

THIS **PROPERTY PURCHASE AND SALE AGREEMENT** is dated for reference February 22, 2021.

BETWEEN:

NQ HOLDINGS INC.
241 Ridge Street, Suite 210
Reno, NV 89501

(the “**Vendor**”)

OF THE FIRST PART

AND:

RC METALS INC.
241 Ridge Street, Suite 210
Reno, NV 89501

(the “**Purchaser**”)

OF THE SECOND PART

WHEREAS:

- A. The Vendor is the owner of a 100% interest in certain mineral claims located in Nevada, USA (the “**Property**”), as more particularly described in the Schedule “A” attached hereto; and
- B. The Purchaser is desirous of acquiring a 100% interest in the Property, and the Vendor has agreed to sell a 100% interest in the Property to the Purchaser, subject to a 2.0% Net Smelter Return (“NSR”) Royalty reserved to the Vendor, on the terms and conditions hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the mutual promises, covenants, conditions, representations, and warranties set out in this Agreement, the parties agree to a purchase as follows:

1. Definitions

1.01 In this Agreement:

- (a) “**Claims**” means the mineral claims comprising the Property and listed in Schedule “A” hereto;
- (b) “**Net Smelter Royalty**” (“NSR”) means that royalty as defined in Section 3 hereof and outlined in Schedule “B” attached hereto;
- (c) “**Property**” means solely the mineral claims described in Schedule “A” with no area interest outside of the mineral claims attached hereto as Schedule A; and

2. Acquisition of Property

2.01 The Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser hereby agrees to purchase and acquire from the Vendor, a 100% right, title and interest in and to the

Property, subject to the rights of the NSR, for consideration of CDN \$100,000 payable within 10 days upon signing this Agreement.

3. NSR Royalty

3.01 The transfer of the Property by the Vendor is subject to the Vendor retaining a 2.0% NSR with respect to the production from the Property outlined in Schedule "A" and having the following attributes:

- (a) the terms and conditions of the NSR shall be as set forth in Schedule "B" hereto.

4. Completion

4.01 Upon satisfaction in full of the obligations of the Purchaser under section 2.01 hereof, the Vendor shall deliver or cause to be delivered to the Purchaser such recordable transfers and related documents as the Purchaser may require in order to transfer into its name the Claims and related interests comprising the Property.

5. Transfer of Data

5.01 Forthwith after the Closing of this Agreement, the Vendor shall deliver to the Purchaser copies of all maps, reports, sample results, and other data and documentation relating to the Property in the possession of the Vendor relating to previous work on the Property conducted by the Vendor or obtained from third parties.

6. Assignment

6.01 Any party shall be permitted to sell, transfer, assign, mortgage, pledge or otherwise encumber its interest in this Agreement or its right or interest in the Property without the consent of the other parties. It will be a condition of any assignment under this Agreement that such assignee shall agree in writing to be bound by the terms of this Agreement applicable to the assignor.

7. Representations, Warranties and Covenants of the Vendor

7.01 The Vendor represents, warrants and covenants to and with the Purchaser as follows:

- (a) 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 he is a party;
- (b) the Property is accurately described in Schedule "A", is in good standing under the laws of the jurisdiction in which it is located and is free and clear of all liens, charges and encumbrances;
- (c) the Property has been operated in accordance with all applicable and environmental laws and, to the knowledge of the Vendor there are no environmental conditions existing in the Property to which any remedied action is required or any liability has or may be imposed under applicable environmental law;

- (d) the Vendor is the sole recorded and beneficial owner of the Property and has the exclusive right to enter into this Agreement and all necessary authority to transfer his interest in the Property in accordance with the terms of this Agreement;
- (e) no person, firm or corporation has any proprietary or possessory interest in the Property other than the Vendor, and no person, firm or corporation is entitled to any royalty or other payment in the nature of rent or royalty on any minerals, ores, metals or concentrates or any other such products removed from the Property; and
- (f) upon request by the Purchaser, the Vendor shall deliver or cause to be delivered to the Purchaser copies of all available maps and other documents and data in its possession respecting the Property.

8. Representations, Warranties and Covenants of the Purchaser

8.01 The Purchaser represents, warrants and covenants to and with the Vendor that:

- (a) the Purchaser is a company duly organized, validly existing and in good standing under the laws of the State of Nevada;
- (b) the Purchaser has full power and authority to carry on its business and to enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (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; and
- (d) this Agreement constitutes a legal, valid and binding obligation of the Purchaser.

9. Indemnity and Survival of Representations

9.01 The representations and warranties hereinbefore set out are conditions on which the parties have relied in entering into this Agreement and shall survive the acquisition of any interest in the Property by the Purchaser and each of the parties will indemnify and save the other harmless from all loss, damage, costs, actions and suits arising out of or in connection with any breach of any representation, warranty, covenant, agreement or condition made by them and contained in this Agreement.

9.02 The Purchaser agrees to indemnify and save harmless the Vendor from any liability to which it may be subject to arising from any Operations carried out by the Purchaser or at its direction on the Property.

10. Confidentiality

10.01 The parties hereto agree to hold in confidence all information obtained in confidence in respect of the Property or otherwise in connection with this Agreement other than in circumstances where a party has an obligation to disclose such information in accordance with applicable securities legislation, in which case such disclosure can be made.

11. Notice

11.01 All notices, consents, demands and requests (in this Section 11 called the "Communication") required or permitted to be given under this Agreement shall be in writing and may be delivered personally sent by email or other electronic means or may be forwarded by courier or first class prepaid registered mail to the parties at their addresses first above written. Any Communication delivered personally or sent by email or other electronic means shall be deemed to have been given and received on the first business day next following the date of sending. Any Communication couriered shall be deemed to have been given and received when delivered. Any Communication mailed as aforesaid shall be deemed to have been given and received on the fifth business day following the date it is posted, addressed to the parties at their addresses first above written or to such other address or addresses as either party may from time to time specify by notice to the other; provided, however, that if there shall be a mail strike, slowdown or other labour dispute which might affect delivery of the Communication by mail, then the Communication shall be effective only if actually delivered.

12. Entire Agreement

12.01 The parties hereto acknowledge that they have expressed herein the entire understanding and obligation of this Agreement and it is expressly understood and agreed that no implied covenant, condition, term or reservation, shall be read into this Agreement relating to or concerning any matter or operation provided for herein.

13. Payment

13.01 All references to monies hereunder shall be in the currency of Canada.

14. General Terms and Conditions

14.01 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement.

14.02 The parties hereby covenant and agree that they will execute such further agreements, conveyances and assurances as may be requisite, or which counsel for the parties may deem necessary to effectually carry out the intent of this Agreement.

14.03 The titles to the sections in this Agreement shall not be deemed to form part of this Agreement but shall be regarded as having been used for convenience of reference only.

14.04 Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision shall be prohibited by or be invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

14.05 The Schedules to this Agreement shall be construed with and as an integral part of this Agreement to the same extent as if they were set forth verbatim herein. Defined terms contained in this Agreement shall have the same meanings where used in the Schedules.

14.06 This Agreement shall be governed by and interpreted in accordance with the laws of the State of Nevada. The parties hereby attorn to the jurisdiction of the courts of the State of Nevada and agree to submit any disputes in respect of this Agreement to the courts of the State of Nevada.

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

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

NQ HOLDINGS INC.

/s/ Tero Kosonen

Tero Kosonen, Director

RC METALS INC.

/s/ Wendell Zerb

Wendell Zerb, Director

SCHEDULE "A"

MINERAL CLAIMS COMPRISING THE PROPERTY

Claim_ID	Claimant	Loc_Date
SC-21	NQ Holdings	11/23/2020
SC-23	NQ Holdings	11/23/2020
SC-25	NQ Holdings	11/23/2020
SC-27	NQ Holdings	11/23/2020
SC-29	NQ Holdings	11/23/2020
SC-31	NQ Holdings	11/23/2020
SC-17	NQ Holdings	11/23/2020
SC-19	NQ Holdings	11/23/2020
SC-22	NQ Holdings	10/13/2020
SC-24	NQ Holdings	10/13/2020
SC-26	NQ Holdings	10/13/2020
SC-28	NQ Holdings	10/13/2020
SC-30	NQ Holdings	10/13/2020
SC-32	NQ Holdings	11/23/2020
SC-34	NQ Holdings	11/23/2020
SC-36	NQ Holdings	11/23/2020
SC-8	NQ Holdings	11/24/2020
SC-10	NQ Holdings	11/24/2020
SC-12	NQ Holdings	11/24/2020
SC-14	NQ Holdings	11/24/2020
SC-16	NQ Holdings	11/24/2020
SC-18	NQ Holdings	10/13/2020
SC-20	NQ Holdings	10/13/2020
SC-65	NQ Holdings	10/13/2020
SC-67	NQ Holdings	10/13/2020
SC-69	NQ Holdings	10/13/2020
SC-71	NQ Holdings	10/13/2020
SC-73	NQ Holdings	10/13/2020
SC-75	NQ Holdings	11/23/2020
SC-77	NQ Holdings	11/23/2020
SC-79	NQ Holdings	11/23/2020
SC-51	NQ Holdings	11/24/2020
SC-53	NQ Holdings	11/24/2020
SC-55	NQ Holdings	11/24/2020
SC-57	NQ Holdings	11/24/2020
SC-59	NQ Holdings	11/24/2020
SC-61	NQ Holdings	10/13/2020

SC-63	NQ Holdings	10/13/2020
SC-66	NQ Holdings	10/13/2020
SC-68	NQ Holdings	10/13/2020
SC-70	NQ Holdings	10/13/2020
SC-72	NQ Holdings	10/13/2020
SC-74	NQ Holdings	10/13/2020
SC-76	NQ Holdings	11/23/2020
SC-78	NQ Holdings	11/23/2020
SC-80	NQ Holdings	11/23/2020
SC-62	NQ Holdings	10/13/2020
SC-64	NQ Holdings	10/13/2020
SC-109	NQ Holdings	10/13/2020
SC-111	NQ Holdings	10/13/2020
SC-113	NQ Holdings	10/13/2020
SC-115	NQ Holdings	10/13/2020
SC-117	NQ Holdings	10/13/2020
SC-119	NQ Holdings	11/23/2020
SC-121	NQ Holdings	11/23/2020
SC-123	NQ Holdings	11/23/2020
SC-99	NQ Holdings	11/24/2020
SC-101	NQ Holdings	10/13/2020
SC-103	NQ Holdings	10/13/2020
SC-105	NQ Holdings	10/13/2020
SC-107	NQ Holdings	10/13/2020
SC-110	NQ Holdings	10/13/2020
SC-112	NQ Holdings	10/13/2020
SC-114	NQ Holdings	10/13/2020
SC-116	NQ Holdings	10/13/2020
SC-118	NQ Holdings	10/13/2020
SC-120	NQ Holdings	11/23/2020
SC-122	NQ Holdings	11/23/2020
SC-124	NQ Holdings	11/23/2020
SC-102	NQ Holdings	10/13/2020
SC-104	NQ Holdings	10/13/2020
SC-106	NQ Holdings	10/13/2020
SC-108	NQ Holdings	10/13/2020
SC-145	NQ Holdings	10/14/2020
SC-147	NQ Holdings	10/14/2020
SC-149	NQ Holdings	10/14/2020
SC-154	NQ Holdings	11/24/2020
SC-146	NQ Holdings	10/14/2020
SC-148	NQ Holdings	10/14/2020
SC-150	NQ Holdings	10/14/2020

SC-152	NQ Holdings	10/14/2020
SC-189	NQ Holdings	10/14/2020
SC-191	NQ Holdings	10/14/2020
SC-193	NQ Holdings	10/14/2020
SC-195	NQ Holdings	10/14/2020
SC-190	NQ Holdings	10/14/2020
SC-192	NQ Holdings	10/14/2020
SC-194	NQ Holdings	10/14/2020
SC-270	NQ Holdings	11/23/2020
SC-268	NQ Holdings	11/23/2020
SC-266	NQ Holdings	11/23/2020
SC-60	NQ Holdings	11/24/2020
SC-159	NQ Holdings	11/23/2020
SC-161	NQ Holdings	11/23/2020
SC-163	NQ Holdings	11/23/2020
SC-165	NQ Holdings	11/23/2020

SCHEDULE "B"

NET SMELTER RETURNS ROYALTY TERMS AND CONDITIONS

1. Net Smelter Returns Royalty

The Royalty which is retained by the Vendor and Underlying Vendor pursuant to Section 3 of the Option Agreement (the "Payee") will be paid by the holder (the "Payor") of the Property in accordance with the terms of this Schedule B. For the purposes of this Schedule B, the Payor and Payee shall jointly be referred to as "Participants".

2. Calculation of Net Smelter Return Royalty

Pursuant to the Royalty, the Payor will pay to the Payee 2.0% of Net Smelter Revenue, which will be calculated on a calendar quarterly basis. "Net Smelter Revenue" will be equal to Gross Revenue (as hereinafter defined) less Permissible Deductions (as hereinafter defined) for such calendar quarter.

3. Interpretation

In addition to the defined terms set out in the Agreement, the following terms will have the following meanings in this Schedule B:

- (a) "Commercial Production" means the operation of the Property as a producing mine and the production of Mineral Products therefrom;
- (b) "Gross Revenue" means the aggregate of the following amounts (without duplication) accruing in each calendar quarterly period following commencement of Commercial Production:
 - (i) the revenue received by the Payor from arm's length purchasers of all Mineral Products;
 - (ii) the 30 day weighted average price of the Mineral Product being sold on the market on which the greatest volume of such Mineral Product was traded over the period, multiplied by the amount of such Mineral Product sold by the Payor in such period to persons not dealing at arm's length with the Payor; and,
 - (iii) any proceeds of insurance on Mineral Products;
- (c) "Mineral Products" means all ores, concentrates, minerals and refined or semi-refined products including diamonds and diamond products, produced from the Property;
- (d) "Permissible Deductions" means the aggregate of the following charges (to the extent that they are not deducted by any Optionee in computing payment) that are incurred with respect to the Property in each calendar quarterly period:
 - (i) sales charges levied by any sales agent on the sale of Mineral Products;

- (ii) transportation costs for Mineral Products from the Property to the place of beneficiation, processing or treatment and thence to the place of delivery of Mineral Products to an Optionee thereof, including shipping, freight, handling and forwarding expenses;
- (iii) all costs, expenses and charges of any nature whatsoever which are either paid or incurred by the Payor in connection with refinement or beneficiation of Mineral Products after leaving the Property, including all smelter and refinery charges and all weighing, sampling, assaying, representation and storage costs, metal losses and umpire charges; and,
- (iv) all insurance costs on Mineral Products, production taxes, severance taxes and sales and other taxes levied on Mineral Products or on the production value thereof (other than income taxes of the Payor).

provided that, where a cost or expense otherwise constituting Permissible Deductions are incurred by the Payor in a transaction with a party with whom it is not dealing at arm's length (as that term is defined in the *Income Tax Act (Canada)*), such costs or expenses may be deducted, but only as to the lesser of the actual cost incurred by the Payor and the lowest cost that could reasonably have been obtained if dealing at arm's length, considering the time of such transaction and under all the circumstances thereof.

4. Calculation and Payment

The Royalty will be calculated and paid within 60 days after the end of each calendar quarter. Smelter settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation (the "**Statement**") must be submitted with the payment.

5. Provisional Payments

In the event that final amounts required for the calculation of the Royalty are not available within the time period referred to in section 4 of this Schedule B, then provisional amounts will be estimated and the Royalty paid on the basis of this provisional calculation. Positive or negative adjustments will be made to the Royalty payment of the succeeding calendar quarter.

6. Segregation of Project Area

The determination of the Royalty is based on the premise that Commercial Production will occur solely on the Property. If other properties are incorporated into a single mining project and diamonds, precious stones, metals, ores, concentrates or other mineral resources 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 on behalf of the Participants by the manager of mining (the "**Manager**") on the property that includes Claims or any portion thereof (the "**Property**"), with reference to practices used in mining operations that are of a similar nature. The Manager will be entitled to retain independent mining consultants as it considers necessary.

7. Conduct of Operations

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 except as otherwise

provided in this Agreement all decisions concerning the sale or other disposition of Mineral Products (including, without limitation, decisions as to buyers, times of sale, whether to store or stockpile Mineral Products for a reasonable length of time without selling the same) shall be made by the Payor, acting reasonably and in accordance with good mining and engineering practice in the circumstances.

8. Insurance

The Payor shall purchase or otherwise arrange at its own expense (and not as a Permissible Deduction) and shall keep in force at all times insurance (including, without limitation, comprehensive general public liability insurance) against claims for bodily injury or death or property damage arising out of or resulting from activities or operations on or with respect to the Property and in respect of loss, theft or destruction of Mineral Products, in such amounts as will adequately protect the Payor, Payee, the Royalty, and the Property from any and all claims, liabilities and damages which may arise with respect to the Property and as will adequately protect the Payor and the Payee from loss, theft and destruction of Mineral Products whether on or off the Property and prior to final sale. The Payee shall be named as a loss payee on all property, liability and other insurance policies held by the Payor and relating to the Property, the Mineral Products or the Royalty.

9. Maintenance of Property

- (a) The Payor shall do all things and make all payments necessary or appropriate to maintain the right, title and interest of the Payor and Payee in the Property and the Mineral Products and to maintain the Property in good standing. The Payor shall be entitled, from time to time, to abandon or surrender or allow to lapse or expire any part or parts of any mineral claims or mining leases relating to or comprising the Property if the Payor determines, acting reasonably, that such part or parts are not economically viable or otherwise have insufficient value to warrant continued maintenance.
- (b) Notwithstanding section 9(a), the Payor shall not abandon or surrender, or allow to lapse or expire, any mining claims or leases relating to or comprising the Property for the purpose of permitting any third party to restake such claim and avoid the Royalty; and if the Payor, or any person with which the Payor does not deal at arm's length or with whom the Payor has any agreement or understanding respecting the acquisition or holding of title to the Property, restakes any expired claims or leases relating to or comprising the Property, this Agreement shall include any such new claims.
- (c) The Payor will not sell, assign or transfer the Property or any right, title or interest that it now has or may hereafter have therein, in whole or in part, to any person, firm or corporation, or agree to do so or grant any person, firm or corporation an option or right to acquire the Property or any right, title or interest that it now has or may hereafter have therein, in whole or in part, unless the intended transferee first provides an acknowledgement in writing to the Payee, in form and content to the reasonable satisfaction of the Payee, that it assumes this Agreement and the obligations of the Payor hereunder as if a named party in the first instance.

10. Reports and Data

No later than March 1 of each year after a decision is made by the Payor (whether it is a formal board decision or a de facto management decision) to commence construction of commercial

scale mining facilities on the Property, the Payor shall provide to the Payee an annual report of activities and operations conducted with respect to the Property during the preceding calendar year, and from time to time such additional information as the Payee may reasonably request. Such annual report shall include details of:

- (a) the preceding year's activities with respect to the Property;
- (b) ore reserve data for the calendar year just ended; and
- (c) estimates of anticipated production and estimated remaining ore reserves with respect to proposed activities for the Property for the current calendar year.

In addition, not more frequently than semi-annually, the Payee shall have the right, upon reasonable notice to the Payor, to inspect and copy all books, records, technical data, information and materials, including in electronic form, (the "**Data**") pertaining to the Payor's activities with respect to the Property; provided that such inspections shall not unreasonably interfere with the Payor's activities with respect to the Property. The Payor makes no representations or warranties to the Payee concerning any of the Data or any information contained in the annual reports, and the Payee agrees that if it elects to rely on any such Data or information, it does so at its sole risk.

11. Audit

Any Participant may request an audit of the sales and related financial records maintained by the Manager be conducted to verify the calculation of the Royalty for a particular calendar quarter. The audit will be conducted by an independent auditor acceptable to the Participants and the Manager. The Participant requesting such audit will bear the full cost and expense of the audit unless it is determined that the Royalty calculated by the Manager understated the actual amount due by more than three percent (3%), in which case the Manager will pay all costs and expenses of the audit. The Manager will forthwith pay any deficiency to the Participants and the Participants will forthwith repay any overpayment to the Manager.

12. Arbitration

Any dispute arising out of or related to any report, payment, calculation or audit in respect of the Royalty, not resolved by the reasonable cooperation of the parties will be resolved solely by arbitration. No error in accounting or in the interpretation of the Agreement will be the basis for a claim of breach of fiduciary duty, or the like, or give rise to a claim for exemplary or punitive damages or for termination or rescission of the Agreement. For the purposes hereof, arbitration shall be conducted as follows:

- (a) This Agreement will be interpreted in accordance with and governed by the laws of the State of Nevada.
- (b) Upon referral of a dispute for arbitration, the Payor and the Payee will endeavour to agree on the appointment of an arbitrator. The arbitrator will be a person who by a combination of education and experience is competent to adjudicate the matter in dispute and who has indicated his willingness and ability to act as arbitrator in accordance with this section 12. If the Payor and the Payee are unable to agree on an arbitrator, a three member panel will be appointed consisting of one arbitrator appointed by the Payor, one arbitrator appointed by the Payee, and two such appointees shall select a third arbitrator.

13. Survival on Transfer

The Payee may assign the Royalty. The Royalty creates a direct real property interest in the Mineral Products and the Property in favour of the Payee, provided such interest shall be satisfied from time to time in respect of any particular Mineral Products by the payment to the Payee of the Royalty in respect thereof. This Agreement shall continue in perpetuity, it being the intent of the parties hereto that the Royalty shall constitute a covenant running with the Property and all successions thereof, whether created privately or through governmental action, and including, without limitation, any leasehold interest.

14. Registration of Interest

The Payee shall have the right from time to time to register or record notice of this Agreement and the Royalty, any other documents relating to or contemplated by the foregoing and any caution or other title document, against title to the Property or elsewhere, and the Payor shall cooperate with all such registrations and recordings and provide its written consent or signature to any documents and do such other things from time to time as are necessary or desirable to effect all such registrations or recordings or otherwise to protect the interests of the Payee hereunder.