elkhorn Title Company collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> ■ request insurance-related services ■ provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

**Contact us: If you have any questions about this privacy notice, please contact us at:
Elkhorn Title Company, 1725 Main Street, Baker City, OR 97814**

Elkhorn Title Company



This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # **08S3732**
 File No. **19-22359**

Elkhorn Title Company

DARKE COUNTY
1" = 800'

IN SE

18 17
19 20

17 16
20 21

16 15
21 22

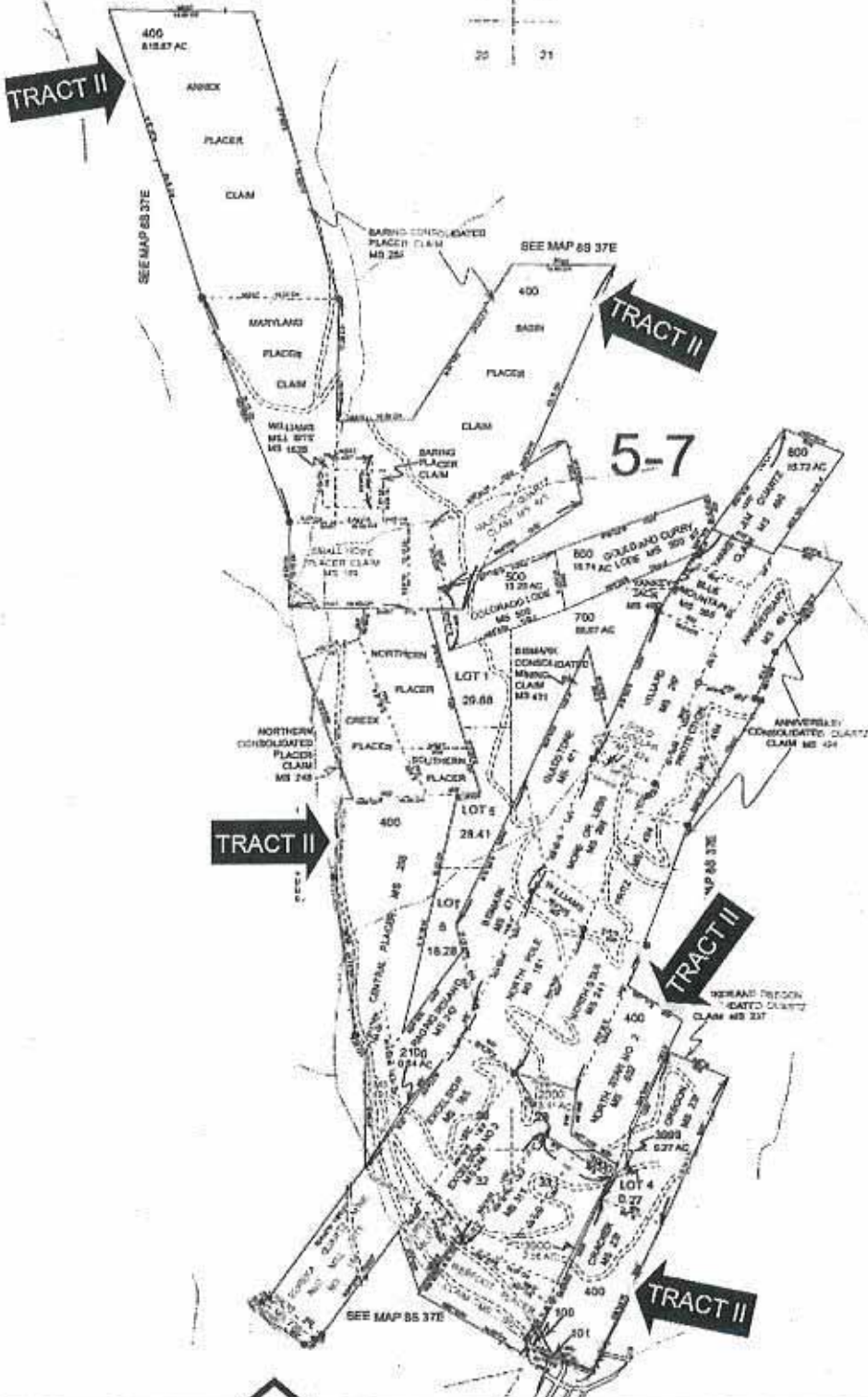
18 20
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28 27

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33 34

IN SE
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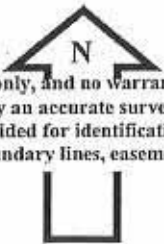
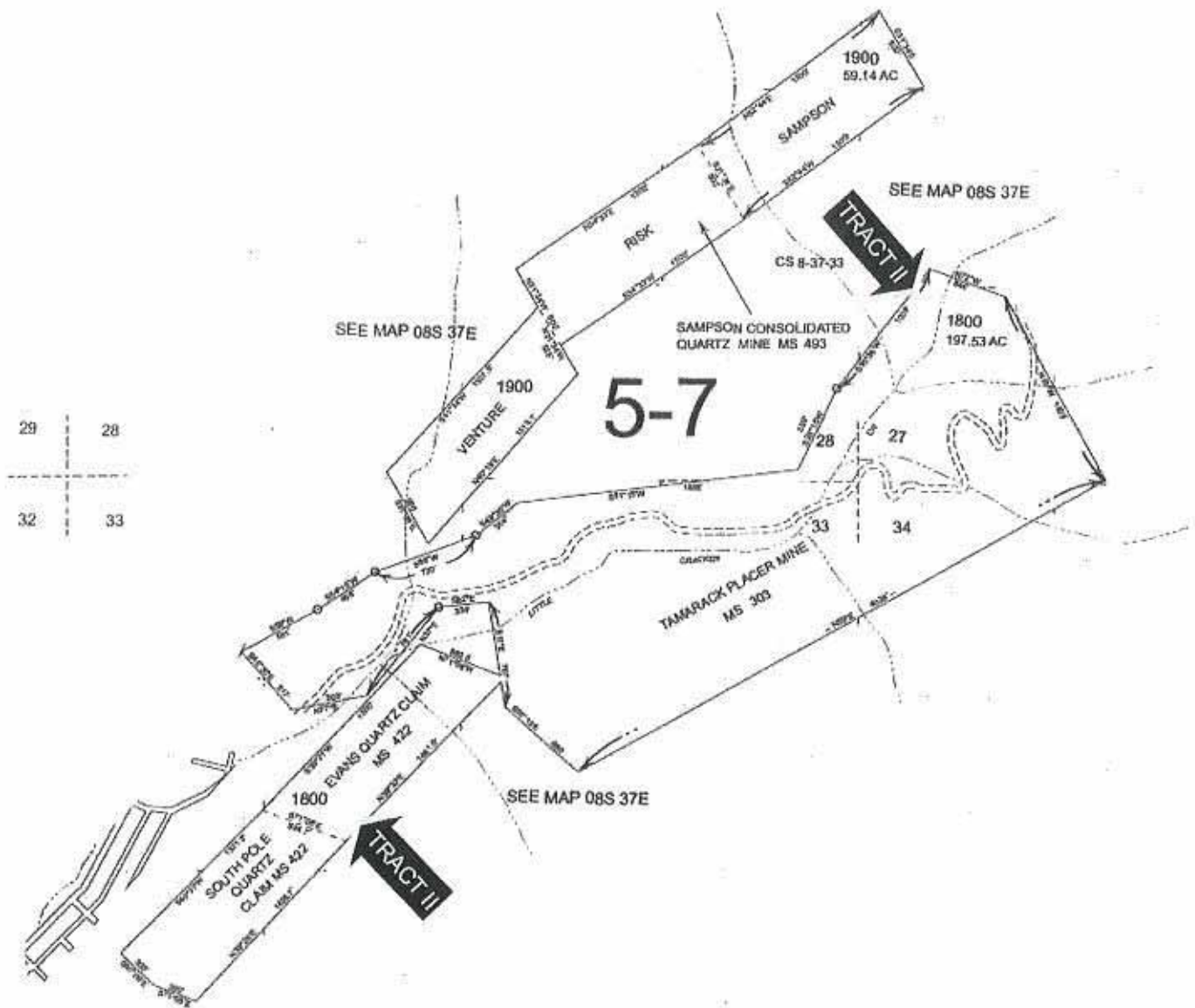


This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # **08S37**
File No. **19-22359**

Elkhorn Title Company

SEE MAP 08S 37E



This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # **08S37**
File No. **19-22359**

Elkhorn Title Company

SEE MAP 08S 37E



NOTE:
THE C.L.G. PLACEMENT OF THE MINERAL CLAIMS
OFFERS FROM THE MINERAL DEPT. THE PATENT
SHEETS WERE USED OVER THE C.L.G. SURVEYS

5-7



This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # **08S37E**
File No. **19-22359**

SCHEDULE C – ROYALTY AGREEMENT

[See attached]

SCHEDULE C

CRACKER CREEK NSR ROYALTY AGREEMENT

THIS CRACKER CREEK NSR ROYALTY AGREEMENT (“*Royalty Agreement*”) is entered into and effective as of _____, 20__, (the “*Effective Date*”), by and between **CRACKER CREEK GOLD CORPORATION**, an Oregon corporation (“*Cracker Creek*”), and 2262496 ALBERTA LTD., a company incorporated under the laws of Alberta, Canada (“*Owner*”). Cracker Creek and Owner may be referred to individually as a “*Party*” or collectively as the “*Parties*,” as the context requires.

WHEREAS, on the date hereof, Cracker Creek is transferring by separate instrument to Owner all of Cracker Creek’s right, title and interest in and to the Property (as defined herein) pursuant to the exercise by Owner of that certain Exploration and Option Agreement dated November 9, 2020, and the purchase of the Option in accordance with the terms and conditions thereof, EXCEPT AND SUBJECT TO Cracker Creek’s reserved NSR Royalty (as defined herein) and the parties’ rights and obligations under this Royalty Agreement.

WHEREAS, Cracker Creek wishes to grant, reserve and retain to itself, and to Cracker Creek’s assigns and successors forever, and Owner has agreed to pay to Cracker Creek, and Cracker Creek’s assigns and successors, the NSR Royalty, as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Cracker Creek and Owner agree as follows:

Section 1. Definitions. Unless otherwise defined, all capitalized terms shall have the following meanings.

1.1 “*Abandoned Claims*” has the meaning set forth in Section 12.2.

1.2 “*Affiliate*” means, with respect to any Person, any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, such Person.

1.3 “*business day*” means each calendar day except Saturdays, Sundays and federal holidays in the United States.

1.4 “*Commencement of Commercial Production*” means the earlier of (a) the date Owner first publicly announces commercial production at the Property, but does not include operations related to a bulk sample or any milling for the purpose of testing or milling by a pilot plant, and (b) the first date of the Quarter in which the Gross Proceeds of Products from the Property in such Quarter equals or exceeds \$50,000.

1.5 “*Control*” means the ability to direct the management and policies of a Person through ownership of voting shares or other equity rights, pursuant to a written

agreement, or otherwise. The terms “*Controls*” and “*Controlled by*” and other derivatives shall be construed accordingly.

1.6 “*Effective Date*” shall have the meaning set forth in the Introductory Paragraph above.

1.7 “*Encumbrances*” means any mortgage, charge, pledge, lien, license, privilege, security interest, royalty or other encumbrance.

1.8 “*Expenses*” means the following expenses (if actually paid by Owner):

- (a) sales, production and severance taxes and all mining taxes, payable by Owner or operator of the Property or required pursuant to applicable laws to be paid by Owner on behalf of Cracker Creek, that are based directly upon, and actually assessed against, the value or quantity of Minerals sold or otherwise disposed of from the Property; but excluding any and all taxes based upon the net or gross income of Owner or operator of the Property, the value of the Property or the privilege of doing business, and other taxes assessed on a similar basis;
- (b) costs and expenses, if any, for transportation (including, but not limited to, direct insurance costs while in transit) of Minerals from the Property to places where such Minerals are smelted, refined and/or sold or otherwise disposed of; and
- (c) costs and expenses (including assaying, sampling and sales costs) and all penalties, if any, charged by any off-site arm’s length smelter or refiner of the Minerals; but, if smelting and/or refining are carried out in facilities owned or controlled, in whole or in part, by Owner or any Affiliate of Owner, then the charges and costs for such smelting or refining of such Minerals shall be the lesser of: (i) the charges and costs Owner would have incurred if such smelting or refining were carried out at facilities that were not owned or controlled by Owner or its Affiliates and that were offering comparable services for comparable products; and (ii) the actual charges and costs incurred by Owner with respect to such smelting and refining.

For greater certainty, any royalty payable in respect of production of Minerals from the Property other than the Royalty hereunder shall not constitute an Expense.

1.9 “*Gross Proceeds*” means either: (i) the value of all consideration, monetary or otherwise (including insurance proceeds), received by, or owing to, Owner from the sale or other disposition of Minerals to a third party that is not an Affiliate of Owner; or (ii) the amount obtained by multiplying the Spot Price by the quantity of Minerals (A) sold or otherwise disposed

of to an Affiliate of Owner, or (B) returned to Owner by a Processor; provide, however, and without limiting the foregoing, Gross Proceeds shall not include the value of any Minerals utilized by Owner on the Property for purposes of building roads, mitigation and reclamation activities or other similar activities.

1.10 “*hedging transactions*” has the meaning set forth in Section 8.

1.11 “*Minerals*” means all naturally occurring metallic and nonmetallic elements that are mined, produced or otherwise recovered from the Property, whether in the form of doré, concentrates, tailings or otherwise, and whether the same are known to exist on the Property or are discovered after the Effective Date on the Property and regardless of the method of mining, extraction, production or processing the same, whether known to exist or invented or developed after the Effective Date.

1.12 “*Net Smelter Returns*” means Gross Proceeds less Expenses.

1.13 “*Other Locations*” has the meaning set forth in Section 7.1.

1.14 “*Other Owner*” has the meaning set forth in Section 7.1.

1.15 “*Owner*” has the meaning set forth in the Introductory Paragraph above.

1.16 “*Permitted Encumbrances*” means the Royalty and the Encumbrances disclosed on Schedule B, attached hereto and by this reference incorporated herein.

1.17 “*Person*” means any individual, firm, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization, Governmental Authority or any other entity.

1.18 “*Prime*” means the “Prime rate” published by the *Wall Street Journal*.

1.19 “*Product*” means all Minerals produced from the Property.

1.20 “*Processor*” means and smelter, refiner or other processor of the Minerals.

1.21 “*Property*” means that property transferred from Cracker Creek to Owner on the date hereof as set forth on Schedule A attached to this Royalty Deed and incorporated herein by this reference.

1.22 “*Quarter*” means a three month period commencing on January 1, April 1, July 1 or October 1 of any calendar year.

1.23 “*Royalty*” shall mean the royalty property interest as defined in Section 2, as calculated and paid in accordance with Section 3.

1.24 “*Spot Price*” means, with respect to a particular Mineral, the price determined for such Mineral on the date on which payment for such Mineral is delivered or credited to the account of Owner, and, for such purposes, the “spot price” of gold shall be

determined using the price of gold in U.S. Dollars on the London Bullion Market Afternoon Fix on such day, and the “spot price” of any other Mineral shall be determined using the price of such Mineral quoted at the close of business on such day by the New York Commodity Exchange; and if for any reason the London Bullion Market or the New York Commodity Exchange is no longer in operation or the “spot price” of a particular Mineral is not quoted on the London Bullion Market or the New York Commodity Exchange, the “spot price” of such Mineral shall be determined by reference to the price of such Mineral on another similar commercial exchange entity having the largest volume of trading in such Mineral on such day; and the exchange rate used to convert a “spot price” to U.S. Dollars from any other currency on a particular date shall be the exchange rate for such currency on such date published by the *Wall Street Journal*.

1.25 “**Withholdings**” has the meaning set forth in Section 3.6 below.

Section 2. Reservation and Grant of Royalty. From its transfer by separate instrument of the Property to Owner on the date hereof, Cracker Creek reserved unto itself, its successors and assigns a royalty of two and one-half percent (2.5%) of Net Smelter Returns (the “**Royalty**”). Cracker Creek and Owner acknowledge and agree that (i) the Royalty is a real property interest in and to the Property and a covenant running with the land, enforceable against Owner and any successor, acquirer, assignee or transferee of all or any portion of the Property, and (ii) the Royalty shall burden the Property and the interest of Owner and Owner’s successors, acquirers, assignees or transferees therein, and shall constitute a benefit to the interest of Cracker Creek, its successors, acquirers, assignees and transferees in and to the Property. Beginning upon and continuing from the Commencement of Commercial Production, Owner shall pay to Cracker Creek the Royalty as provided under this Royalty Agreement.

Section 3. Time and Manner of Payments.

3.1 The Royalty shall be calculated and paid quarterly by Owner to Cracker Creek within 60 calendar days following the end of each Quarter during which Owner receives Gross Proceeds.

3.2 That portion of the Royalty payment relating to the sale or other disposition of gold shall be paid to Cracker Creek in cash unless Cracker Creek elects, in accordance with this Section 3.2, to receive such payment in gold bullion. Cracker Creek shall provide Owner with written notice of its election to receive payment in gold bullion not less than 15 business days prior to the date on which the next Royalty payment is to be paid to Cracker Creek. Cracker Creek’s notice electing payment of the Royalty in gold bullion shall include directions to either credit Cracker Creek’s account at the Processor or deliver refined gold to the location or account specified by Cracker Creek in its notice. Any Royalty payment payable in cash shall be paid by wire transfer of immediately available funds in accordance with Cracker Creek’s written instructions.

3.3 Concurrently with each Royalty payment, Owner shall prepare and deliver to Cracker Creek a detailed statement of the manner in which such Royalty payment was calculated, including: (i) the quantity of Minerals to which such Royalty payment is applicable; (ii) the Expenses and the calculation of the applicable Net Smelter Returns; and (iii) the sale price(s) in respect of the Minerals sold or disposed of for value. Upon written

request from Cracker Creek, within 6 months after the end of any calendar year, Owner shall prepare and deliver to Cracker Creek a statement for such calendar year indicating: (i) the quantities of Minerals sold or otherwise disposed of by Owner; (ii) the quantities of Minerals produced by Owner; (iii) the Net Smelter Returns; and (iv) the sale price(s) in respect of the Minerals sold or disposed of for value.

3.4 Cracker Creek may object in writing to any statement and payment amount within 6 months after receipt of the relevant statement or payment. If the amount of any adjustment to the aggregate Royalty payments required to be paid to Cracker Creek during a calendar year is more than \$10,000, Owner shall pay a penalty to Cracker Creek equal to the amount of the adjustment multiplied by Prime plus 2%.

3.5 If any Royalty payment has not been paid in full as provided herein, Cracker Creek may give written notice of such default to Owner, and Owner must cure such default within 5 business days after receipt of Cracker Creek's written notice. Unless Cracker Creek has received all payments required to cure such default within such period, Owner shall pay interest on the delinquent payment at a rate of Prime plus 3%, calculated daily and compounded monthly, commencing on the date on which such delinquent amount was due and continuing until Cracker Creek receives payment in full of such delinquent amount and all interest accrued thereon. For the purposes of this Section 3.5, Prime shall be determined as of the date on which such delinquent amount was due.

3.6 All Royalty payments, including interest and penalties, if any, will be made without withholding of or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (collectively, "*Withholdings*"), unless such Withholdings are imposed or levied, and are required, by or on behalf of the Government of the United States of America or any political subdivision thereof, or any department, authority or agency therein or thereof having power to tax.

Section 4. Sampling, Assay, and Analysis. Any determination of weight, volume, moisture content, amenability, or pay metal content, and any sampling and analysis shall be made in accordance with sound mining and metallurgical practices and standard sampling and analysis procedures prevailing in the industry. Cracker Creek shall have the right one time per quarter to have a representative present at the time samples are taken. Cracker Creek shall be furnished on request the dates on which samples will be taken and a portion of all samples taken for analysis of ore, leachates, pregnant liquors, or pregnant slurries or other compounds or products mined or extracted from the Property. Split samples shall be retained by Owner for later analysis by an independent referee selected by mutual agreement of the parties and, in the event of a dispute concerning Owner's assay of samples, Royalty payments shall be based on the assay results determined by such independent referee. All statements or reports wherein Owner's assay of samples are set forth shall be conclusively presumed to be true and correct, unless, within 90 days after such statements or reports are delivered to Cracker Creek, Cracker Creek makes written objection thereto and demands an assay by the independent referee; and unless such objection and demand is made within such 90 day period, Owner shall have no duty to preserve the split samples

after the end of such 90 day period. The cost of the independent referee shall be paid by the party whose assay shows the greatest variance from that of the independent referee.

Section 5. Term. The Royalty shall constitute a real property interest in the Property and a covenant running with the Property, binding upon Owner and its successors, acquirers, assigns and transferees. The Parties to this Royalty Agreement do not intend that this Royalty Agreement or any provision set forth herein shall violate any statutory or common law formulation of the Rule Against Perpetuities, the Rule Against Unreasonable Restraints on the Alienation of Property, or any similar rule. Accordingly, if any right or option to acquire any interest in the Property or in any other real property exists under this Royalty Agreement, such right or option must be exercised, if at all, so as to vest such interest within time periods permitted by applicable rules. If, however, any such violation should occur inadvertently, the Parties hereby agree that a court shall reform that provision in such a way as to most closely approximate the intent of the Parties within the limits permissible under such rules.

Section 6. Commingling. Before any Minerals are commingled with minerals from any other properties (or any Minerals owned by a party other than Owner or any of Owner's Affiliates are delivered for processing or refining to the Property in good faith and not with any intent or purpose to evade the terms of this Royalty Agreement), the Minerals shall be measured and sampled in accordance with sound mining and metallurgical practices for moisture, metal, and other appropriate content and penalty substances of the Minerals, and representative samples of the Minerals shall be retained by Owner. From this information, Owner shall determine the quantity of the Minerals subject to the Royalty notwithstanding that the Minerals have been commingled with minerals from other properties. Following the expiration of the period for objections described above in Section 3.4 above, and absent timely objection, if any, made by Cracker Creek, Owner may dispose of the materials and data required to be kept and produced by this section.

Section 7. Stockpiling.

7.1 The right of Owner or operator to stockpile, store or place Minerals in locations off the Property (the "**Other Locations**"), shall not be exercisable until Owner or operator has first obtained a written agreement from each owner ("**Other Owner**") of the Other Locations where such Minerals will be stockpiled, stored or placed, in recordable form, in favor of Cracker Creek and executed by such Other Owner that provides:

- (a) that Cracker Creek's rights with respect to the Minerals pursuant to this Royalty Agreement shall continue in full force and effect with respect to the Minerals stored at the Other Locations;
- (b) that Cracker Creek's rights in and to the Minerals stored at such Other Locations shall be the same as if the Minerals were situate on the Property;
- (c) that Cracker Creek's rights with respect to the Minerals stored at such Other Locations shall have priority over the Owner's rights with respect to the Minerals stored at such Other Locations; and

- (d) that the agreement executed by the Other Owner shall not be terminated as long as any Minerals are stored at the Other Locations.

Section 8. Hedging Transactions. All profits and losses resulting from Owner engaging in any commodity futures trading, option trading, metals trading, gold loans or any combination thereof, and any other hedging transactions (collectively, “*hedging transactions*”) are specifically excluded from calculations of Royalty payments pursuant to this Royalty Agreement. All hedging transactions by Owner and all profits or losses generated therefrom, if any, shall be solely for Owner’s account. If Minerals produced from the Property are actually delivered pursuant to any such hedging transaction, such Minerals will, for the purposes of calculating the Royalty payable hereunder, be deemed to be sold and delivered at a price equal to the Spot Price for the week immediately preceding the deemed sale.

Section 9. Tailings. All Tailings shall be subject to the Royalty. If commingling of Tailings occurs in accordance with the terms of this Royalty Agreement, the amount of such Tailings subject to the Royalty shall be determined in proportion to its contribution of contained metal in such Tailings, where contained metal is determined by the product of the estimated weight of such Tailings multiplied by the estimated grade of such Tailings.

Section 10. Books; Records; Transactions.

10.1 Owner shall keep true and accurate books and records of all of its operations and activities with respect to the Property and the Minerals, prepared in accordance with generally accepted accounting principles, consistently applied. Cracker Creek may, from time to time, perform audits or other examinations of all of Owner’s books and records to confirm all calculations made by the Owner and compliance with the terms of this Royalty Agreement, including without limitation, calculations of Net Smelter Returns. Cracker Creek shall promptly commence, and diligently complete, any audit or other examination permitted hereunder. The reasonable expenses of any audit or other examination permitted hereunder shall be borne solely by Cracker Creek, unless the results of such audit or other examination permitted hereunder disclose a deficiency in respect of the Royalty payments paid to Cracker Creek hereunder in a quarterly amount greater than 2% of the quarterly Royalty payments paid to Cracker Creek, in which event the costs of such audit or other examination shall be paid by Owner.

10.2 Within 90 days following the end of each calendar year, Owner shall provide Cracker Creek with an annual report of Minerals mined, Minerals milled, recoveries grades, Net Smelter Returns, Expenses and capital and development expenses with respect to the Property during such calendar year. Such annual report shall include estimates of proposed expenditures upon, anticipated production from and estimated remaining Mineral reserves on the Property for the succeeding calendar year, and any changes to, or replacements of, the mine plan or any “life of mine” plan with respect to the Property. Owner shall provide Cracker Creek with a copy of any “life of mine” plan, if produced, within 30 days after its approval by Owner, and any changes to, or replacements of, any such “life of mine” plan within 30 days after such change or replacement thereof. Owner agrees, at the request of Cracker Creek, to provide Cracker Creek with

such data or reports as may be reasonably required to file with the relevant stock exchanges or securities commissions in connection with any listing applications or prospectus filings.

10.3 Upon not less than 5 business days' notice to Owner and no more than once annually, Cracker Creek, or its authorized agents or representatives, under the direction and control of Owner, may enter upon all surface and subsurface portions of the Property for the purpose of inspecting the Property, all improvements thereto and operations thereon, and all production records and data pertaining to all production activities and operations on or with respect to the Property, including without limitation, records and data that are electronically maintained. Cracker Creek, or its authorized agents or representatives, shall enter upon the Property at its or their own risk and expense, and shall not hinder the operations or activities on or relating to the Property.

Section 11. Compliance With Laws; Environmental Obligations.

11.1 Owner shall indemnify and save Cracker Creek harmless from any loss, cost or liability (including, without limitation, reasonable legal fees) arising from a claim against Cracker Creek in respect of any failure by Owner to comply at all times with all applicable present or future laws, statutes, rules, regulations, permits, ordinances, certificates, licenses and other regulatory requirements, policies and guidelines relating to Owner's operations and activities on or with respect to the Property; *provided, however*, Owner shall have the right to contest any of the same if such contest does not jeopardize the Property or Owner's operations thereon, the existence or validity of the Royalty, or Cracker Creek's rights under this Royalty Agreement.

11.2 Owner shall indemnify and save Cracker Creek harmless from any loss, cost or liability (including, without limitation, reasonable legal fees) arising from a claim against Cracker Creek in respect of:

- (a) any failure by Owner to timely and fully perform all reclamation required by all governmental authorities pertaining or related to the Owner's operations or activities on or with respect to the Property or required under this Royalty Agreement;
- (b) Owner causing, suffering, or permitting any condition or activity at, on or in the vicinity of the Property which constitutes a nuisance; or
- (c) any failure by Owner that results in a violation of or liability under any present or future applicable environmental laws, statutes, rules, regulations, permits, ordinances, certificates, licenses and other regulatory requirements, policies or guidelines.

11.3 Owner hereby agrees, warrants and covenants to release, acquit and forever discharge Cracker Creek and Cracker Creek's affiliates, stockholders, equity owners, directors, officers, employees, agents, representatives, attorneys, consultants and advisors from any and all claims, demands and causes of action for contribution and indemnity under statute or common law which could be asserted now or in the future relating to or arising out of environmental conditions or environmental liabilities related to the Property, including any and all claims, demands and causes of action attributable to or arising out of a violation of any environmental law. From and after closing, Owner warrants, agrees, and covenants not to sue or institute arbitration against

Cracker Creek or any of Cracker Creek's affiliates, directors, officers, employees, agents, representatives, attorneys, consultants and advisors upon any claim, demand or cause of action for indemnity and contribution that have been asserted or could be asserted for any such environmental conditions or environmental liabilities.

Section 12. Maintenance of Property.

12.1 Owner shall do all things and make all payments necessary or appropriate to maintain the right, title and interest of Owner and Cracker Creek in and to the Property and to maintain the Property in good standing. Owner shall give Cracker Creek not less than 30 days' prior written notice of Owner's intention to abandon or surrender or allow to lapse or expire any part or parts of any unpatented lode mining claims or millsite claims comprising the Property.

12.2 Notwithstanding the provisions of Section 12.1, Owner shall be entitled from time to time to abandon or surrender or allow to lapse or expire all or any part or parts of the Property (the "*Abandoned Claims*") if:

- (a) Owner determines, acting reasonably, that such part or parts are not economically viable or otherwise have insufficient value to warrant continued mining operations;
- (b) Owner has provided Cracker Creek with not less than 30 days' prior written notice of the Owner's intention to abandon, surrender, or allow the expiry or lapse of, such Abandoned Claims; and
- (c) within 30 days after receipt by Cracker Creek of written notice from Owner pursuant to Section 12.2(b), Cracker Creek has not provided Owner with written notice of Cracker Creek's intention to acquire such Abandoned Claims.

12.3 Notwithstanding the provisions of Section 12.2, Owner shall not abandon or surrender, or allow to lapse or expire, all or any part or parts of the unpatented lode mining claims or millsite claims, or any interests therein, comprising the Property for the purpose of permitting any third party to restake or otherwise acquire such claims or interests and/or avoid the Royalty; and if Owner, directly or indirectly, through any Affiliate of Owner, any joint venturer with Owner, or any third party in any manner associated with Owner or any of its Affiliates or co-venturers, restakes or otherwise acquires any expired unpatented lode mining claims or millsite claims comprising all or part of the Property, then the Royalty shall apply to and burden such claims, and the calculation of Royalty payments pursuant to this Royalty Agreement shall include Net Smelter Returns directly or indirectly received by Owner in respect of Minerals produced from any such restaked or acquired claims. For the avoidance of doubt, the Royalty to be paid pursuant to this Royalty Agreement is payable with respect to production of Minerals from the lands comprising the Property, regardless of any amendments, abandonments and relocations that have been or will be made to the Property by Owner or any of its Affiliates or co-venturers or any third party in any manner associated with Owner or its Affiliates or co-venturers.

12.4 If Cracker Creek provides Owner with written notice of Cracker Creek's intention to acquire the Abandoned Claims, Owner shall forthwith transfer to Cracker Creek all of

Owner's right, title and interest in and to such Abandoned Claims for the aggregate consideration of \$1.00.

Section 13. Sale or Encumbrance of Property. Owner shall not sell, transfer or permit any Encumbrance (other than Permitted Encumbrances) on all or any part of the Property, the Minerals, the receivables derived from the sale or other disposition of the Minerals or Owner's income from the Property, without (a) the prior written consent of Cracker Creek, which consent will be withheld *only* if it is determined, in the exercise of commercial reasonableness in the industry, that such sale, transfer or Encumbrance of the Property would materially limit or avoid the Royalty; and (b) first delivering to Cracker Creek a transferee's written assumption of this Royalty Agreement and all of the covenants, duties and obligations of Owner set forth herein arising on and after such transfer, which written assumption shall be in recordable form. Cracker Creek shall have 15 business days from the date of written notice by Owner of the intention to sell, transfer, or permit an Encumbrance. If Cracker Creek does not withhold consent within such period of time, Cracker Creek shall be deemed to consent to such sale, transfer or Encumbrance.

Section 14. Conduct of Operations.

14.1 All decisions concerning methods, the extent, times, procedures and techniques of any exploration, development, mining, leaching, milling, processing, extraction treatment, if any, and the materials to be introduced into the Property or produced therefrom, and all decisions concerning the sale or other disposition of Minerals (including, without limitation, decisions as to buyers, times of sale, whether to store or stockpile Minerals for a reasonable length of time without selling the same) shall be made by Owner, acting reasonably and in accordance with good mining and engineering practice in the circumstances.

14.2 Owner shall not be responsible for nor obliged to make any Royalty payments for Mineral values lost in any mining or processing of the Minerals conducted pursuant to customary mining practices. Owner shall not be required to mine or to preserve or protect the Minerals which under customary mining practices cannot be mined or shipped at a reasonable profit by Owner at the time mined.

14.3 Where any ores or concentrates are sold to or treated by a Processor owned or controlled by the Owner, the pricing for that sale or treatment will be established by the Owner on an arm's-length basis so as to be competitive with pricing, net of transportation, insurance and treatment charges, then available on North American markets for product of like quantity and quality.

Section 15. No Implied Covenants. The Parties agree that no implied covenants or duties relating to exploration, development, mining or the payment of production royalties or any other monies provided for herein shall affect any of their respective rights or obligations hereunder, and that the only covenants or duties which affect such rights and obligations shall be those expressly set forth and provided for in this Royalty Agreement.

Section 16. Further Assurances; Registration of Interest. Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Royalty Agreement, in each case

at the cost and expense of the Party requesting such further investment, document or action. Cracker Creek shall have the right, from time to time, to register or record this Royalty Agreement or notice of this Royalty Agreement, any other documents relating to this Royalty Agreement, and any other title document registered against the title to the Property, and Owner shall cooperate with such registration or recording and provide its written consent or signature to any documents or things necessary to accomplish such registration or recording or otherwise to protect the interests of Cracker Creek hereunder. Any successor, assignee, transferee or other acquirer of the Property, or any interest therein, shall be subject to this Royalty Agreement and shall be obligated to comply with the terms hereof. Cracker Creek and the Owner agree that, where appropriate, a Memorandum of Royalty Agreement in form and content satisfactory to Cracker Creek shall be executed and registered in all necessary public offices to record the interests of Cracker Creek hereunder.

Section 17. Binding Effect. All covenants, conditions, and terms of this Royalty Agreement shall be of benefit to and run as a covenant with the Property and shall bind and inure to the benefit of the Parties hereto, their respective successors and assigns, including, without limitation, partners, joint venture partners, lessees and mortgagees. Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, or other partnership relationship between the Owner and Cracker Creek.

Section 18. Confidentiality. All information developed or acquired by Cracker Creek as a result of Cracker Creek's exercise of its rights hereunder, including its right to visit the Property or audit Owner's records relating to preparation of statements or reports, and relating to mineral discoveries, ore reserves, mining methods, plans and production schedules, terms of agreements, and ownership interests, shall be treated and kept as confidential and shall not be released or made public without Owner's express prior written consent, which consent may be withheld at Owner's sole discretion; *provided, however*, nothing herein shall be construed to prohibit or to interfere with any responsibility of Cracker Creek or its Affiliates to make reasonable disclosures required under applicable securities or other laws. Cracker Creek acknowledges and agrees that in the event of a breach of this covenant of confidentiality, the remedy at law may be inadequate and, without limiting any other remedy available at law or equity, Owner may enforce

this covenant through injunction, specific performance or other form of equitable relief or money damages or any combination thereof.

Section 19. Notices. Any notice given pursuant to this Royalty Agreement shall be in writing and shall be delivered (a) by personal courier; (b) by certified mail, delivery receipt requested; (c) by FedEx, delivery receipt requested; or (d) by facsimile or e-mail transmission.

If to Cracker Creek:

Cracker Creek Gold Corporation
27035 Timberline Terrace
Valencia, CA 91381
Attn: Cynthia Jevne
Jason Hepp
Telephone: (805) 689-2603
:
E-mail: cjjevne@icloud.com; and JHepp@landadvisors.com>
and

John D. Fognani, Esq.
Michael T. Hegarty, Esq.
Haynes and Boone, LLP
1050 17th Street, Suite 1800
Denver, CO 80265
Telephone: 303-382-6200
Facsimile: 303-382-6210
E-mail: john.fognani@haynesboone.com
michael.hegarty@haynesboone.com

If to Owner:

2262496 Alberta Ltd.
410-10113 104 Street NW
Edmonton, Alberta T5J1A1
Attn: Dean Besserer
Telephone: 780-916-5782
E-mail: dean@dgimports.ca

Notice given by certified mail or FedEx shall be deemed to have been given and received on the date of the delivery as shown on the delivery receipt. Notice given by personal courier or by facsimile or e-mail transmission shall be deemed given and received on the date that such delivery or transmission is made, but if such delivery or transmission is not made on a regular business day or during regular business hours, it shall be deemed given and received as of the opening of

business on the next business day. Either Party may direct the other in writing at any time to deliver notices to it at an alternative address.

Section 20. Miscellaneous.

20.1 Currency. All dollar (\$) amounts referred to herein, unless indicated expressly to the contrary, shall refer to lawful currency of the United States of America.

20.2 Time of Essence. Time is of the essence in this Royalty Agreement.

20.3 Entire Agreement. This Royalty Agreement, including all attachments, schedules and exhibits attached hereto and made a part hereof, constitutes the final and entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions of the Parties, whether oral or written, implied or express, with respect to the subject matter hereof.

20.4 Governing Law. This Royalty Agreement and all instruments executed pursuant to it shall be governed by and interpreted in accordance with the substantive laws, but not laws governing conflicts of laws, of the State of Oregon.

20.5 Captions. The headings and captions contained in this Royalty Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Royalty Agreement.

20.6 Interpretation. This Royalty Agreement shall be interpreted consistent with and in a manner designed to give the greatest effect to the express and paramount intentions of the Parties.

20.7 Severability. If any provision of this Royalty Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Royalty Agreement shall nevertheless remain in full force and effect so long as the economic and legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Royalty Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

20.8 Waiver. Any failure by a Party to comply with any of its obligations, agreements or conditions herein contained may only be waived by the Party to whom such compliance is owed by a written instrument signed by such Party and expressly identified as a waiver, but not in any other manner. No waiver of, consent to a change in, or any delay in timely exercising any rights arising from, any of the provisions of this Royalty Agreement shall be deemed or shall constitute a waiver of, or consent to a change in, other provisions hereof (whether

or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

20.9 Amendment. This Royalty Agreement may be amended or modified only by an agreement in writing executed by all Parties and expressly identified as an amendment or modification hereto.

20.10 Assignment. Cracker Creek may assign its rights and obligations under this Royalty Agreement to any Person. Any such assignment shall be effective upon written notice thereof to Owner.

20.11 No Third-Party Beneficiaries. Nothing in this Royalty Agreement shall entitle any person other than the Parties to any claim, cause of action, remedy or right of any kind.

20.12 Construction. The Parties acknowledge that (a) each Party has had the opportunity to exercise business discretion in relation to the negotiation of the details of the transaction contemplated hereby, (b) this Royalty Agreement is the result of arm's-length negotiations from equal bargaining positions, and (c) the Parties and their respective legal counsel equally participated in the preparation and negotiation of this Royalty Agreement. Any rule of construction that a contract be construed against the drafter shall not apply to the interpretation or construction of this Royalty Agreement.

20.13 Counterparts and Execution. This Royalty Agreement may be executed in counterparts, each of which shall be deemed an original instrument, but all such counterparts together shall constitute but one agreement. Each Party's delivery of an executed counterpart signature page by facsimile (or email) is as effective as executing and delivering this Royalty Agreement in the presence of the other Parties. No Party shall be bound by the terms and provisions of this Royalty Agreement until such time as all of the Parties have executed counterparts of this Royalty Agreement

[Signature page follows]

IN WITNESS WHEREOF the Parties hereto have caused this Cracker Creek NSR Royalty Agreement to be duly executed by its authorized representatives.

CRACKER CREEK GOLD CORPORATION,
an Oregon corporation

2262496 ALBERTA LTD.,
an Alberta, Canada corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of _____, 2020 by _____ as _____ of CRACKER CREEK GOLD CORPORATION, an Oregon corporation.

Witness my hand and official seal.

Notary Public

[SEAL]

My Commission expires: _____

STATE OF _____)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me on this _____ day of _____, 2020 by _____ as _____ of 2262496 ALBERTA LTD., an Alberta, Canada corporation.

Witness my hand and official seal.

Notary Public

[SEAL]

My Commission expires: _____

Schedule A

attached to Cracker Creek Royalty Agreement entered into and effective as of _____, 2020,
by and between **CRACKER CREEK GOLD CORPORATION**, an Oregon corporation, and
2262496 ALBERTA LTD., a company incorporated under the laws of Alberta, Canada

PROPERTY DESCRIPTION

SCHEDULE A

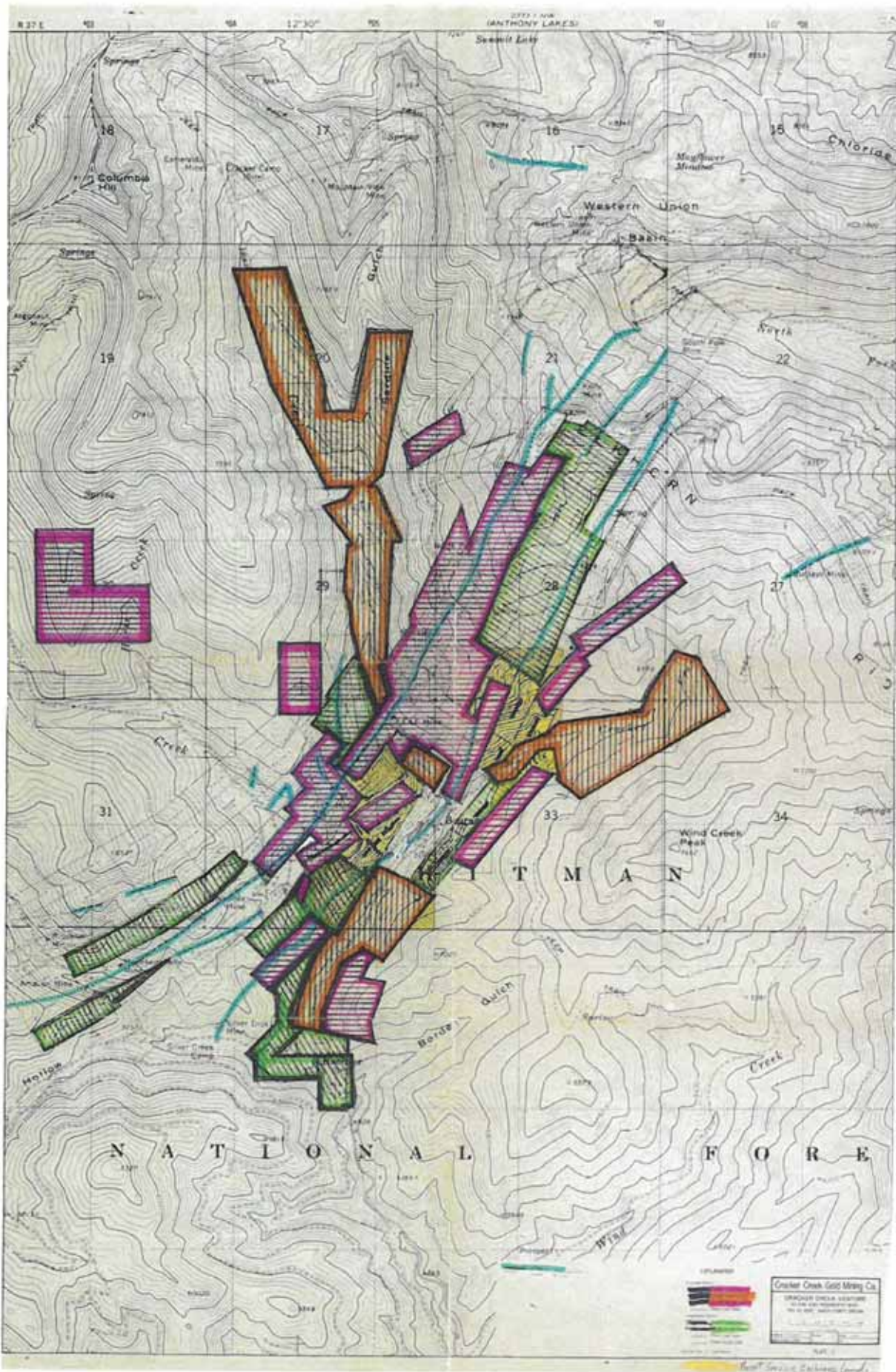


Exhibit B

attached to Cracker Creek Royalty Agreement entered into and effective as of _____, 2020,
by and between **CRACKER CREEK GOLD CORPORATION**, an Oregon corporation, and
2262496 ALBERTA LTD., a company incorporated under the laws of Alberta, Canada

PERMITTED ENCUMBRANCES

SCHEDULE B

Elkhorn Title Company

Your only locally owned Title and Escrow Company in Baker County

1725 Main St. • Baker City, OR 97814 • www.elkhorntitle.com • 541-523-6477

OWNERSHIP AND ENCUMBRANCE REPORT

Intermountain Law, PC
3370 10th Street, Suite H
Baker City, OR 97814

Date: July 29, 2019

Title No.: 19-22359

Report: \$375.00

Attn: Martin Leuenberger

We have searched our Tract Indices as to the following described LAND as of **July 22, 2019, at 8:00 a.m.:**

SEE EXHIBIT "A" ATTACHED HERETO FOR DETAILED LEGAL DESCRIPTION

Vested in:

CRACKER CREEK GOLD MINING COMPANY, AN OREGON CORPORATION

Subject to the following exceptions:

1. Taxes for
2017-2018: \$253.95 plus interest unpaid.
2018-2019: \$259.16 plus interest unpaid.
(Account No. 513 09S3729 100; Ref. No. 6039)

2017-2018: \$311.47 plus interest unpaid.
2018-2019: \$317.93 plus interest unpaid.
(Account No. 507 08S37 101; Ref. No. 15520)

2017-2018: \$58.00 plus interest unpaid.
2018-2019: \$59.21 plus interest unpaid.
(Account No. 507 08S37 102; Ref. No. 15519)

2017-2018: \$2,666.66 plus interest unpaid.
2018-2019: \$2,722.85 plus interest unpaid.
(Account No. 507 08S37 400; Ref. No. 5813)

2017-2018: \$19.07 plus interest unpaid.
2018-2019: \$19.07 plus interest unpaid.
(Account No. 507 08S3733BC 1500; Ref. No. 15372)

2017-2018: \$826.86 plus interest unpaid.
2018-2019: \$843.94 plus interest unpaid.
(Account No. 507 08S37 1800; Ref. No. 5825)

2017-2018: \$26.07 plus interest unpaid.
2018-2019: \$26.32 plus interest unpaid.
(Account No. 507 08S37 2000; Ref. No. 15370)

2017-2018: \$18.87 plus interest unpaid.
2018-2019: \$18.87 plus interest unpaid.
(Account No. 507 08S37 2800; Ref. No. 15366)

2017-2018: \$19.48 plus interest unpaid.
2018-2019: \$19.49 plus interest unpaid.
(Account No. 507 08S37 3100; Ref. No. 15367)

2017-2018: \$316.39 plus interest unpaid.
2018-2019: \$322.81 plus interest unpaid.
(Account No. 507 08S37 3601; Ref. No. 15521)

2017-2018: \$20.19 plus interest unpaid.
2018-2019: \$20.29 plus interest unpaid.
(Account No. 507 08S37 3999; Ref. No. 15522)

2. Subject to Local Government Liens, if any. No search of the Local Government Lien records has been made.
3. This LAND is currently being specially assessed as LAND located in a State Fire Protection District.
4. Rights of the public in and to any portion of the herein described premises lying within the boundaries of roads or highways.
5. Rights of the public and of governmental bodies in and to that portion of this LAND lying below the high-water mark of Cracker Creek and any other Creeks crossing the herein described LAND.
6. The provisions and reservations contained in the following patents from the United State of America, covering the placer mining claims as indicated:
 - a) The Central Placer Mining Claim, dated March 23, 1895, recorded September 18, 1895, in Deed Book "Y, Page 472, Records of Baker County, Oregon.
 - b) The Baring Consolidated Placer Mining Claim, dated October 26, 1895, recorded January 10, 1905, in Deed Book 58, Page 438, Records of Baker County, Oregon.
 - c) The Webfoot Placer Mining Claim, dated January 8, 1892, recorded September 7, 1923, in Deed Book 100, Page 161, Records of Baker County, Oregon.
 - d) The Willamette Placer Mining Claim, dated April 23, 1892, recorded September 7, 1923, in Deed Book 100, Page 163, Records of Baker County, Oregon.
 - e) The Small Hope Placer Mining Claim, dated April 23, 1892, recorded September 7, 1923, in Deed 100, Page 165, Records of Baker County, Oregon.

- f) The Northern Consolidated Placer Mining Claim, dated May 11, 1896, recorded September 7, 1923, in Deed Book 100, Page 168, Records of Baker County, Oregon.
 - g) The Tamarack Placer Mining Claim, dated December 17, 1898, recorded September 7, 1923, in Deed Book 100, Page 170, Records of Baker County, Oregon.
 - h) That portion in the Eureka Consolidated Placer Mining Claim, dated February 26, 1892, recorded May 23, 1979, in Deed 79 21 091, Records of Baker County, Oregon.
7. Reservation in the United States Patents, as referred to above, of any veins or lodes of quartz, or other rock in place bearing gold, silver, cinnabar, lead, tin, copper, or other valuable deposits within LAND above described which may have been discovered or known to exist on or prior to the dates defined therein, and all rights and easements thereunder by the holder of said mineral estate, or by any party claiming by, through or under said holder.

NOTE: Mineral title not shown further.

8. The provisions and reservations contained in the following patents from the United State of America, covering the lode mining claims as indicated:
- a) The North Pole Quartz Mining Claim, dated March 11, 1892, recorded October 6, 1892, in Deed Book "V, Page 150, Records of Baker County, Oregon.
 - b) The Consolidated Fractional Quartz Lode Mining Claim, dated February 17, 1893, recorded July 7 1893, in Deed Book "V, Page 607, Records of Baker County, Oregon.
 - c) The Cracker and Oregon Consolidated Quartz Mining Claim, dated February 17, 1893, recorded July 7, 1893, in Deed Book "V, page 611, Records of Baker County, Oregon.
 - d) The Williams Quartz Lode Mining Claim, dated June 8, 1892, recorded September 18, 1895, in Deed Book "Y, Page 476, Records of Baker County, Oregon.
 - e) The North Star Quartz Lode Mining Claim, dated August 6, 1895, recorded November 4, 1895, in Deed Book "Y, Page, 555, Records of Baker County, Oregon.
 - f) The More or Less Quartz Lode Mining Claim, dated May 21, 1896, recorded December 11, 1896, in Deed Book "Z", Page 404, Records of Baker County, Oregon.
 - g) The Villard Quartz Lode Mining Claim, dated January 22, 1901, recorded April 9, 1901, in Deed Book 42, Page 116, Records of Baker County, Oregon.
 - h) The Blue Mountain Quartz Lode Mining Claim, dated August 20, 1900, recorded February 26, 1904, in Deed Book 50, Page 635, Records of Baker County, Oregon.
 - i) The South Pole and Evans Lode Mining Claim, dated May 16, 1904, recorded February 24, 1905, in Deed Book 58, Page 612, Records of Baker County, Oregon.
 - j) The Majestic Quartz Lode Mining Claim, dated December 11, 1903, recorded February 24, 1905, in Deed Book 58, Page 614, Records of Baker County, Oregon.

- k) The Raging Roland Quartz Mining Claim, dated December 2, 1892, recorded March 3, 1905, in Deed Book 60, Page 1, Records of Baker County, Oregon.
 - l) The North Star No. 2 Lode Mining Claim, dated April 19, 1905, recorded March 12, 1906, in Deed Book 61, Page 584, Records of Baker County, Oregon.
 - m) The Bismark Consolidated Quartz Lode Mining Claim, dated April 3, 1905, recorded March 12, 1906, in Deed Book 61, Page 586, Records of Baker County, Oregon.
 - n) The Yankee Jack and the Yankee Jim Lode Mining Claims, dated March 1, 1905, recorded March 12, 1906, in Deed Book 61, Page 588, Records of Baker County, Oregon.
 - o) The Anniversary Consolidated Quartz Mining Claim, dated April 18, 1906, recorded March 11, 1907, in Deed Book 48, Page 285, Records of Baker County, Oregon.
 - p) The Gold Dollar Lode Mining Claim, dated March 23, 1906, recorded March 11, 1907, in Deed Book 48, Page 289, Records of Baker County, Oregon.
 - q) The Eureka Quartz Lode Mining and Mill Site Claim, dated June 5, 1891, recorded September 7, 1923, in Deed Book 100, Page 150, Records of Baker County, Oregon.
 - r) The Excelsior Quartz Lode Mining Claim, dated June 5, 1891, recorded September 7, 1923, in Deed Book 100, Page 152, Records of Baker County, Oregon.
 - s) The Shyster Consolidated Mining Claim, dated February 17, 1899, recorded September 7, 1923, in Deed Book 100, Page 156, Records of Baker County, Oregon.
 - t) The Excelsior No. 2 Quartz Lode Mining Claim, dated April 18, 1899, recorded September 7, 1923, in Deed Book 100, Page 159, Records of Baker County, Oregon.
9. Ditch Easement, including the terms and conditions thereof, as disclosed by instrument recorded February 21, 1914, in Lease and Agreements Book "G", Page 451, Records of Baker County, Oregon, "for a ditch line owned by the Sumpter Land Company".
 10. Right of Way Easement, including the terms and provisions thereof, granted to United States of America, by instrument dated March 11, 1968, recorded April 10, 1968, in Deed 68 15 031, Records of Baker County, Oregon, for a trail known as the Elkhorn Crest Trail, Project No. 1611, over a strip of land 15 feet in width.
 11. Terms and provisions of a lease dated March 31, 1980, executed by Cracker Creek Gold Mining Company, c/o Sylven, Young and Schmeits, as Lessor, and Brooks Minerals Incorporated, a Colorado Corporation, as Lessee, recorded May 1, 1980, in Deed 80 18 090, Records of Baker County, Oregon.
 12. Right of Way Easement, including the terms and provisions thereof, granted to CP National Corporation by instrument dated October 26, 1981, recorded November 5, 1981, in Deed 81 44 079, Records of Baker County, Oregon, for utilities over a strip of land 50 feet in width.

13. Easement, including the terms and provisions thereof, granted to the United States of America, through the Soil Conservation Service of the United States Department of Agriculture, by instrument dated March 18, 1991, recorded April 22, 1991, in Deed 91 17 043, Records of Baker County, Oregon, for a snow telemetry site (SNOTEL) located in Government Lots 2 and 3, and the Tamarack Placer Mining Claim.
14. Easement, including the terms and provisions thereof, granted to Oregon Trail Electric Consumers Cooperative, by instrument dated March 18, 1991, recorded April 22, 1991, in Deed 91 17 046, Records of Baker County, Oregon, for utilities over Government Lots 5 and 6. (Exact location not described)
15. By Findings of Fact and Order, Baker County Forestland-Urban Interface Classification Committee, including the terms and conditions thereof, dated February 28, 2008, recorded February 29, 2008, in Book 08 10 0083, Records of Baker County, Oregon, this LAND has been classified as being identified as being within a forest protection district.
16. Right, title or interest if any, of other parties in and to that portion included in the Cracker Placer Mining Claim, which is a portion of the Eureka Consolidated Placer Mining Claim. (Affects Tract II)

NOTE: The documents in the chain of title on the balance of the Eureka Consolidated Placer Mining Claim since at least 1917 have not excepted this portion. Underlying fee Title of Cracker Creek Gold Mining Company.

17. Subject to the interest, if any, of the Bourne Mining Corp., as disclosed by the Assessor's Tax Information. (Affects Tract II)
18. Any proposed policy/policies shall be issued subject to the following exception:
(Affects a portion of the herein described LAND)

Notwithstanding Paragraph 4 of the insuring clauses of the policy, the policy does not insure against loss arising by reason of any lack of a right of access to and from the land.

19. Subject to any unrecorded leases and/or tenancies.
20. This report does not include a search for financing statements filed in the office of the Secretary of State and no liability is assumed if a financing statement is filed in the office of the Baker County Clerk covering fixtures wherein the land is described other than by metes and bounds, the rectangular survey system, or by recorded lot and block.

- END OF EXCEPTIONS -

NOTE: We are informed that the LAND described herein has a physical address of:
Bare Land, Baker County, OR

NOTE: The last recorded deed for the herein described LAND was conveyed to Cracker Creek Gold Mining Company, an Oregon Corporation, the vested owner herein, recorded April 22, 1991, in Deed 91 17 042, Records of Baker County, Oregon.
(Affects Tract I)

The last recorded deed for the herein described LAND was conveyed to Cracker Creek Gold Mining Company, an Oregon Corporation, the vested owner herein, recorded November 3, 1959, in Deed Book 169, Page 1476, Records of Baker County, Oregon. (Affects Tract II)

We have also searched our General Index for judgments and state and federal tax liens against the above named vestee and find the following:

NONE

THIS IS NOT A TITLE REPORT AND NO TITLE INSURANCE IS PROVIDED. The liability in connection with this plant service is expressly limited to the sum paid therefore, and the issuing company will not otherwise be responsible for errors and omissions therein. The charge for this service will not include supplemental reports.

Sincerely,
ELKHORN TITLE COMPANY

"Daniel Lutz"

Daniel Lutz
Title Officer

THANK YOU FOR CHOOSING ELKHORN TITLE COMPANY!

EXHIBIT "A"

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.

This legal description was created prior to January 1, 2008

(507 08S37 101, 102, 2000, 2800, 3100, 3601 and 3999; Ref. Nos. 15520, 15519, 15370, 15366, 15367, 15521 and 15522)
(507 08S3733BC 1500; Ref. No. 15372)

TRACT II

The following claims and properties 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, designated by the Surveyor General as Lot No. 50, Mineral Survey No. 238, embracing a portion of Township 8 South, Range 37 East of the Willamette Meridian, and as more particularly described in the Patent to the same, being Patent No. 22,574, recorded in Deed Book "V", Page 607, Records of Baker County, Oregon, and known as the Taber Fractional Mine.

ALSO including the mining claims and premises constituting and comprising what is known as the North Pole Mine, described as follows:

The following Patented Mining Claims:

The North Pole Quartz Lode 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 Williams Quartz Lode 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 Raging Roland Quartz 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 Central Placer 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;
- the North Star Quartz Lode 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 Baring Consolidated Placer 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;
- the More or Less Quartz Lode 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 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 Villard Quartz Lode 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 Majestic Quartz Lode 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 South Pole and Evans Quartz Lode 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 Yankee Jack and the South 358.6 feet of the Yankee Jim Quartz Lode Claims, 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;
- the Bismark Consolidated Quartz Lode Claim, consisting of the Bismark and Gladstone quartz mining 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;
- the North Star No. 2 Quartz Lode 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;
- the Gold Dollar Quartz Lode Claim, as described in United States Patent recorded in Deed Book 43, Page 289, Records of Baker County, Oregon, said mining claim having been designated by the Surveyor General as Lot No. 424;
- and the Anniversary Consolidated Quartz Lode 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.

ALSO including the mining claims and real property known as the E and E Holdings, described as follows:

The following parcel of land in Township 9 South, Range 37 East of the Willamette Meridian, in the County of Baker and State of Oregon:

Section 29: All of the Northeast quarter of the Northeast quarter; and
the East half of the Northwest quarter of the Northeast quarter.

ALSO including the following described Patented Mining Claims and real property,
situated in Township 8 South, Range 37 East of the Willamette Meridian:

- The Eureka Quartz Lode Claim and Mill Site, designated by the Surveyor General for Oregon as Lot Nos. 37-A and 37-B and for which a patent was issued by the United States (Patent No. 18080, Mineral Certificate No. 63), dated June 5, 1891, recorded in Vol. 199, Pages 93 to 96, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Excelsior Quartz Lode Claim, designated by the Surveyor General for Oregon as Lot No. 38 and for which a patent was issued by the United States (Patent No. 18081, Mineral Certificate No. 64), dated June 5, 1891, recorded in Vol. 198, Pages 142 to 144, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Shyster Consolidated Claim, consisting of the Shyster and Blackmailer Quartz Lode and Shyster Mill Site Claims, designated by the Surveyor General for Oregon as Lot Nos. 315-A and 315-B and for which a patent was issued by the United States (Patent No. 30612, Mineral Certificate No. 157), dated February 17, 1899, recorded in Vol. 315, Pages 55 to 60, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Tamarack Placer Claim, designated by the Surveyor General for Oregon as Lot No. 303 and for which a patent was issued by the United States (Patent No. 30319, Mineral Certificate No. 123), dated December 17, 1891, recorded in Vol. 284, Pages 61 to 64, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Excelsior No. 2 Quartz Lode Claim, designated by the Surveyor General for Oregon as Lot No. 55, Survey No. 244, embracing a portion of said township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 30933, Mineral Certificate No. 101), dated April 18, 1899, recorded in Vol. 319, Pages 130 to 132, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Webfoot Placer Claim, designated by the Surveyor General for Oregon as Lot No. 45, and embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 19320, Mineral Certificate No. 97), dated January 3, 1892, recorded in Vol. 204, Pages 49 to 51, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Willamette Placer Claim, designated by the Surveyor General for Oregon as Lot No. 46, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 20960, Mineral Certificate No. 75), dated April 23, 1892, recorded in Vol. 204, Pages 226 to 228, inclusive, Records of the General Land Office of the United States in Washington, D.C.;

- the Small Hope Placer Claim, designated by the Surveyor General for Oregon as Lot No. 44, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 20963, Mineral Certificate No. 76), dated April 23, 1892, recorded in Vol. 204, Pages 229 to 231, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Northern Consolidated Placer Claim, consisting of the Northern, Southern and Creek Placer Claims, designated by the Surveyor General for Oregon as Lot No. 56, embracing a portion of said Township 8 in no mining district, in said County of Baker, and for which a patent was issued by the United States (Patent No. 26943, Mineral Certificate No. 103), dated May 11, 1896, recorded in Vol. 270, Pages 36 to 40, inclusive, Records of the General Land Office of the United States in Washington, D.C.;
- the Cracker and Oregon Consolidated Quartz Claims, Lot No. 52, situated in Township 8 South, Range 37 East of the Willamette Meridian, near the Town of Bourne, County of Baker and State of Oregon.

(507 08S37 400 and 1800; Ref. Nos. 5813, 5825)
(513 09S3729 100; Ref. No. 6039)

Elkhorn Title Company Privacy Notice

WHAT DOES ELKHORN TITLE COMPANY DO WITH YOUR PERSONAL INFORMATION?

Federal and applicable state law and regulations give consumers the right to limit some but not all sharing. Federal and applicable state law regulations also require us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand how we use your personal information. This privacy notice is distributed on behalf of Elkhorn Title Company, pursuant to Title V of the Gramm-Leach-Bliley Act (GLBA).

The types of personal information we collect and share depend on the product or service that you have sought through us. This information can include social security numbers and driver's license number.

All financial companies, such as the Elkhorn Title Company, need to share customers' personal information to run their everyday business—to process transactions and maintain customer accounts. In the section below, we list the reasons that we can share customers' personal information; the reasons that we choose to share; and whether you can limit this sharing.

Reasons we can share your personal information.	Do we share	Can you limit this sharing?
For our everyday business purposes — to process your transactions and maintain your account. This may include running the business and managing customer accounts, such as processing transactions, mailing, and auditing services, and responding to court orders and legal investigations.	Yes	No
For our marketing purposes — to offer our products and services to you.	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes — information about your transactions and experiences. Affiliates are companies related by common ownership or control. They can be financial and non-financial companies. <i>Our affiliates may include Eastern Oregon Title, Inc., Columbia Title and Pioneer Title of Walla Walla Washington.</i>	Yes	No
For our affiliates' everyday business purposes — information about your creditworthiness.	No	We don't share
For non-affiliates to market to you. Non-affiliates are companies not related by common ownership or control. They can be financial and non-financial companies.	No	We don't share

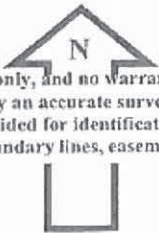
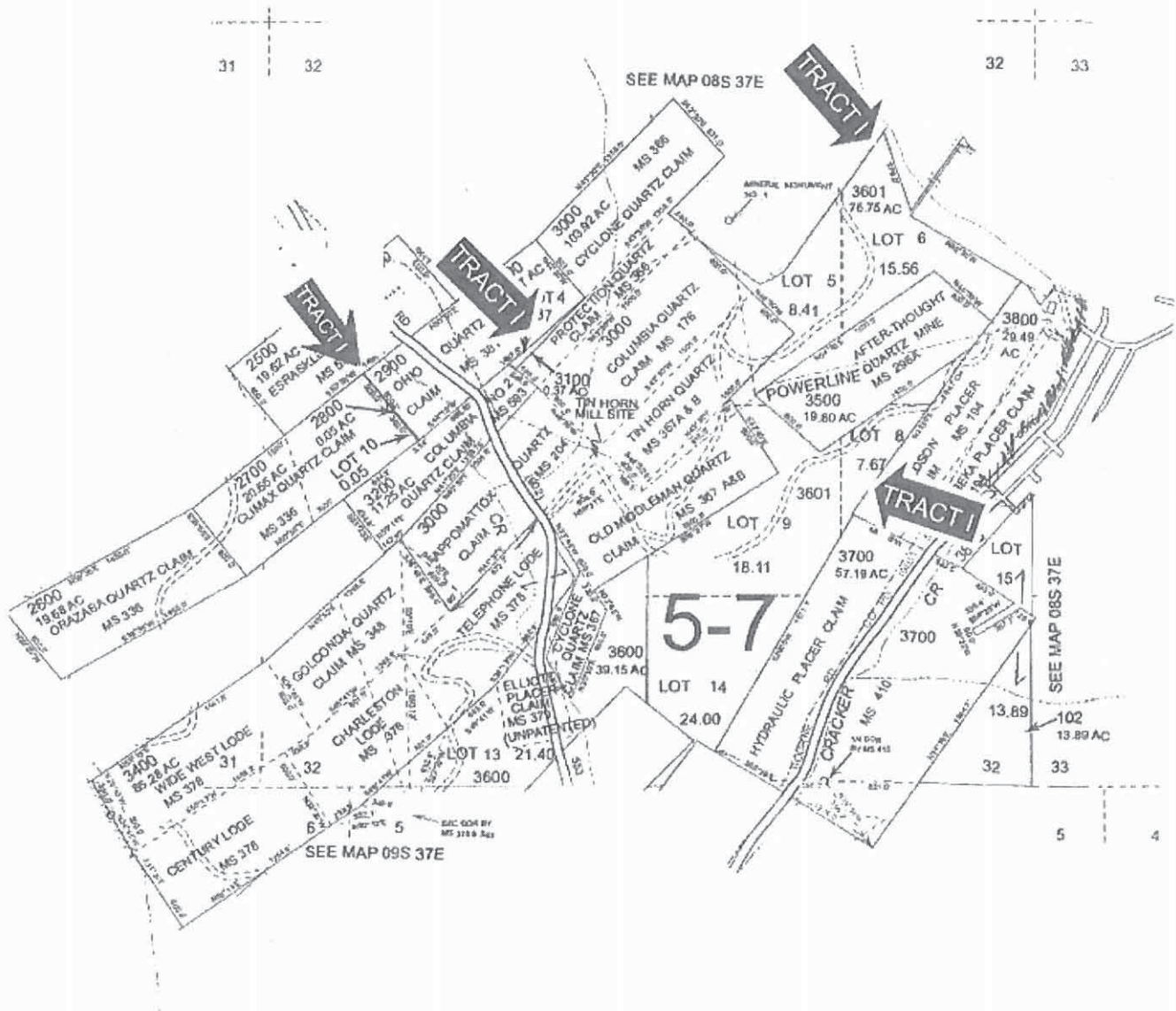
We may disclose your personal information to our affiliates or to non-affiliates as permitted by law. If you request a transaction with a non-affiliate, such as a third party insurance company, we will disclose your personal information to that non-affiliate. [We do not control their subsequent use of information, and suggest you refer to their privacy notices.]

SHARING PRACTICES

How often does Elkhorn Title Company notify me about their practices?	We must notify you about our sharing practices when you request a transaction.
How does Elkhorn Title Company protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer, file, and building safeguards.
How does Elkhorn Title Company collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> ■ request insurance-related services ■ provide such information to us We also collect your personal information from others, such as the real estate agent or lender involved in your transaction, credit reporting agencies, affiliates or other companies.
What sharing can I limit?	Although federal and state law give you the right to limit sharing (e.g., opt out) in certain instances, we do not share your personal information in those instances.

Contact us: If you have any questions about this privacy notice, please contact us at:
 Elkhorn Title Company, 1725 Main Street, Baker City, OR 97814

Elkhorn Title Company



This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # 08S3732
 File No. 19-22359

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DARKE COUNTY
1" = 800'

IN SE

18 | 17

19 | 20

17 | 16

20 | 21

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21 | 20

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28 | 27

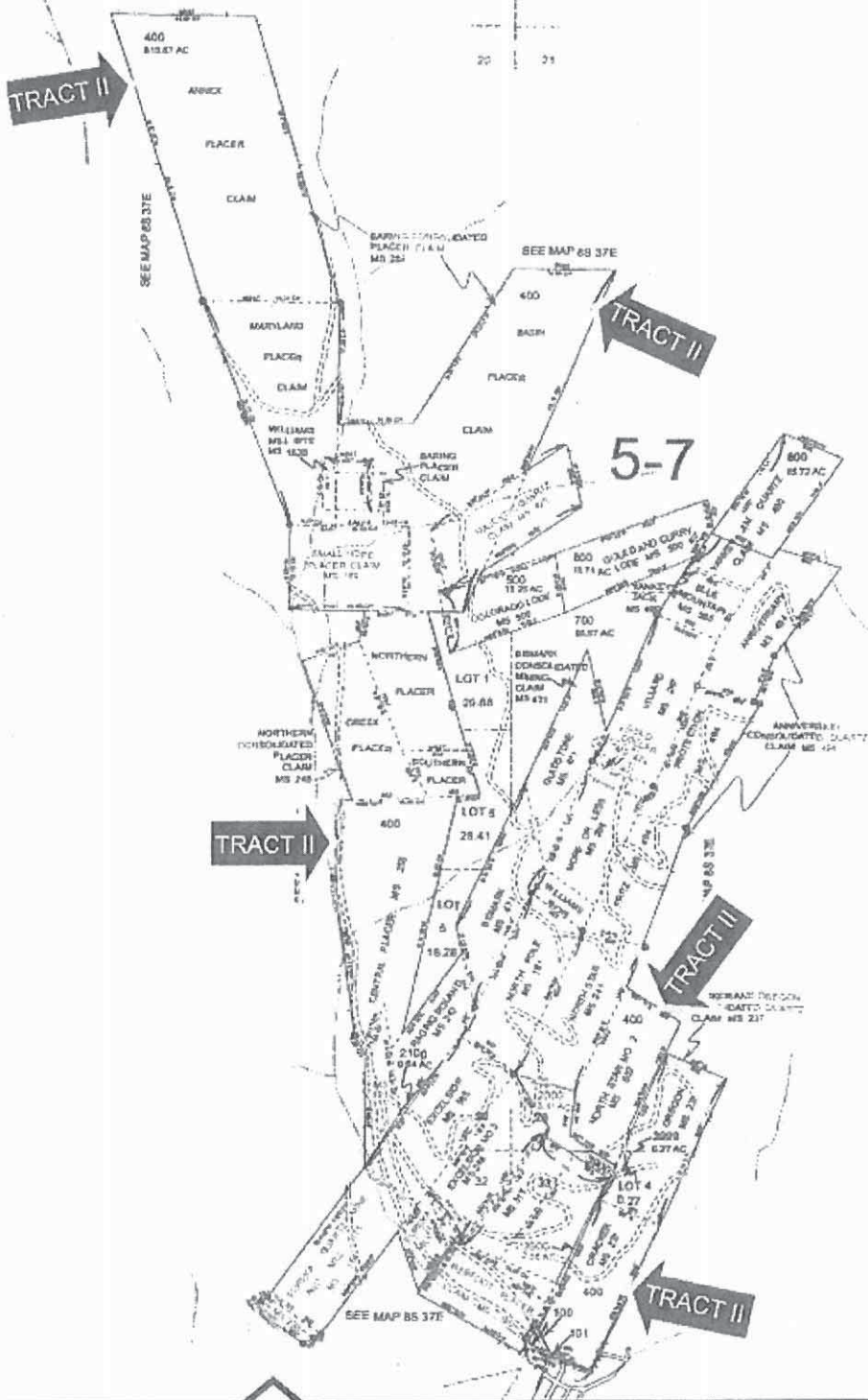
30 | 29

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35 | 34

IN SE
DET



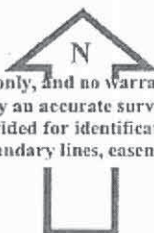
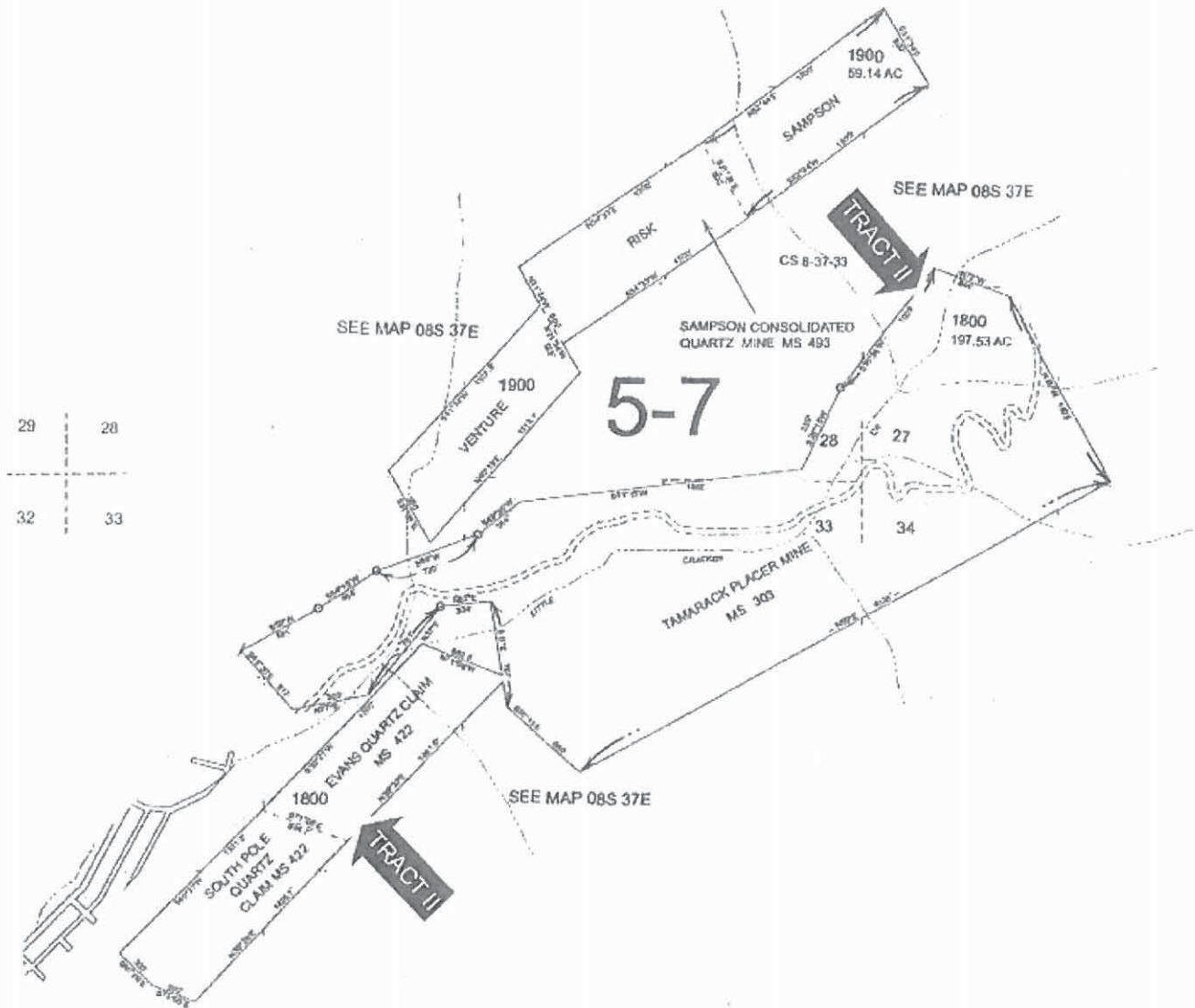
This sketch is for location purposes only, and no warranties are implied as to variations, if any, in dimensions or location as revealed by an accurate survey. It is not a survey and does not show the locations of improvements. It is provided for identification of lands only, and this company accepts no liability for the accuracy of the boundary lines, easements, roads or other matters shown thereon.

Map # 08S37
File No. 19-22359



Elkhorn Title Company

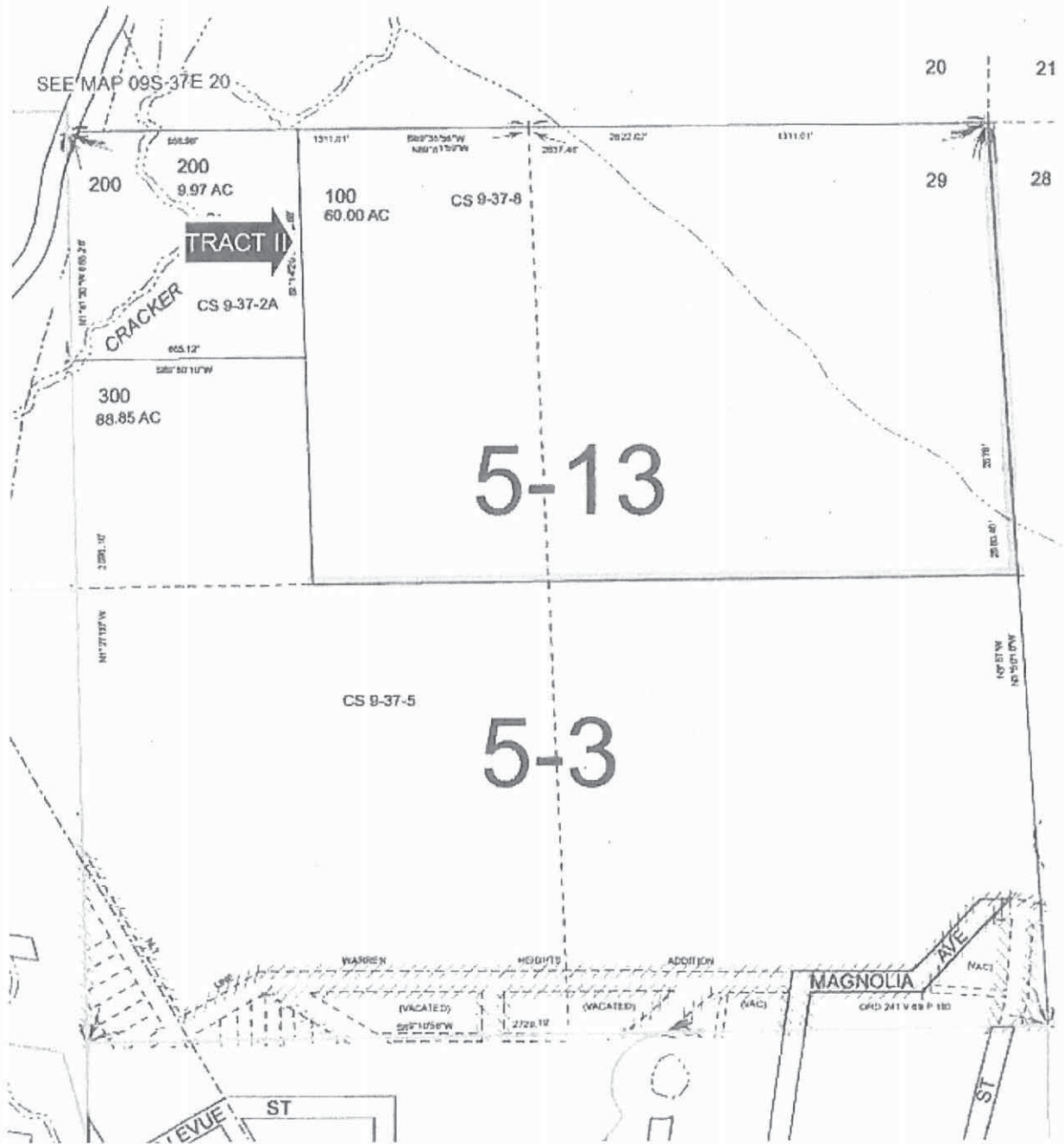
SEE MAP 08S 37E



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Map # 08S37
File No. 19-22359

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Map # 09S3729
File No. 19-22359

SCHEDULE D – SPECIAL WARRANTY DEED

To be negotiated in connection with Closing.

SCHEDULE E – DISPUTE RESOLUTION PROCEDURES

1. This Schedule E is incorporated by reference into the Exploration and Purchase Option Agreement dated November 6, 2020, by and between Optionor and Optionee (the “Agreement”). Unless otherwise defined herein, terms used in this Schedule E have the meaning assigned to them under the Agreement.
2. The Parties shall first attempt in good faith to negotiate a resolution to any dispute, controversy or claim arising out of, in connection with or in any way relating to the Agreement (“Dispute”), including without limitation its performance, non-performance, interpretation or termination or the relationship between the Parties.
3. If, after seven (7) days (or such other period of time to which all Parties may agree), a negotiated resolution to the Dispute is not forthcoming, the Parties shall submit the Dispute to non-binding mediation with the assistance of a qualified mediator agreed to by the Parties, with each Party paying 50% of the fees, costs and expenses charged by the mediator.
4. If mediation does not result in settlement of the Dispute, then the Dispute shall be finally settled by arbitration administered by the ADR Support Services (the “ADR Support”) under the American Arbitration Association (the “AAA”) under its Commercial Arbitration Rules (“Rules”) in effect on the Effective Date, subject to the following provisions:
 - (a) The Dispute shall be heard and determined by three arbitrators. Each Party shall select one person to act as an arbitrator within fifteen (15) days after the commencement of arbitration. These two arbitrators shall together select a third arbitrator within ten (10) days of their appointment. If either Party fails to appoint an arbitrator, or if the Party-selected arbitrators cannot agree within ten days on the identity of the third arbitrator, the AAA ADR Support will make the necessary appointment(s). The third-selected arbitrator shall be the panel’s chairperson.
 - (b) The AAA shall, and the Parties may, and ADR Support shall select as arbitrators from the AAA’s National Roster of individuals competent to hear and decide disputes administered under the Rules. All arbitrators shall be impartial and independent and shall perform their duties with diligence and in good faith. In addition, all arbitrators must be knowledgeable and experienced in the subject matter of the arbitration.
 - (c) The place of arbitration shall be Portland, Oregon. The language of the arbitration proceedings shall be English.
 - (d) The decision of the arbitrators shall be final and binding, and judgment on any award of the arbitrators may be entered by any court having jurisdiction

thereof. The arbitrators may grant any remedy or relief they deem just and equitable within the scope of this Agreement, including but not limited to equitable relief and specific performance; provided, however, the arbitrators shall have no authority to award punitive or other damages not measured by the prevailing Party's actual damages, except as may be required by statute. The arbitrators shall award to the substantially prevailing Party, if any, as determined by the arbitrators, all of its reasonable pre-award arbitration expenses, including the arbitrators' fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, and attorneys' fees. The arbitral award shall be made promptly and paid in U.S. dollars, free of any tax, deduction or off-set.

5. The terms and conditions of this Schedule E in their entirety shall survive the termination of the Agreement.