

## PURCHASE AGREEMENT

**THIS AGREEMENT** is dated December 11, 2020

**BETWEEN:**

**HOWSON VENTURES INC.**, a company incorporated pursuant to the laws of British Columbia and having an office at 890-1140 West Pender Street, Vancouver, BC V6E 4G1

(the “**Vendor**”)

**AND:**

**BUSCANDO RESOURCES CORP.**, a company incorporated pursuant to the laws of British Columbia and having an office at 890-1140 West Pender Street, Vancouver, BC V6E 4G1

(the “**Purchaser**”)

**WHEREAS:**

(A) The Vendor is the registered and beneficial owner of certain mining claims located in the Province of British Columbia and more particularly described on Schedule A hereto (the “**Property**”);

(B) The Vendor agrees to sell to the Purchaser, and the Purchaser agrees to purchase from the Purchaser, 100% of the right, title and interest in the Property on the terms and conditions set forth herein.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties, the parties covenant and agree as follows:

### PART 1

#### DEFINITIONS AND INTERPRETATION

##### Definitions

1.1 For the purposes of this Agreement, except as otherwise expressly provided herein, the following words and phrases have the following meanings:

- (a) “**Affiliate**” has the meaning given to that term in the *Business Corporations Act* (British Columbia);
- (b) “**Agreement**” means this agreement and all of the schedules hereto, as may be amended from time to time;
- (c) “**AOI Tenure**” has the meaning ascribed therein in Section 9.1;
- (d) “**Area of Interest**” has the meaning given to it in Section 9.1;
- (e) “**Business Day**” means a day, other than a Saturday, Sunday or statutory holiday in the Province of British Columbia;
- (f) “**Closing Cash Payment**” means the payment described in Section 3.1(a)(i);
- (g) “**Closing Date**” means the date the Purchaser completes the Closing Obligations;
- (h) “**Closing Obligations**” means the payment of the Closing Cash Payments and the completion of the Closing Share Issuance;
- (i) “**Closing Share Issuance**” means the Share issuance described in Section 3.1(b)(i);
- (j) “**Encumbrance**” means any privilege, mortgage, hypothec, lien, charge, pledge, security interest or adverse claim;
- (k) “**Environmental Damage**” means damage or threatened damage to the air, soil, surface waters, ground water or other natural resources on, about or in the general vicinity of the Property;
- (l) “**Environmental Laws**” means all applicable Laws relating to: abatement of pollution; protection of the environment; ensuring public safety from environmental hazards; management, storage or control of Hazardous Substances; release or threatened release of Hazardous Substances as wastes into the environment, including without limitation, land, ambient air, surface water and ground water; site reclamation; and manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of Hazardous Substances;
- (m) “**Exchange**” means a recognized stock exchange in North America;
- (n) “**Existing Royalty**” means the 2% net smelter returns royalty in favour of Longford Capital Corp.;
- (o) “**Expenditures**” means all costs, expenses, obligations and liabilities of whatever kind or nature spent or incurred directly or indirectly by the Purchaser, including, without limiting the generality of the foregoing, monies expended in connection with:

- (i) in doing geophysical, geochemical, land, airborne, environmental and geological examinations, assessments, assays, audits and surveys;
- (ii) historic data compilation work;
- (iii) title research work pertaining to the Property;
- (iv) in linecutting, mapping, trenching and staking;
- (v) in searching for, digging, trucking, sampling, working, developing, mining and extracting ores, Minerals and metals;
- (vi) in conducting diamond and other drilling;
- (vii) in obtaining, providing, installing and erecting mining, milling and other treatment plant, ancillary facilities, buildings, machinery, tools, appliances and equipment;
- (viii) in constructing access roads and other facilities on or for the benefit of the Property or any part thereof;
- (ix) in transporting personnel, supplies, mining, milling and other treatment plant, ancillary facilities, buildings, machinery, tools, appliances and equipment in, to or from the Property or any part thereof;
- (x) in paying reasonable wages and salaries of personnel directly engaged in performing work on or with respect to the Property;
- (xi) in paying assessments and contributions under applicable employment legislation relating to workers' compensation and unemployment insurance and other applicable legislation relating to such personnel;
- (xii) in supplying food, lodging and other reasonable needs for such personnel;
- (xiii) in obtaining and maintaining any insurance;
- (xiv) in obtaining legal, accounting, consulting and other contract and professional services or facilities relating to work performed or to be performed hereunder;
- (xv) in paying any taxes, fees, charges, payments and rentals (including payments made in lieu of assessment work) or otherwise incurred to transfer the Property or any part thereof or interest therein pursuant to this Agreement and to keep the Property or any part thereof in good standing;
- (xvi) in paying any non-refundable harmonized sales tax and social services tax and all other taxes charged on expenditures made or incurred by the Purchaser relating directly or indirectly to the Property;

- (xvii) in acquiring access and surface rights to the Property;
  - (xviii) in carrying out any negotiations and preparing, settling and executing any Agreements and other documents relating to environmental or indigenous peoples' claims, requirements or matters;
  - (xix) in obtaining all necessary or appropriate approvals, permits, consents and permissions relating to the carrying out of work, including environmental permits, approvals and consents;
  - (xx) in carrying out reclamation and remediation;
  - (xxi) in improving, protecting and perfecting title to the Property or any part thereof;
  - (xxii) in carrying out Mineral, soil, water, air and other testing;
  - (xxiii) in preparing engineering, geological, financing, marketing and environmental studies and reports and test work related thereto;
  - (xxiv) in preparing one or more feasibility studies including any work and reports preliminary or supplementary thereto; and
  - (xxv) a charge for management supervision and administrative services of the Purchaser as provided in Section 7.2 of this Agreement;
- (p) **“Expiry Date”** means the 24-month anniversary of the Listing Date;
- (q) **“Governmental Authority”** means any federal, provincial, state, municipal, or other local government or quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing governments or any Laws and includes any ministry, department, commission, bureau, board, administrative or other agency or regulatory body or instrumentality thereof, and any judicial, quasi-judicial, arbitration or administrative court, tribunal, commission, board or panel acting under the authority of any of the foregoing persons or any Laws;
- (r) **“Hazardous Substance”** means any substance which is deemed to be, alone or in any combination, hazardous, hazardous waste, toxic, radioactive, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination under any Environmental Law, whether or not such substance is defined as hazardous under such Environmental Law;
- (s) **“Interim Period”** means the period from the Closing Date to and including the earliest of the Expiry Date, and the termination hereof pursuant to Part 8;
- (t) **“Laws”** means all federal, provincial, state, municipal and local: constitutions; statutes; codes; ordinances; decrees; rules; regulations; by-laws; treaties; judicial, arbitral, administrative, departmental or regulatory judgements, orders, decisions, rulings or

awards; policies; voluntary restraints; guidelines; general principals of common law and equity; and any provisions of such Laws, binding on or affecting the person referred to in the context in which such word is used; and “**Law**” means any one of such Laws;

(u) “**Letter of Intent**” means the letter of intent dated July 7, 2020 from the Purchaser and agreed to by the Vendor;

(v) “**Listing Date**” means the first date upon which any security of the Purchaser is listed on an Exchange;

(w) “**Mine**” means workings established and assets acquired, including development headings, plant and concentrator installations, infrastructure, housing, airport and other facilities to bring the Property into commercial production of Minerals;

(x) “**Notice**” has the meaning given to it in Section 12.4;

(y) “**NSR**” means the 2% net smelter returns royalty which may be granted to the Vendor over the Property pursuant to this Agreement;

(z) “**Operations**” means every kind of work done by or under the direction of the Purchaser on or in respect of the Property pursuant to this Agreement which the Purchaser, may in its sole discretion, deem appropriate to determine the presence, location, quantity and value of Minerals contained in, on or under the Property and to determine the feasibility of developing and constructing a Mine;

(aa) “**Post-Closing Cash Payments**” means the payments described in Section 3.1(a)(ii) and Section 3.1(a)(iii);

(bb) “**Post-Closing Obligations**” means the payment of the Post-Closing Cash Payments, the completion of the Post-Closing Share Issuances and the completion of the Exploration Work;

(cc) “**Post-Closing Share Issuances**” means the Share issuances described in Section 3.1(b)(ii) and Section 3.1(b)(iii);

(dd) “**Purchaser**” means Buscando Resources Corp.;

(ee) “**Property**” has the meaning given to it in Recital (A);

(ff) “**Shares**” means common shares in the capital of the Purchaser; and

(gg) “**Vendor**” means Howson Ventures Inc.

## **Interpretation**

1.2 For the purposes of this Agreement except as otherwise expressly provided herein:

- (a) the words “**herein**”, “**hereof**”, and “**hereunder**” and other words of similar import refer to this Agreement as a whole and not to any particular Part, clause, subclause or other subdivision or Schedule;
- (b) a reference to a Part means a Part of this Agreement and the symbol Section followed by a number or some combination of numbers and letters refers to the section, paragraph or subparagraph of this Agreement so designated;
- (c) the headings are for convenience only, do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions;
- (d) the word “**including**”, when following a general statement, term or matter, is not to be construed as limiting such general statement, term or matter to the specific items or matters set forth or to similar items or matters (whether or not qualified by non-limiting language such as “without limitation” or “but not limited to” or words of similar import) but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its possible scope;
- (e) words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **Schedules**

1.3 The following Schedules are attached to and form an integral part of this Agreement:

Schedule A	Property
Schedule B	Net Smelter Returns Royalty

## **PART 2**

### **THE PROPERTY**

#### **The Property**

2.1 The Property is comprised of the mineral claims more particularly described in Schedule A and will include any additional mineral claims that become part of the Property pursuant to Section 9.1, including any mineral claims staked within the Property and all mining leases and other mining interests derived from any such mineral claims. Any reference to any mineral claim comprising the Property includes any mineral lease or other interest into which such mineral claim may be converted.

## PART 3

### PURCHASE AND SALE

#### Purchase and Sale

3.1 Relying on the warranties and representations set forth in this Agreement, and subject to its terms and conditions, on and effective as at the Closing Date, the Purchaser will purchase from the Vendor and the Vendor will sell, transfer and assign to the Purchaser, 100% of the right, title and interest in the Property, free and clear of any Encumbrances (other than the Existing Royalty) in exchange for the Purchaser:

- (a) making cash payments of an aggregate of \$150,000 to the Vendor, to be paid as follows:
  - (i) \$25,000 on the Closing Date;
  - (ii) an additional \$50,000 on or before the 12-month anniversary of the Listing Date; and
  - (iii) an additional \$75,000 on or before the 24-month anniversary of the Listing Date;
- (b) issuing an aggregate of 3,750,000 Shares (such Shares to be subject to such resale restrictions and legends as may be imposed by applicable securities Laws and the Exchange) to the Vendor, to be issued as follows:
  - (i) 1,000,000 Shares on the Closing Date;
  - (ii) an additional 1,250,000 Shares on or before the 12-month anniversary of the Listing Date; and
  - (iii) Effective additional 1,500,000 Shares on or before the 24-month anniversary of the Listing Date;
- (c) incurring Expenditures on the Property of not less than \$200,000 as follows (the “**Exploration Work**”):
  - (i) \$100,000 on or before the 12-month anniversary of the Listing Date; and
  - (ii) an additional \$100,000 on or before the 24-month anniversary of the Listing Date.

#### Title Transfer

3.2 Upon completion of the Closing Obligations, the Vendor shall transfer title and ownership to the Property to the Purchaser as provided hereunder (the “**Title Transfer**”), reserving unto itself the NSR and the Vendor shall deliver to the Purchaser duly executed

transfer forms relating to the Property in the form required under the laws of the Province of British Columbia in respect of the Title Transfer.

### **Title Transfer Return**

3.3 On the Closing Date, the Purchaser will deliver to the Vendor, in trust, duly executed documents in registerable form in required under the laws of the Province of British Columbia to transfer 100% Interest in the Property back to the Vendor (the “**Title Transfer Return**”) and provide irrevocable written instructions to the Vendor to effect all or part of the Title Transfer Return in the event that this Agreement terminates without the Purchaser satisfying the Post-Closing Obligations pursuant to the terms of this Agreement.

3.4 Upon the Purchaser satisfying the Post-Closing Obligations pursuant to the terms of this Agreement, the Vendor agree to immediately return to Purchaser the unused Title Transfer Return.

### **Payment in Lieu of Expenditures**

3.5 Notwithstanding the provisions of Section 3.1(c), if the Purchaser fails to incur the required Expenditures within any of the time frames set out in Section 3.1(c), the Purchaser may make a cash payment to the Vendor in lieu of the deficiency in such required Expenditures at any time within a period of 30 days immediately following the final date for completion of such required Expenditures. Any cash payment so made will be deemed to have been Expenditures duly and properly incurred.

### **Excess Expenditures**

3.6 Expenditures incurred by the Purchaser exceeding the amount of Expenditures required to be incurred within any period will be carried forward to the succeeding period and qualify as Expenditures.

### **Right of First Refusal**

3.7 The Vendor will be granted the first right of refusal to conduct the Exploration Work on behalf of the Purchaser, provided that the Vendor (a) is qualified to do such work, (b) is able to conduct the Exploration Work in the timeframe required by the Purchaser, and (c) charges reasonable standard rates comparable to other professionals who have similar experience and qualifications and experience with properties similar to the Property. The Vendor will have 10 days following written notification from the Purchaser to exercise this right, failing which the Vendor will relinquish its rights. In connection with any Exploration Work conducted by Vendor, the Vendor and the Purchaser will enter into a separate agreement or other appropriate documentation for such work containing such terms and conditions as are customary for similar transactions.

### **Determination of Expenditures**

3.8 Expenditures will be deemed to have been incurred by the Purchaser when the Purchaser has expended funds or has received goods or services from third parties for which the



Purchaser has an obligation to make payment, whether or not payment has been made. Where Expenditures are charged to the Purchaser by an Affiliate of the Purchaser for services rendered by such Affiliate, such Expenditures will not exceed the fair market value of the services rendered. A certificate of an officer of the Purchaser setting forth the Expenditures incurred by the Purchaser in reasonable detail will be prima facie evidence of the same.

### **Acceleration of Expenditures**

3.9 The Purchaser may at its sole discretion at any time accelerate the payment of the consideration (cash and Shares) and the Expenditures described in Section 3.1.

## **PART 4**

### **NET SMELTER RETURN ROYALTY**

#### **Net Smelter Return Royalty**

4.1 The transfer of the Property by the Vendor is subject to the Vendor retaining the NSR with respect to the production from the Property having the following attributes:

- (a) the terms and conditions of the NSR will be as set forth in Schedule B; and
- (b) the Purchaser will have the right, upon notice being given to the Vendor within 30 days of the Commencement of Commercial Production, to repurchase 1/2 of the NSR, being a 1% NSR, for \$1,500,000.

## **PART 5**

### **REPRESENTATIONS AND WARRANTIES**

#### **Representations and Warranties of the Vendor**

5.1 The Vendor hereby represents and warrants to and in favour of the Purchaser that as of the date hereof:

- (a) it validly exists as a corporation in good standing pursuant to the laws of British Columbia;
- (b) it has the corporate power and capacity to carry on its business, to hold an interest in the Property, to enter into this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party, and to perform its obligations under this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party;
- (c) this Agreement and all documents and agreements contemplated by this Agreement to which the Vendor will be a party, their execution and delivery and the

performance by the Vendor of its obligations hereunder and thereunder have been duly and validly authorized by all necessary corporate action on the Vendor's part;

(d) this Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding agreement enforceable against the Vendor in accordance with its terms;

(e) the execution and delivery of this Agreement and all documents and agreements contemplated by this Agreement to which the Vendor will be a party, and the performance by the Vendor of its obligations hereunder and thereunder will not conflict with or result in the breach of, constitute a default under, or result in the creation of any Encumbrance under the provisions of:

(i) the constating documents of the Vendor;

(ii) any shareholders' or directors' resolution of the Vendor;

(iii) any Law applicable to the Vendor; or

(iv) any agreement, arrangement, commitment, understanding or other instrument of any kind or nature to which the Vendor is a party or by which the Vendor or the Property may be bound or to which the Vendor or the Property may be subject;

(f) the Vendor owns and possesses good and marketable title to the Property free and clear of all Encumbrances (other than the Existing Royalty);

(g) without limiting the generality of Section 5.1(f), the date of grant, total area, registration and expiry date of the mineral claims which comprise the Property are accurately described in Schedule A;

(h) the mineral claims which comprise the Property were properly located and denounced, all required location and validation was properly performed and the location notices and certificates were properly recorded and filed with appropriate Governmental Authorities;

(i) all assessment work and tax payments required for the Vendor to hold the mineral claims which comprise the Property has been timely performed and paid through the assessment year 2021;

(j) all filings required to maintain the Property in good standing have been properly and timely recorded and filed with appropriate Governmental Authorities;

(k) other than this Agreement, the Vendor is not a party to any outstanding agreement, arrangement, commitment or understanding, oral or written, in relation to the Property or the sale of any Minerals to be extracted from the Property, nor to the best of its knowledge, information and belief have any third parties, including the Vendor's predecessors in beneficial title to the Property, entered into any outstanding agreement,

arrangement, commitment or understanding, whether oral or written, in relation to the Property or the sale of any Minerals to be extracted from the Property;

(l) there is no adverse claim against or challenge to the Vendor's beneficial ownership of or title to the Property, nor to the best of its knowledge, information and belief, is there any basis therefor;

(m) there has been no act or omission by either the Vendor or, to the best of its knowledge, information and belief, any of its predecessors in beneficial interest or title to the Property which could by notice, or lapse of time, or by both notice and lapse of time, result in a breach, termination, abandonment, forfeiture, relinquishment or other premature termination of the Vendor's rights or title to the Property;

(n) other than ongoing assessment work or tax payments that are required for the Vendor to maintain the mineral claims which comprise the Property in good standing, there are no rents, royalties, taxes, fees or other monies payable or required to be paid to any person or Governmental Authority with regards to the Property;

(o) the Vendor has the sole and exclusive right and authority to permit the Purchaser access to and the right to enter upon the Property for purposes of conducting Operations;

(p) neither the Vendor nor, to the best of the Vendor's knowledge, information and belief, any of its predecessors in interest or title to the Property has granted any person, other than the Purchaser, access to, or the right to conduct Operations on the Property;

(q) to the best of the Vendor's knowledge, information and belief:

(i) other than as disclosed in writing to the Purchaser, the conditions existing on or in respect of the Property, and the air, soil, surface waters, ground waters or other natural resources on, about or in the general vicinity of the Property, and the Vendor's ownership and interest in the Property or any parts thereof are not: (A) in violation of any Laws, including, without limitation, any Environmental Laws; or (B) causing or permitting any damage, including Environmental Damage, or impairment to the health, safety, comfort or enjoyment of any person at the Property or in the general vicinity of the Property;

(ii) other than as disclosed in writing to the Purchaser, there has been no past violation of any Environmental Law or other Law affecting or pertaining to the Property, nor the past creation of Environmental Damage at or on the Property or in its general vicinity;

(r) to the best of the Vendor's knowledge, information and belief there are no cemeteries, burial grounds, sites of archaeological interest or heritage sites located on the Property;

(s) concurrently with the execution of this Agreement, the Vendor has delivered to the Purchaser all scientific and technical data in its possession pertaining to the Property, including maps, surveys, technical reports, records, studies, assays, core, samples or logs.

The Vendor makes no representation or warranty as to the accuracy, reliability or completeness of such scientific and technical data and the Purchaser will rely on such scientific and technical data at its sole risk;

(t) the Vendor has not employed any broker or finder and has not incurred any liability for any brokerage fees, commissions, or finders' fees in connection with the transactions contemplated by this Agreement for which the Purchaser, any of the Purchaser's Affiliates will have any responsibility whatsoever;

(u) there are no actions, suits, claims, proceedings, litigation or investigations pending or threatened, nor any judgments outstanding and unsatisfied against the Vendor or, to the best of the Vendor's knowledge, information and belief, any of its predecessors in interest and title to the Property, relating to the Property or any part thereof, whether at Law or in equity, or in arbitration, or before or by any Governmental Authority. To the best of the Vendor's knowledge, information and belief there are no facts or circumstances upon which such action, suit, claim, proceeding, litigation or investigation could be based;

(v) to the best of the Vendor's knowledge, information and belief there are no requirements or restrictions under any Laws or issued by any Governmental Authority which could materially and adversely affect the ability of the Purchaser to conduct Operations on the Property as contemplated by this Agreement;

(w) the Vendor is not aware of any material facts or circumstances not disclosed in writing to the Purchaser which could materially and adversely affect the ability of the Purchaser to conduct Operations on the Property as contemplated by this Agreement; and

(x) the Vendor is not aware of any material facts or circumstances not disclosed in writing to the Purchaser, the disclosure of which is necessary to prevent the representations and warranties in this Section from being misleading or which would cause a prudent purchaser not to purchase the Property.

## **Waiver**

5.2 The representations and warranties contained in Section 5.1 are provided for the exclusive benefit of the Purchaser and a misrepresentation or breach of warranty may be waived by the Purchaser in whole or in part at any time without prejudice to its rights in respect of any other misrepresentation or breach of the same or any other representation or warranty.

## **Survival**

5.3 The parties acknowledge and agree that the representations and warranties of the Vendor in Section 5.1 will not merge with any deed, conveyance, transfer instrument or other agreement giving effect to this Agreement and will survive the execution of this Agreement and the purchase of the Property.

## **Representations and Warranties of the Purchaser**

5.4 The Purchaser hereby represents and warrants to and in favour of the Vendor that as of the date hereof:

- (a) it validly exists as a corporation in good standing pursuant to the laws of British Columbia;
- (b) it has the corporate power and capacity to carry on its business, to enter into this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party, and to perform its obligations under this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party;
- (c) this Agreement and all documents and agreements contemplated by this Agreement to which the Purchaser will be a party, their execution and delivery and the performance by the Purchaser of its obligations hereunder and thereunder have been duly and validly authorized by all necessary corporate action on the Purchaser's part;
- (d) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement enforceable against the Purchaser in accordance with its terms;
- (e) the execution and delivery of this Agreement and all documents and agreements contemplated by this Agreement to which the Purchaser will be a party, and the performance by the Purchaser of its obligations hereunder and thereunder will not conflict with or result in the breach of, constitute a default under, or result in the creation of any Encumbrance under the provisions of:
  - (i) the constating documents of the Purchaser;
  - (ii) any shareholders' or directors' resolution of the Purchaser;
  - (iii) any Law applicable to the Purchaser; or
  - (iv) any agreement, arrangement, commitment, understanding or other instrument of any kind or nature to which the Purchaser is a party or by which the Purchaser may be bound or to which the Purchaser may be subject;
- (f) the Purchaser has not employed any broker or finder and has not incurred any liability for any brokerage fees, commissions, or finders' fees in connection with the transactions contemplated by this Agreement for which the Vendor, any of the Vendor's Affiliates will have any responsibility whatsoever;
- (g) there are no actions, suits, claims, proceedings, litigation or investigations pending or threatened, nor any judgments outstanding and unsatisfied against the Purchaser, whether at Law or in equity, or in arbitration, or before or by any Governmental Authority. To the best of the Purchaser's knowledge, information and

belief there are no facts or circumstances upon which such action, suit, claim, proceeding, litigation or investigation could be based; and

(h) the Purchaser is not aware of any material facts or circumstances not disclosed in writing to the Vendor, the disclosure of which is necessary to prevent the representations and warranties in this Section from being misleading.

### **Waiver**

5.5 The representations and warranties contained in Section 5.4 are provided for the exclusive benefit of the Vendor and a misrepresentation or breach of warranty may be waived by the Vendor in whole or in part at any time without prejudice to its rights in respect of any other misrepresentation or breach of the same or any other representation or warranty.

### **Survival**

5.6 The parties acknowledge and agree that the representations and warranties of the Purchaser in Section 5.4 will not merge with any deed, conveyance, transfer instrument or other agreement giving effect to this Agreement and will survive the execution of this Agreement and the purchase of the Property.

## **PART 6**

### **INDEMNIFICATION**

#### **Indemnification**

6.1 Each party will indemnify and save harmless the other party from and against all actions, suits, claims, proceedings, litigation or investigation whatsoever and any damages, losses (other than loss of profit), costs, fines, penalties, liabilities or expenses, including legal fees on a solicitor-and-own-client basis, disbursements and all costs incurred in investigation or pursuing any of the foregoing or any proceeding related thereto, made or brought against such party or which such party suffers or incurs, directly or indirectly, as a result of or in connection with any breach of any representation, warranty, covenant or agreement by the other party.

#### **Survival**

6.2 The parties acknowledge and agree that the provisions of this Part 6 will survive any termination of this Agreement.

## **PART 7**

### **RIGHTS AND OBLIGATIONS DURING INTERIM PERIOD**

#### **Work Programs During Interim Period**

7.1 During the Interim Period, the Purchaser will have the exclusive right to manage and operate all work programs carried out on the Property, and all work programs will be in the sole discretion of the Purchaser.

#### **Overhead**

7.2 The Purchaser will be entitled to include in Expenditures an overhead charge for management supervision and administrative services of the Purchaser equal to:

- (a) 5% of all expenditures and costs incurred by the Purchaser under each contract with a third party involving an expenditure of Expenditures in excess of \$100,000; and
- (b) 2.5% of all other Expenditures incurred by the Purchaser in respect of the Property; excluding in each case the amount of the overhead charge fixed under this Section 7.2.

#### **Additional Rights**

7.3 During the Interim Period, the Purchaser and its employees, representatives, agents and independent contractors will have the right:

- (a) to access to all information in the possession or control of the Vendor relating to prior operations on the Property including all geological, geophysical and geochemical data and drill results;
- (b) to enter upon the Property and carry out such exploration and development work thereon and thereunder as the Purchaser considers advisable, including removing material from the Property for the purpose of testing; and
- (c) to bring upon and erect upon the Property such structures, machinery and equipment, facilities and supplies as the Purchaser considers advisable.

#### **Purchaser Obligations**

7.4 During the Interim Period, the Purchaser will:

- (a) record all assessment work done by it on the Property;
- (b) keep the Property free and clear of all Encumbrances arising from its operations under this Agreement (except Encumbrances for taxes not yet due, other inchoate Encumbrances and Encumbrances contested in good faith by the Purchaser) and to contest or discharge any such Encumbrance that is filed;

- (c) conduct all work in a careful and miner-like manner and in compliance with all applicable Laws.

### **Limitation on Property Information**

7.5 Notwithstanding anything expressed or implied in this Agreement, prior to termination the Vendor will not have access to any interpretive data, reports or results generated in respect of the Property for the internal use of the Purchaser or its Affiliates nor will the Vendor have access to any of the Purchaser's proprietary techniques.

### **Surrender**

7.6 The Purchaser may at any time and from time to time during the Interim Period, abandon, surrender, allow to lapse, reduce the area of or otherwise deal with any part or parts of the Property as it may determine, provided that the Purchaser will give to the Vendor not less than 60 days' notice of its intention to do so and will, if requested by the Vendor by notice to the Purchaser within such 60 day period, deliver forthwith to the Vendor duly executed transfers of the part or parts of the Property so intended to be dealt with. Any part or parts of the Property so dealt with will cease to be included in the Property and will cease to be subject to this Agreement for all purposes.

## **PART 8**

### **TERMINATION**

#### **Termination**

8.1 This Agreement will terminate:

- (a) on the Expiry Date, if the Post-Closing Obligations have not been satisfied by the Purchaser; or
- (b) if the Purchaser defaults with respect to any of its covenants and agreements contained herein, the Vendor delivers notice to the Purchaser specifying the nature of such default and the Purchaser does not use reasonable efforts in good faith to rectify such default within 30 days of the receipt of notice of such default from the Vendor, upon the Vendor giving written notice of termination to the Purchaser.

#### **Consequences of Termination**

8.2 Upon termination of this Agreement pursuant to Section **Error! Reference source not found.** or 8.1(a), the Purchaser will:

- (a) cease to be liable to the Vendor under or in relation to this Agreement, except as provided in this Section 8.2 and for the performance of those of its agreements or covenants under this Agreement which should have been performed prior to such termination;



- (b) deliver at no cost to the Vendor, not later than 90 days after the termination of this Agreement, copies of all information and data in its possession pertaining to the Property and results of operations on the Property not already provided to the Vendor, including maps, surveys, reports, records, studies, assays, core samples or logs in electronic or printed form, as applicable and available;
- (c) deliver a quitclaim deed or other instrument necessary for the conveyance to the Vendor of any AOI Tenures;
- (d) be entitled for a period of 180 days after the date of termination of this Agreement to remove from the Property any building, plant, equipment, machinery, tools, appliances, camp facilities, supplies and other assets which were placed on the Property by or on behalf of the Purchaser. If the Purchaser fails to do so, the Vendor will be entitled to:
  - (i) assume all right, title and interest in and to any buildings, plant, equipment, machinery, tools, appliances, camp facilities, supplies and other assets not so removed; or
  - (ii) require the Purchaser to remove such buildings, plant, equipment, machinery, tools, appliances, camp facilities, supplies and other assets at the Purchaser's sole risk and expense;
- (e) perform all rehabilitation, reclamation or pollution control on the Property which is reasonably required as a result of the activities thereon by the Purchaser to the standard required in accordance with Bureau of Land Management best practices guidelines; and
- (f) deliver to the Vendor all material interpretive data, reports or results generated by the Purchaser in respect of the Property.

8.3 Upon termination of this Agreement pursuant to Section **Error! Reference source not found.**, the terms and provisions of this Agreement, except those which this Agreement expressly states will survive termination, will be of no further force and effect.

## **PART 9**

### **AREA OF INTEREST**

#### **Area of Interest**

9.1 If either party or any of its Affiliates stakes or otherwise acquires any interest in mineral claims or any other form of mineral tenure (the "**AOI Tenure**") located wholly or partly in an area (the "**Area of Interest**") within five kilometres from any portion of the Property as it exists at the date of this Agreement, the acquiring party (the "**Acquiring Party**") will forthwith give notice to the other party (the "**Non-Acquiring Party**") of such staking or acquisition, the costs thereof and all details in its possession with respect to the nature of the AOI Tenure and the known mineralization thereon. Upon delivery of such notice, the Non-Acquiring Party may elect

by notice to the Acquiring Party to require that such AOI Tenure be included in and thereafter form part of the Property. If the Non-Acquiring Party so elects and if such AOI Tenure was staked or acquired by the Purchaser or any of its Affiliates, the staking or acquisition costs will constitute Expenditures. If the Non-Acquiring Party so elects and if such AOI Tenure was staked or acquired by the Vendor or any of its Affiliates, the Purchaser will reimburse the Vendor for the staking or acquisition costs, which reimbursed costs will also constitute Expenditures. Mineral properties held by the Purchaser prior to the date of this Agreement will be excluded from the Area of Interest.

## **PART 10**

### **CONFIDENTIALITY**

#### **Confidentiality**

10.1 All information concerning this Agreement and any matters arising from or in connection herewith (including all information relating to the Property received by the Purchaser from the Vendor pursuant to Section 7.3(a) or otherwise or received by the Vendor from the Purchaser) will be treated as confidential by the parties and will not be disclosed by either party to any other person (other than to an Affiliate or to the directors, officers or employees of the disclosing party or its Affiliate or to any legal, accounting, financial or other professional advisor of the disclosing party or its Affiliate, provided that such persons are under obligation to maintain confidentiality with respect to such information) without the prior written consent of the other party, such consent not to be unreasonably withheld, except to the extent that such disclosure may be necessary for observance of applicable Laws or Exchange requirements or for the accomplishment of the purposes of this Agreement.

#### **News Releases and Other Documents**

10.2 Each party will provide the other with a copy of any news release or other document containing exploration results or other information about the Property or this Agreement which it proposes to publish (including on any website or other electronic media) prior to publication of the same for the other party's consent which will not be unreasonably withheld or delayed in view of any timely disclosure obligations which may be applicable. Each party will use reasonable efforts to respond to any request by the other party for such consent within two Business Days.

#### **Survival of Confidentiality Obligations**

10.3 The provisions of this Part 10 will survive any termination of this Agreement and the acquisition of any interest in the property by the Purchaser hereunder.

## **PART 11**

### **FORCE MAJEURE**

#### **Force Majeure**

11.1 No party will be liable to the other party hereto and no party will be deemed in default hereunder for any failure to perform or delay in performing any of its obligations under this Agreement or in incurring Expenditures caused by or arising out of any event (a “**force majeure event**”) beyond the reasonable control of such party, excluding lack of funds but including lack of rights or permission by Governmental Authorities or indigenous peoples’ groups to enter upon the Property to conduct exploration, development and mining operations thereon, war conditions, actual or potential, earthquake, fire, storm, flood, explosion, strike, labour trouble, accident, riot, unavoidable casualty, act of restraint, present or future, of any lawful authority, act of God, protest or demonstrations by environmental lobbyists or indigenous peoples’ groups, act of the public enemy, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market or unavailability of equipment. No right of a party will be affected for failure or delay of a party to perform any of its obligations under this Agreement or to incur Expenditures, if the failure or delay is caused by a force majeure event. All times provided for in this Agreement will be extended for the period equal to the period of delay. The affected party will take all reasonable steps to remedy the cause of the delay attributable to the events referred to above, provided that nothing contained in this section will require any party to settle any labour dispute, protest or demonstration, or to question or test the validity of any governmental order, regulation, Law or claim of right by indigenous peoples’ groups. The affected party will promptly give notice to the other party of the commencement and termination of each period of force majeure.

## **PART 12**

### **GENERAL**

#### **Relationship**

12.1 Nothing in this Agreement will be deemed to constitute either party the partner, agent or legal representative of the other or to create any fiduciary relationship between them, for any purpose whatsoever.

#### **Other Activities**

12.2 Nothing in this Agreement will restrict in any way the freedom of either party, except with respect to its interest in the Property, to conduct as it sees fit any business or activity whatsoever including the exploration for, or the development, mining, production or marketing of any Mineral, without any accountability to the other party. No party which is the owner or operator of another mining property, mill or other facility will be obliged to mill, beneficiate or handle any material from the Property.

## **Assignment**

12.3 Neither party will sell, transfer, assign or convey this Agreement, the Property, or any of its respective rights, benefits, privileges or obligations hereunder to a third party, without the prior written consent of the other party.

## **Notices**

12.4 Any notice, commitment, election, consent or any communication required or permitted to be given hereunder by one party hereto to the other party, in any capacity (a "Notice") will be in writing and will be deemed to have been given if mailed by prepaid registered mail return receipt requested, faxed or delivered to the address of the other party set out below:

If to the Vendor:

Howson Ventures Inc.  
890-1140 West Pender Street  
Vancouver, BC V6E 4G1

[Redacted - Email address]

If to the Purchaser:

Buscando Resources Corp.  
890-1140 West Pender Street  
Vancouver, BC V6E 4G1

[Redacted - Email address]

or to such substitute address as such party may from time to time direct in writing, and any such Notice will be deemed to have been received, if mailed, on the date noted on the return receipt, if faxed, on the first Business Day after the date of transmission, and if delivered, upon the day of delivery or if such day is not a Business Day, then on the first Business Day thereafter.

## **Waiver of Right of Partition**

12.5 Each party waives the benefit of all provisions of law as now in effect or as enacted in future relating to actions of partition of real and personal property and agrees that for so long as this Agreement is in effect it will not resort to any action in law or in equity to partition the Property or any other real or personal property subject to this Agreement.

## **Interpretation**

12.6 For purposes of this Agreement, headings are for convenience of reference only and are not intended to interpret, define or limit the scope of this Agreement or any provision

hereof. The singular of any term includes the plural and vice versa, and use of any term is generally applicable to either gender and where applicable, a body corporate, firm or other entity. The word “including” is not limiting whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto. Unless otherwise indicated, all dollar references are to Canadian dollars.

### **Further Assurances**

12.7 The parties hereto will from time to time do such further acts and things and execute such further documents and instruments as may be reasonably required in order to carry out and implement this Agreement.

### **Amendments**

12.8 No modification, variation or amendment of this Agreement will be effective unless evidenced in writing, executed by both of the parties.

### **Severance**

12.9 If any provision 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.

### **Time**

12.10 Time will be of the essence of this Agreement.

### **Governing Law**

12.11 This Agreement shall be governed by and construed according to the Laws of the Province of British Columbia, in each case without regard for any conflict of laws or choice of laws principle that would permit or require the application of the Laws of another jurisdiction. The parties irrevocably submit to the jurisdiction of the courts of the Province of British Columbia.

### **Entire Agreement**

12.12 This Agreement contains the entire understanding between the parties hereto dealing with the subject matter hereof and supersedes and replaces all negotiations, correspondence and prior agreements or understandings relating thereto, including but not limited to the Letter of Intent.

### **Enurement**

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

## **Counterparts**

12.14 This Agreement may be executed in as many counterparts as may be necessary or by facsimile and each such counterpart agreement or facsimile so executed are deemed to be an original and such counterparts and facsimile copies together will constitute one and the same instrument.

## **Rule against Perpetuities**

12.15 The parties do not intend that there will be any violation 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 exists under this 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 inadvertently occur, the parties hereby agree that a court will reform that provision in such a way as to approximate most closely the intent of the parties within the limits permissible under such rules.

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the day and year first set forth above.

### **HOWSON VENTURES INC.**

Per: "Signed"  
Authorized Signatory

### **BUSCANDO RESOURCES CORP.**

Per: "Signed"  
Authorized Signatory

**SCHEDULE A**

**PROPERTY**

<b>Claim #</b>	<b>Claim Name</b>	<b>Good To Date</b>	<b>Area</b>
1061980	Rupert	July 27, 2020	2030.98
1061981	Rupert South	July 27, 2020	471.99

## SCHEDULE B

### NET SMELTER RETURNS ROYALTY

1. The NSR will be equal to 2% Net Smelter Returns (as hereinafter defined) (subject to adjustment in accordance with the Agreement) from the sale of any Product, as defined in Section 3(a), following the Commencement of Commercial Production (as hereinafter defined), that is derived from the Property.
2. **“Commencement of Commercial Production”** means the last day of the first period of 30 consecutive days during which ore has been shipped from the Property on a reasonably regular basis for the purpose of earning revenues.
3. **“Net Smelter Returns”** means:
  - (a) the actual proceeds received by the Purchaser from any mint, smelter, refinery or other purchaser from the sale of ores, minerals, mineral substances, metals (including bullion) or concentrates (collectively **“Product”**) produced from the Property and sold or proceeds received from an insurer in respect of Product, after deducting from such proceeds the following charges to the extent that they were not deducted by the purchaser in computing payments:
    - (i) smelting and refining charges;
    - (ii) penalties, smelter assay costs and umpire assay costs;
    - (iii) cost of freight and handling of ores, metals or concentrates from the Property to any mint, smelter, refinery, or other purchaser;
    - (iv) marketing costs;
    - (v) costs of insurance in respect of Product;
    - (vi) customs duties, severance tax, royalties, ad valorem or mineral taxes or the like and export and import taxes or tariffs payable in respect of the Product; and
  - (b) if the Purchaser is not the operator but holds a net smelter return royalty, the same as the net smelter return royalty held by the Purchaser.
4. The NSR will be:
  - (a) calculated and paid on a quarterly basis within 45 days after the end of each quarter of the fiscal year for the mine (an **“Operating Year”**), based on the Net Smelter Returns for such quarter;
  - (b) each payment of NSR will be accompanied by an unaudited statement indicating the calculation of the NSR hereunder in reasonable detail and the Vendor will receive,



within three months of the end of each Operating Year, an annual summary unaudited statement (an “**Annual Statement**”) showing in reasonable detail the calculation of the NSR for the last completed Operating Year and showing all credits and deductions added to or deducted from the amount due to the Vendor;

(c) the Vendor will have 45 days from the time of receipt of the Annual Statement to question the accuracy thereof in writing and, failing such objection, the Annual Statement will be deemed to be correct and unimpeachable thereafter;

(d) if the Annual Statement is questioned by the Vendor, and if such questions cannot be resolved between the Purchaser and the Vendor, the Vendor will have 12 months from the time of receipt of the Annual Statement to have such audited, which will initially be at the expense of the Vendor;

(e) the audited Annual Statement will be final and determinative of the calculation of the NSR for the audited period and will be binding on the parties and any overpayment of NSR will be deducted by the Purchaser from the next payment of NSR and any underpayment of NSR will be paid forthwith by the Purchaser;

(f) the costs of the audit will be borne by the Vendor if the Annual Statement was accurate within 5% or overstated the NSR payable by greater than 5% and will be borne by the Purchaser if such statement understated the NSR payable by greater than 5%. If the Purchaser is obligated to pay for the audit it will forthwith reimburse the Vendor for any of the audit costs which it had paid;

(g) the Vendor will be entitled to examine, on reasonable notice and during normal business hours, such books and records as are reasonably necessary to verify the payment of the NSR to it from time to time, provided however that such examination will not unreasonably interfere with or hinder the Purchaser’s operations or procedures; and

(h) if the Purchaser’s interest in the Property is a Net Smelter Returns royalty, the Purchaser’s accounting and reporting obligations to the Vendor under this Section 4 will be limited to the delivery of such documentation as the Purchaser receives from the operator of the Property in respect of the payment by such operator of such Net Smelter Returns royalty to the Purchaser.

5. The determination of the NSR hereunder is based on the premise that production will be developed solely from the Property. If the Property is incorporated in a single mining project and metals, ores or concentrates pertaining to each are not readily segregated on a practical or equitable basis, the allocation of actual proceeds received and deductions therefrom will be negotiated between the parties and, if the parties fail to agree on such allocation, such will be referred to arbitration. In such arbitration the arbitrators will make reference to the Agreement and to practices used in mining operations that are of a similar nature. The arbitrators will be entitled to retain such independent mining consultants as he considers necessary. The decision of the arbitrators will be final and binding on the parties.

6. The holding of the NSR will not confer upon the holder thereof any legal or beneficial interest in the Property. The right to receive a percentage of Net Smelter Returns as

and when due is and will be deemed to be a contractual right only. The right to receive a percentage of Net Smelter Returns as and when due will not be deemed to constitute the Vendor the partner, agent or legal representative of the Purchaser.

7. The Purchaser may, if it is the operator of the Property, but will not be under any duty to, engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Property and, except in the case where Products are actually delivered and a sale is actually consumed under such price protection or speculative transactions, none of the revenues, costs, profits or losses from such transaction will be taken into account in calculating the Net Smelter Returns or any interest therein; provided however, that if the Purchaser delivers Product under a price protection or speculative program where the proceeds derived therefrom are less than those that would have been received had the Product been sold at the spot price in effect at the time of sale, the NSR payable to the Vendor will be based on such spot price.

8. The Purchaser will have a right of first refusal on the proposed sale by the Vendor of all or part of the NSR as follows:

(a) if the Vendor (in this paragraph called the “**Offeror**”) intends to sell all or part of the NSR (in this paragraph the “**Interest**”) it will first give notice in writing to the Purchaser (in this paragraph called the “**Offeree**”) of such intention together with the terms and conditions on which the Offeror intends to sell the Interest;

(b) any communication of an intention to sell pursuant to this paragraph will be in writing delivered in accordance with Section 12.4 of the Agreement and will set out fully and clearly all of the terms and conditions of any intended sale and such communication will be deemed to constitute an offer (the “**Offer**”) by the Offeror to the Offeree to sell the Interest to the Offeree on the terms and conditions set out in such Offer;

(c) any Offer made as contemplated in this paragraph will be open for acceptance by the Offeree for a period of 60 days from the date of receipt of the Offer by the Offeree;

(d) if the Offeree accepts the Offer within the time provided in subparagraph (c), such acceptance will constitute a binding agreement of purchase and sale between the Offeror and the Offeree for the Interest on the terms and conditions set out in the Offer; and

(e) if the Offeree does not accept the Offer within the time prescribed, the Offeror may complete the sale of the Interest on the terms and conditions set out in the Offer or on terms and conditions substantially similar to, but no more favourable than, the terms and conditions set out in the Offer, within 90 days from the expiration of the right of the Offeree to accept such Offer or the Offeror must again comply with the provisions of this paragraph.

9. The operator of the Property, whether or not it is the Purchaser, will be entitled to:

(a) make all operational decisions with respect to the methods and extent of mining and processing of ore, concentrate, doré, metal and products produced from the Property;

(b) make all decisions relating to sales of such concentrate, doré, metal and products produced; and

(c) make all decisions concerning temporary or long-term cessation of operations.