

OROGEN ROYALTIES INC.

- AND -

EVRIIM EXPLORATION CANADA CORP.

- AND -

ACME GOLD COMPANY LIMITED

OPTION AGREEMENT – LEMON LAKE PROPERTY

February 18, 2021

TABLE OF CONTENTS

1.0 DEFINITIONS 1

2.0 REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR 4

3.0 REPRESENTATIONS AND WARRANTIES OF THE OPTIONEE..... 7

4.0 COVENANTS OF THE OPTIONOR 7

5.0 GRANT OF OPTION 8

6.0 EXERCISE OF OPTION..... 9

7.0 OPERATOR DURING OPTION PERIOD 10

8.0 TRANSFER OF TITLE AND INTEREST 10

9.0 OBLIGATIONS OF THE OPTIONEE 11

10.0 ABANDONMENT 12

11.0 TERMINATION OF OPTION 12

12.0 AREA OF INTEREST 13

13.0 FORCE MAJEURE..... 13

14.0 CONFIDENTIAL INFORMATION AND NEWS RELEASES 14

15.0 NOTICES 15

16.0 GENERAL 15

OPTION AGREEMENT – LEMON LAKE PROPERTY

THIS AGREEMENT is dated effective February 18, 2021 (the “**Effective Date**”)

BETWEEN:

OROGEN ROYALTIES INC., a company existing under the laws of British Columbia having its business address at 1210 – 510 West Hastings Street, Vancouver, British Columbia, V6B 1L8

(“**Orogen**”)

AND:

EVRIM EXPLORATION CANADA CORP., a company existing under the laws of British Columbia having its business address at 1210 – 510 West Hastings Street, Vancouver, British Columbia, V6B 1L8

(“**Evrin**”; together with Orogen, the “**Optionor**”)

AND:

ACME GOLD COMPANY LIMITED, a company existing under the laws of British Columbia having its business address at 992 East 13th Avenue, Vancouver, British Columbia, V5T 2L6

(the “**Optionee**”)

WHEREAS:

- A. The Optionor owns a 100% legal and beneficial interest in the Property (as defined herein) located in the Province of British Columbia;
- B. The Optionor wishes to grant an exclusive option to the Optionee to acquire 100% of the interest of the Optionor in and to the Property pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each of the parties hereto, the parties agree as follows:

1.0 DEFINITIONS

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

“**Abandonment Date**” has the meaning given to it in Section 10.1.

“**Abandonment Property**” has the meaning given to it in Section 10.1.

“**Acquiring Party**” has the meaning given to it in Section 12.2.

“**Advance Royalty Payments**” has the meaning given to it in Section 6.3.

“**Agreement**” means this Agreement, including the Schedules hereto, as amended or supplemented from time to time.

“**AOI**” has the meaning given to it in Section 12.1.

“**AOI Interest**” has the meaning given to it in Section 12.2.

“**Business Day**” means a day that is not a Saturday, Sunday, public holiday or bank holiday in Vancouver, British Columbia.

“**Cash Payment Amount**” has the meaning given to it in Section 5.3.

“**Copper Equivalent**” means copper plus the amount of other metals included in a mineral resource estimate expressed as an equivalent to copper, taking into account the prevailing prices of copper and such other metals at the time the mineral resource estimate is completed, all in accordance with the CIM Definition Standards as established by the Canadian Institute of Mining, Metallurgy and Petroleum, and National Instrument 43-101 of the Canadian Securities Administrators.

“**Effective Date**” has the meaning given to it in the preamble hereof.

“**Environmental Laws**” means all requirements of the common law, civil code, or of environmental, health or safety statutes of any agency, board or Governmental Entity including, but not limited to, those relating to noise; pollution or protection of the air, surface water, ground water or land; solid, gaseous or liquid waste generation, handling, treatment storage, disposal or transportation; exposure to hazardous or toxic substances; or the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of lands.

“**Expenditures**” means and includes all paid-up costs, expenses, obligations and liabilities of whatever kind or nature spent or incurred directly or indirectly by the Optionee, including all monies expended by or on behalf of the Optionee in performing Mining Work after the Effective Date.

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any securities commission or stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

“**IFRS**” means International Financial Reporting Standards developed by the International Accounting Standards Board.

“**Metalogic Purchase Agreement**” means the Purchase Agreement dated October 4, 2018 between Metalogic Exploration Inc. and Orogen.

“**Metalogic Royalty Agreement**” means the Net Smelter Returns Royalty Agreement dated October 4, 2018 between the Optionor and the Metalogic Royaltyholders.

“**Metalogic Royaltyholders**” means, collectively, Charles Chebry, Dale Hansen, Frances J. MacPherson, David Bailey and John McCaffrey.

“**Metalogic Royalty Interest**” means the 1% net smelter returns royalty interest in the Property held by the Metalogic Royaltyholders pursuant to the Metalogic Royalty Agreement.

“**Milestone Payment**” has the meaning given to it in Section 5.2(c).

“**Mining Work**” means every kind of work done on or in respect of the Property or the products therefrom by or under the direction of or on behalf of or for the benefit of the Optionee and, without limiting the generality of the foregoing, includes assessment work, geophysical, geochemical and geological surveying, studies and mapping, investigating, environmental studies, preparing environmental impact assessment reports, drilling, designing, examining, equipping, improving, surveying, shaft sinking, raising, crosscutting and drifting, assaying and metallurgical testing and other tests and analyses to determine the quantity and quality of minerals and other materials, metals or substances, searching for, digging, trucking, sampling, including but not limited to surface, subsurface and drill core sampling, working and procuring minerals, ores, metals, and concentrates, surveying, mobilizing and demobilizing, including all transportation, insurance, customs brokerage and import and export taxes, fees and charges and all other governmental levies in connection therewith, acquiring, constructing and transporting facilities, fees, wages, salaries, traveling expenses and reasonable fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property and the food, lodging and other reasonable needs of such persons, and bringing any mineral claims or other interests to lease, reporting and all other work usually considered to be prospecting, exploration, restoration, reclamation, development and mining work.

“**NSR Buydown Amount**” has the meaning given to it in Section 6.2.

“**NSR Royalty**” means the 1% net smelter returns royalty to be paid to the Optionor in respect of the Property pursuant to the royalty terms attached as Schedule B hereto.

“**Option**” means the option to acquire a 100% interest of the Optionor’s right, title and interest in the Property, as provided in Section 5.1.

“**Option Payments**” has the meaning given to it in Section 5.2.

“**Option Period**” means from the Effective Date until the earlier of: (i) the termination of this Agreement in accordance with Section 11.0; or (ii) the exercise of the Option by the Optionee.

“**Optionee**” has the meaning given to it in the preamble hereof.

“**Optionor**” has the meaning given to it in the preamble hereof.

“**Other Party**” has the meaning given to it in Section 12.2.

“**Parties**” means the Optionor and the Optionee and “**Party**” means any one of them.

“**Property**” means the mineral claims located in British Columbia and described in Schedule A hereto and the Property Rights, and all other mining interests derived from such claims, and shall include any renewals thereof and any form of successor or substitute titles thereto, including any mineral leases into which such mineral claims may have been converted and any mineral claims acquired pursuant to Section 12.0, but shall not include any interests in any other mineral claims which the Optionee acquires an interest in at any time after the date of this Agreement outside of the AOI.

“**Property Rights**” means all licences, permits, easements, rights-of-way, certificates and other approvals obtained by the Optionor and necessary for the development of the Property, or for the purpose of placing the Property into production or continuing production therefrom.

“**Running Dog Royalty Agreement**” means the Net Smelter Returns Royalty Agreement dated November 30, 2018 between Orogen and Running Dog Resources Ltd.

“Running Dog Royalty Interest” means the 1% net smelter returns royalty interest in the Property held by Running Dog Resources Ltd. pursuant to the Running Dog Royalty Agreement.

“Underlying Royalty Agreements” means the Metalogic Royalty Agreement and the Running Dog Royalty Agreement.

“Underlying Royalty Interests” means the Metalogic Royalty Interest and the Running Dog Royalty Interest.

1.2 The headings are for convenience only and are not intended as a guide to interpretation of this Agreement or any portion thereof.

1.3 The word “including”, when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope.

1.4 All accounting terms not otherwise defined herein have the meanings assigned to them, and all calculations to be made hereunder are to be made, in accordance with IFRS applied on a consistent basis.

1.5 In this Agreement, except as otherwise specified, all references to currency mean the currency of Canada.

1.6 A reference to a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations.

1.7 A reference to an entity includes any successor to that entity.

1.8 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.

1.9 A reference to “approval”, “authorization” or “consent” means written approval, authorization or consent.

1.10 If any date on which an action is required to be taken hereunder by the Parties is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.11 The following schedules are attached to and form part of this Agreement:

Schedule A – Description of the Property

Schedule B – Net Smelter Returns Royalty

2.0 REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR

2.1 The Optionor represents and warrants to the Optionee that:

- (a) the Optionor is a valid and subsisting corporation duly incorporated under the laws of British Columbia and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid

and binding obligation of the Optionor enforceable against it in accordance with its terms except that:

- (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before them by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) the Optionor is the sole legal and beneficial owner of the Property, free and clear of all liens, charges and encumbrances other than the Underlying Royalty Interests, and no other person, other than the Optionee has any right or interest to acquire any interest in the Property;
 - (c) the Metalogic Purchase Agreement is a valid and subsisting contract and is in full force and effect and the Optionor has no knowledge of the invalidity of or grounds for rescission or repudiation of the Metalogic Purchase Agreement or the transfer or assignment thereof; and the Optionor has not committed any act or omitted to perform any obligation, which would be a breach or a default of its obligations under the Metalogic Purchase Agreement;
 - (d) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of, or accelerate the performance required by any agreement to which the Optionor is a party;
 - (e) no consent or approval is required to permit the execution and delivery of this Agreement by the Optionor or the performance of their obligations hereunder;
 - (f) the mining claims comprising the Property are valid, have been properly located and recorded, are in compliance with all applicable laws and are currently in good standing with all applicable governmental entities in the Province of British Columbia;
 - (g) the Optionor is legally entitled to hold the Property and will remain so entitled until all interests of the Optionor in the Property have been duly transferred to the Optionee as contemplated hereby;
 - (h) the Optionor has not received any notice, whether written or oral, from any governmental entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke the Optionor's interest in the Property;
 - (i) there is no adverse claim or challenge against or to the ownership of or title to the Property, nor to the knowledge of the Optionor, after making due inquiry, is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Property or any portion thereof, and no person (other than the Optionor pursuant to the NSR Royalty and the holders of the Underlying Royalty Interests) has any royalty or other interest whatsoever in production from the Property;
 - (j) there is no outstanding directive or order or similar notice issued by any regulatory agency, including agencies responsible for environmental matters, affecting the Property or the

Optionor nor is there any reason to believe that such an order, directive or similar notice is pending;

- (k) all work carried out on the Property by or under the direction of the Optionor has been done in compliance with all applicable laws and regulations (including Environmental Laws) and the Optionor has no reason to believe that all prior work carried out on the Property by third parties has not been done in compliance with all applicable laws and regulations and there are no environmental conditions existing on the Property to which any material remedial action is required or any material liability has or may be imposed under applicable Environmental Laws;
- (l) to the Optionor's knowledge, the Property does not lie within any protected area, rescued area, reserve, reservation, reserved area or special needs lands as designated by any governmental authority having jurisdiction, that would materially impair the development of a mining project on such land;
- (m) to the Optionor's knowledge, there are no outstanding work orders or, to its knowledge, actions required to be taken relating to environmental matters respecting the Property or any operations carried out on the Property;
- (n) to the Optionor's knowledge, no toxic or hazardous substance or waste has been treated on or is now stored on the Property, and there has been no material spill, discharge, leak, emission, ejection, escape, dumping, or any release or threatened release of any kind, of any toxic or hazardous substance or waste (as defined by any applicable law) from, on, in or under the Property or into the environment, except releases permitted or otherwise authorized by such law;
- (o) to the Optionor's knowledge, there are no pending or ongoing actions taken by or on behalf of any native or indigenous persons pursuant to the assertion of any land claims with respect to lands included in the Property; and
- (p) the Optionor has provided the Optionee copies of all maps, reports, assay results and other relevant technical data compiled by or in the possession of the Optionor with respect to the Property.

2.2 For the purposes of Section 2.1, the Optionor will be deemed to have "knowledge" of a particular fact or other matter if, after due inquiry (i) it is actually aware of that fact or matter; or (ii) that fact or matter comes to its attention under circumstances in which a reasonable person would take cognizance of it.

2.3 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee and its successors and assigns, and a breach of any one or more thereof may be waived by the Optionee or its successors and assigns in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof. The Optionor shall indemnify and save harmless the Optionee from all losses, damages, 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.

3.0 REPRESENTATIONS AND WARRANTIES OF THE OPTIONEE

3.1 The Optionee represents and warrants to the Optionor that:

- (a) the Optionee is a valid and subsisting corporation duly incorporated under the laws of British Columbia and has full corporate power and authority to execute and deliver this Agreement and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate proceedings and obtained all necessary approvals in respect thereof and, upon execution and delivery of this Agreement by it, this Agreement will constitute a legal, valid and binding obligation of the Optionee enforceable against it accordance with its terms except that:
 - (i) enforceability may be limited by bankruptcy, insolvency or other laws affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) a court may stay proceedings before them by virtue of equitable or statutory powers; and
 - (iv) rights of indemnity and contribution hereunder may be limited under applicable law;
- (b) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby conflict with, result in a breach of, or accelerate the performance required by any agreement to which any the Optionee is a party;
- (c) neither the execution of this Agreement nor the consummation of the transactions contemplated hereby, result in a breach of the laws of any applicable jurisdiction or the constating documents of the Optionee; and
- (d) no consent or approval is required to permit the execution and delivery of this Agreement by the Optionee or the performance of its obligations hereunder.

3.2 The representations and warranties contained in Section 3.1 are provided for the exclusive benefit of the Optionor and a breach of any one or more thereof may be waived by the Optionor in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 3.1 will survive the execution hereof. The Optionee shall indemnify and save harmless the Optionor from all losses, damages, 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.

4.0 COVENANTS OF THE OPTIONOR

4.1 Forthwith upon execution of this Agreement by the Parties, the Optionor will deliver to the Optionee copies of such technical and geological information pertaining to the Property in its possession or control as the Optionee may reasonably request.

4.2 During the currency of this Agreement and the Option, the Optionor will:

- (a) not perform any act or thing which would or might in any way adversely affect the rights of the Optionee hereunder to earn up to an undivided 100% interest in the Property;

- (b) promptly make available to the Optionee and its representatives all records and files in the possession of the Optionor relating to the Property, and permit the Optionee and its representatives at its own expense to take abstracts there from and make copies thereof; and
- (c) promptly provide the Optionee with any and all notices and correspondence from government agencies in respect of the Property.

5.0 GRANT OF OPTION

5.1 The Optionor hereby grants to the Optionee the sole and exclusive right to acquire a 100% undivided legal and beneficial interest in the Property free and clear of all charges, encumbrances and claims, subject to the NSR Royalty and the Underlying Royalty Interests (the “**Option**”).

5.2 The Option is exercisable by the Optionee by:

- (a) making an aggregate of \$575,000 in cash payments to the Optionor (the “**Option Payments**”) as follows:
 - (i) \$10,000.00 on or before the 2nd anniversary of the Effective Date;
 - (ii) \$65,000.00 on or before the 3rd anniversary of the Effective Date;
 - (iii) \$100,000.00 on or before the 4th anniversary of the Effective Date; and
 - (iv) \$400,000.00 on or before the 5th anniversary of the Effective Date;
- (b) incurring an aggregate of \$3,000,000 in Expenditures, as follows:
 - (i) \$75,000.00 on or before the 1st anniversary of the Effective Date;
 - (ii) an additional \$75,000.00 on or before the 2nd anniversary of the Effective Date;
 - (iii) an additional \$350,000.00 on or before the 3rd anniversary of the Effective Date;
 - (iv) an additional \$1,000,000.00 on or before the 4th anniversary of the Effective Date; and
 - (v) an additional \$1,500,000.00 on or before the 5th anniversary of the Effective Date; and
- (c) making an aggregate of \$700,000 in cash payments to the Optionor (the “**Milestone Payments**”) as follows:
 - (i) \$7,500.00 on the first anniversary of the Effective Date;
 - (ii) \$17,500.00 on the second anniversary of the Effective Date;
 - (iii) subject to Section 5.5, \$25,000.00 upon the completion by the Optionee of an aggregate of 10,000 metres of drilling as part of Mining Work;
 - (iv) subject to Section 5.5, \$150,000.00 upon the announcement by the Optionee of a measured or indicated mineral resource estimate of at least 200,000,000 tons at a grade of at least 0.50% Copper Equivalent. The mineral resource estimate must be

determined in accordance with the CIM Definition Standards as established by the Canadian Institute of Mining, Metallurgy and Petroleum, and in accordance with National Instrument 43-101 of the Canadian Securities Administrators; and

- (v) subject to Section 5.5, \$500,000.00 upon the Optionee's decision to bring a mine on the Property into commercial production.

5.3 For greater certainty, all of the above payments are optional, and the Optionee will not be obligated to make any payment. If at the end of a time period set out in Section 5.2(b)(i), 5.2(b)(ii), 5.2(b)(iii), 5.2(b)(iv) and 5.2(b)(v), there is a shortfall in the amount of Expenditures incurred for such time period, the Optionee shall have the right to make up any such shortfall and maintain the Option in good standing by making a cash payment to the Optionor on or before the expiration of such time period set out in Section 5.2(b)(i), 5.2(b)(ii), 5.2(b)(iii), 5.2(b)(iv) and 5.2(b)(v), as applicable, of an amount (the "**Cash Payment Amount**") equal to the Expenditures required to be incurred in such period less the amount of Expenditures actually incurred by the Optionee up to that date in respect of such period. Any Cash Payment Amount paid by the Optionee to the Optionor shall be deemed to be Expenditures for such period.

5.4 The Optionee may elect at its sole discretion to deliver all of the payments and incur the Expenditures required to exercise the Option at any time before such delivery or incurrence, as applicable, is required and upon such early delivery or incurrence the Optionee will be deemed to have exercised the Option and acquired 100% of the interest of the Optionor in the Property. Any Expenditures incurred in any period in excess of the amount required under Section 5.2(b) shall be credited to the Optionee and applied against future Expenditure requirements in subsequent periods.

5.5 The Optionee may exercise the Option prior to making the Milestone Payments set out in Sections 5.2(c)(iii), 5.2(c)(iv) and 5.2(c)(v) provided it expressly assumes the Optionor's obligations for any unpaid Milestone Payments pursuant to the Metalogic Purchase Agreement in accordance with Section 8.7. The Parties acknowledge that the Milestone Payments are intended to reflect the Optionor's obligations to make milestone payments under the Metalogic Purchase Agreement and such obligations are intended to be assigned to the Optionee upon the exercise of the Option.

6.0 EXERCISE OF OPTION

6.1 Upon satisfaction of the conditions set out in Sections 5.2(a), 5.2(b) and 5.2(c), the Option will be deemed to be exercised and an undivided 100% right, title and interest in and to the Property will automatically vest in the Optionee free and clear of all charges, encumbrances and claims, subject to the NSR Royalty and the Underlying Royalty Interests.

6.2 Upon the exercise of the Option, the Optionee will grant the NSR Royalty to Evrim on the terms set out in Schedule B. The Optionee will have the right to purchase 25% of the NSR Royalty (being 0.25%) upon the payment of \$1,500,000 (the "**NSR Buydown Amount**").

6.3 If the Optionee exercises the Option, commencing on the fifth anniversary of the Effective Date the Optionee will make annual advance cash payments of \$50,000 (the "**Advance Royalty Payments**") to Evrim, which Advance Royalty Payments will be deductible against the NSR Buydown Amount. The first Advance Royalty Payment is payable on the fifth anniversary of the Effective Date and each additional Advance Royalty Payment is payable on each subsequent anniversary of the Effective Date.

7.0 OPERATOR DURING OPTION PERIOD

7.1 The Optionee shall be the operator of the Property during the Option Period.

7.2 During the Option Period, the Optionee, including the directors and officers of the Optionee and its employees, designated consultants, agents and independent contractors, shall gain possession of the Property and will have the sole and exclusive right in respect of the Property to:

- (a) enter thereon;
- (b) have exclusive and quiet possession thereof;
- (c) do such prospecting, exploration, development and/or other Mining Work thereon and thereunder as the Optionee in its sole discretion may determine advisable;
- (d) bring upon and erect upon the Property buildings, plant, machinery and equipment as the Optionee may deem advisable; and
- (e) remove therefrom and dispose of reasonable quantities of ores, minerals and metals for the purpose of obtaining assays or making other tests.

8.0 TRANSFER OF TITLE AND INTEREST

8.1 Evrim shall remain the sole recorded holder of the mineral claims comprising the Property as of the Effective Date until the exercise of the Option by the Optionee. Following the exercise of the Option, the Optionor shall forthwith, and in any event within ten (10) days thereafter, complete the transfer of the 100% legal and beneficial interest in the Property to the Optionee, subject only to the NSR Royalty and the Underlying Royalty Interests that shall run with the Property and constitute a direct real interest therein.

8.2 During the Option Period, the Optionor shall be responsible for maintaining the Underlying Royalty Agreements and the Metalogic Purchase Agreement in good standing, including by making, or causing to be made, all payments due and payable during the Option Period under the Underlying Royalty Agreements and the Metalogic Purchase Agreement, and shall not amend or modify the terms of any Underlying Royalty Agreement or the Metalogic Purchase Agreement without the prior written consent of the Optionee.

8.3 During the Option Period, the Optionor shall not sell, transfer, encumber, mortgage, pledge, relinquish, abandon or dispose of all or any of its interest in the Property or this Agreement unless the Optionee has provided prior written consent to such transfer, nor shall the Optionor do any act or thing which would or might in any way adversely affect the rights of the Optionee hereunder to earn an undivided 100% interest in and to the Property.

8.4 During the Option Period, the Optionee shall not sell, transfer, encumber or dispose of all or any of its interest in the Property or this Agreement unless the transferee of such interest shall have first delivered to the Optionor its written agreement to be bound by all of the terms, conditions and covenants of this Agreement, to the extent of the interest transferred to such transferee.

8.5 Upon the exercise of the Option, the Parties will promptly execute and deliver the royalty agreement in the form set out in Schedule B in respect of the NSR Royalty. To the extent there is any delay in executing and delivering such royalty agreement the Parties acknowledge that the terms of the NSR Royalty as set out herein and in Schedule B will be binding on the Parties. If requested by the Optionee, the Optionor will execute and deliver to the Optionee such document or documents as may be required by the Optionee acknowledging that the Option has been exercised, that a 100% interest in and to the Property has been transferred to the Optionee, subject to the NSR Royalty.

8.6 Upon the exercise of the Option, the Optionor will assign the Underlying Royalty Agreements to the Optionee. The Optionee agrees to be bound by the terms of the Underlying Royalty Agreements following the exercise of the Option. The Parties agree to enter into assignment agreements or such other documentation as may be necessary to give effect to the assignment of the Underlying Royalty Agreements.

8.7 Upon the exercise of the Option, if any Milestone Payments remain unpaid pursuant to Section 5.5 (the “**Unpaid Milestone Obligations**”), the Optionor will assign its obligations for any such payments pursuant to the Metalogic Purchase Agreement to the Optionee. The Parties agree to enter into assignment agreements or such other documentation as may be necessary to give effect to the assignment of the Unpaid Milestone Obligations.

9.0 OBLIGATIONS OF THE OPTIONEE

9.1 During the Option Period the Optionee will:

- (a) maintain the Property in good standing with all applicable government entities, including payment of all taxes and performing all required assessment work and making such filings and recordings on the Property as are necessary to maintain title and will perform all other actions that may be necessary to keep the Property free and clear of all liens and other charges arising from the exploration activities undertaken hereunder, except those at the time contested in good faith by the Optionee;
- (b) apply all exploration credits in respect of Mining Work performed by the Optionee in a manner that maintains, to the greatest extent possible, at least the amount of exploration credits on each mineral claim comprising the Property as at the Effective Date;
- (c) permit the directors, officers, employees and designated consultants of the Optionor, at their own risk and expense, to visit the Property at all reasonable times, provided 48 hours of advance notice of such visit is provided to the Optionee, provided that the Optionor agrees to indemnify the Optionee against and to save the Optionee harmless from all costs, claims, liabilities and expenses that the directors, officers, employees and designated consultants of the Optionee may incur or suffer as a result of any injury (including injury causing death) suffered on the Property;
- (d) do all Mining Work on the Property in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any Governmental Authority;
- (e) indemnify and save the Optionor harmless in respect of any and all reasonably foreseeable costs, claims, liabilities and expenses arising out of the Optionee’s gross negligence or wilful misconduct in respect of its activities on the Property; provided that the Optionee will incur no obligation thereunder in respect of claims arising or damages suffered after termination of the Option if upon termination of the Option any workings on or improvements to the Property made by the Optionee are left in a safe condition; and
- (f) deliver, or make available, to the Optionor the following reports:
 - (i) comprehensive exploration reports on an annual basis, which reports shall include without limitation the total amount of Expenditures incurred on the Property and results obtained during the calendar year ending on December 31st immediately preceding, accompanied by copies of all data, reports and other information on or with respect to the Property not already provided to Optionor;

- (ii) quarterly reports that shall include the total amount of Expenditures incurred on the Property and results obtained during the calendar quarter (if available), including environmental reports, accompanied by copies of all data, reports and other information on or with respect to the Property not already provided to the Optionor, together with reports on community relations and social license to the extent prepared internally by Optionee for its own use; and
- (iii) during periods of active field work, timely copies of all relevant data, reports and other information concerning such results, including those necessary to permit the Optionor to meet its continuous disclosure obligations under applicable legislation and the requirements of any securities commission, stock exchange or other regulatory body having jurisdiction over the Optionor.

10.0 ABANDONMENT

10.1 If the Optionee intends to allow to lapse, abandon or surrender any part of the Property (the “**Abandonment Property**”), the Optionee shall give notice of such intention to the Optionor at least six months in advance of the applicable date of expiration or the proposed date of abandonment or surrender (one or the other, an “**Abandonment Date**”) along with details of the Abandonment Date and of any encumbrance on the Abandonment Property. Within 15 days of receipt of such notice, the Optionor may deliver notice to the Optionee that the Optionor desires the Optionee to convey the Abandonment Property to the Optionor and, if the Optionor desires to have the Abandonment Property conveyed to it, then the Optionee shall convey the Abandonment Property to the Optionor and the Optionee shall have no further obligations in respect of the Abandonment Property under this Agreement. The Optionor and the Optionee shall use commercially reasonable efforts to obtain all approvals and consents required by any third person or governmental entity to effect this conveyance.

10.2 If the Optionor does not request conveyance of the Abandonment Property within 15 days of receipt of the notice from the Optionee then the Optionor’s right to have such Abandonment Property conveyed will be terminated and the Optionee may abandon the Abandonment Property. The Abandonment Property shall thereafter cease to form part of the Property and shall thereafter no longer be subject to this Agreement and the Optionee shall have no further obligations in respect of the Abandonment Property under this Agreement.

11.0 TERMINATION OF OPTION

11.1 The Optionee may terminate the Option at any time prior to the exercise thereof by providing written notice to the Optionor.

11.2 The Optionor may terminate the Option if at any time during the Option Period the Optionee fails to deliver to the Optionor any cash payment specified in Section 5.2(a) or to incur the Expenditures specified in Section 5.2(b), but only if:

- (a) it first gives to the Optionee a notice of default containing particulars of the obligation which the Optionee has not performed; and
- (b) the Optionee has not, within 30 days after delivery of such notice of default, cured such default or begun proceedings to cure such default by appropriate payment or performance.

11.3 If the Option is terminated otherwise than upon the exercise thereof pursuant to Section 6.1, the Optionee will:

- (a) leave the mining claims that comprise the Property in good standing for a period of one year from the termination of the Option Period;
- (b) deliver to the Optionor an instrument of transfer in order to transfer the right, title and interest in the Property to the Optionor or the Optionor's nominee or nominees, free and clear of all liens or charges arising from the Optionee's activities on the Property, except those at the time contested in good faith by the Optionee;
- (c) comply with applicable laws and regulations regarding reclamation for activities carried out by the Optionee on the Property; and
- (d) deliver, at no cost to the Optionor and within three months of the termination of the Option Period, copies of all reports, maps, assay results and other relevant technical data compiled by or in the possession of the Optionee with respect to the terminated tenures and not theretofore furnished to the Optionor.

11.4 Notwithstanding termination of the Option, the Optionee will have the right, within a period of one year following the end of the Option Period, to remove from the Property all buildings, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the Property by or on behalf of the Optionee, and any such property not removed within such one year period will thereafter become the property of the Optionor.

12.0 AREA OF INTEREST

12.1 An area of mutual interest located within the existing exterior boundaries of the Property and up to or within one kilometre of the existing exterior boundaries of the Property as at the Effective Date is hereby established, which area is hereinafter called the "**AOI**".

12.2 The Parties hereby covenant and agree that if either of them shall acquire any property interest or mineral rights or claims (the "**AOI Interest**") after the Effective Date located wholly or partly within the AOI, directly or indirectly, the Party acquiring such AOI Interest (the "**Acquiring Party**") shall, within 30 days, provide the other Party (the "**Other Party**") with written notice of such acquisition, and the total cost thereof and all details in the possession of the Acquiring Party with respect to the details of the acquisition, the nature of the property and the known mineralization. The Other Party shall have the right, for a period of 60 days, to elect to include the AOI Interest as part of the Property. If the Other Party determines to include the AOI Interest, it will become a part of the Property and shall be subject to the terms of this Agreement. The cost of acquiring an AOI Interest that is included in the Property shall be borne by the Optionee; however, all costs of acquisition shall be deemed to be part of the Expenditures to be incurred by the Optionee to earn an interest in the Property. The acquisition of an AOI Interest will not amend the exterior boundaries of the AOI.

13.0 FORCE MAJEURE

13.1 If the Optionee is at any time either during the Option Period or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of aboriginal claims, strikes, walk-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of terrorism, acts of God, governmental regulations restricting normal operations, epidemic, pandemic, quarantine, civil commotion, natural catastrophes, changes in laws or regulations, national strikes, fire, explosion or any other reason or reasons beyond the control of the Optionee (each, an "**event of force majeure**"), the time limited for the performance by the Optionee of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention

or delay, provided however that nothing herein will discharge the Optionee from its obligations under Section 9.1(a).

13.2 The Optionee will, to the extent possible, promptly give written notice to the Optionor of each event of force majeure under Section 13.1 and upon cessation of such event will furnish the Optionor with notice to that effect together with particulars of the number of days by which the obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

14.0 CONFIDENTIAL INFORMATION AND NEWS RELEASES

14.1 Confidentiality

Except as otherwise provided in this Agreement, both Parties agree that without the prior written consent of the other Party, it will treat as confidential and prevent disclosure to any third parties of any geological, geophysical or other factual and technical information and data relating to the Property or activities related to the Property. This obligation shall be a continuing obligation of any Party throughout the term of this Agreement and for a period of one year following termination of this Agreement.

14.2 Exceptions

The approval required by Section 14.1 shall not apply to a disclosure:

- (a) to an affiliate, consultant, contractor or subcontractor that has a *bona fide* need to be informed;
- (b) reasonably required by a third party or parties in connection with negotiations for a permitted transfer of an interest under this Agreement, an interest in the Property or the acquisition of an equity or other interest in a party to such third party or parties;
- (c) to a governmental agency or to the public which any disclosing party believes in good faith is required by pertinent law or regulation or the rules or policies of any stock exchange or securities regulatory authority;
- (d) reasonably required by a party in the prosecution or defense of a lawsuit or other proceeding;
- (e) reasonably required by a financial institution or other similar entity in connection with any financing being undertaken by a Party for purposes of this Agreement;
- (f) of information which is or becomes part of the public domain other than through a breach of this Agreement;
- (g) of information already in the possession of a Party or its affiliate or independently developed prior to the date of this Agreement;
- (h) of information lawfully received by a Party or an affiliate from a third party not under an obligation of secrecy to the other Parties; or
- (i) following termination of this Agreement, confidential information reasonably required by a third party or parties in connection with negotiating for a transfer of an interest in the Property.

As to any disclosure pursuant to Section 14.2(a), (b) or (e), only such confidential information as such third party shall have a legitimate business need to know shall be disclosed and such third party shall first agree in writing to protect the confidential information from further disclosure to the same extent as the Parties are obligated under this Section 14.0.

15.0 NOTICES

15.1 Each notice, demand or other communication required or permitted to be given under this Agreement will be in writing and will be sent by prepaid registered mail or commercial courier addressed to any Party entitled to receive the same, or delivered to such Party, at the address for such Party specified or by facsimile or electronic mail, in each case addressed as applicable as follows:

(a) If to the Optionor at:

Orogen Royalties Inc.
1201 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

Attention: Paddy Nicol
Email: paddy@orogenroyalties.com

(b) If to the Optionee at:

Acme Gold Company Limited
992 East 13th Avenue
Vancouver, British Columbia
V5T 2L6

Attention: Don Crossley
Email: doncrossleycpa@gmail.com

With a copy to:

Lotz & Company
Suite 1170 – 1040 West Georgia Street
Vancouver, British Columbia
V6E 4H1

Attention: Jonathan Lotz
Email: jlotz@lotzandco.com

or to such other address as is specified by the particular Party by notice to the others.

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

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

16.0 GENERAL

16.1 This Agreement constitutes the entire agreement between the Parties and supersedes and replaces any other agreement or arrangement, whether oral or written, express or implied or heretofore existing between the Parties in respect of the subject matter of this Agreement.

16.2 No consent or waiver expressed or implied by any Party in respect of any breach or default by another Party in the performance of such other of its obligations hereunder will be deemed or construed to be a consent to or a waiver of any other breach or default.

16.3 This Agreement provides for an option only and except as specifically provided otherwise, nothing herein contained shall be construed as creating a partnership, joint venture, agency or fiduciary relationship between the Parties or be construed as obligating the Optionee to do any acts or make any payments hereunder except as otherwise set forth, and any act or acts or payment as may be made hereunder shall not be construed as obligating the Optionee to do any further act or make any further payment or payments.

16.4 The Parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interests from time to time of the Parties in the Property.

16.5 This Agreement and any other writing delivered pursuant hereto may be executed in any number of counterparts with the same effect as if all parties to this Agreement or such other writing had signed the same document and all counterparts will be construed together and will constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with applicable law, e.g., www.docuSign.com) or other transmission method and any counterpart so delivered is deemed to have been duly and validly delivered and be valid and effective for all purposes.

16.6 This Agreement will be governed and construed according to the laws of the Province of British Columbia and the laws of Canada applicable therein, and the Parties hereby attorn to the jurisdiction of the Court of British Columbia.

16.7 Time is of the essence in the performance of any and all of the obligations of the Parties, including, without limitation, the payment of monies.

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

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

OROGEN ROYALTIES INC.

By: "Paddy Nicol"
Name: Paddy Nicol
Title: President and Chief Executive Officer

EVRIM EXPLORATION CANADA CORP.

By: "Paddy Nicol"
Name: Paddy Nicol
Title: President and Chief Executive Officer

ACME GOLD COMPANY LIMITED

By: "Donald Crossley"
Name: Don Crossley
Title: President and Chief Executive Officer

SCHEDULE A

Description of the Property

The Property is defined as the following mineral claims located in the Cariboo Mining Division of British Columbia:

Tenure Number	Claim Name	Owner	Tenure Type	Tenure Sub Type	Map Number	Issue Date	Good To Date	Area (ha)
519005		Evrin Exploration Canada Corp.	Mineral	C	093A	2005/Aug/13	2021/Oct/25	829.37
831513	LEMON E 1	Evrin Exploration Canada Corp.	Mineral	C	093A	2010/Aug/14	2021/Oct/25	39.5
617347	LEMON 1A	Evrin Exploration Canada Corp.	Mineral	C	093A	2009/Aug/11	2021/Oct/25	454.22
617348	LEMON 2A	Evrin Exploration Canada Corp.	Mineral	C	093A	2009/Aug/11	2021/Oct/25	375.12
519007		Evrin Exploration Canada Corp.	Mineral	C	093A	2005/Aug/13	2021/Oct/25	197.53
539960	COMIN CO 1	Evrin Exploration Canada Corp.	Mineral	C	093A	2006/Aug/28	2021/Oct/25	493.63
539962	COMIN CO 2	Evrin Exploration Canada Corp.	Mineral	C	093A	2006/Aug/28	2021/Oct/25	256.79
							Total	2,646.16

SCHEDULE B

Net Smelter Return Royalty

See attached.

ACME GOLD COMPANY LIMITED

- AND -

EVIM EXPLORATION CANADA CORP.

NET SMELTER RETURNS ROYALTY AGREEMENT

TABLE OF CONTENTS

	Page
ARTICLE 1 INTERPRETATION.....	1
1.1 Definitions.....	1
1.2 Appendices.....	9
1.3 Severability.....	9
1.4 Performance on Holidays.....	9
1.5 Calculation of Time.....	10
1.6 Currency.....	10
1.7 Consent.....	10
1.8 Headings.....	10
1.9 Other Matters of Interpretation.....	10
ARTICLE 2 NET SMELTER RETURNS ROYALTY	11
2.1 Net Smelter Returns Royalty.....	11
2.2 Buydown Right.....	11
2.3 Interest in the Property.....	11
2.4 Term.....	11
ARTICLE 3 THE ROYALTY PAYMENTS	12
3.1 Commencement of Mining and Accrual of Payment Obligation.....	12
3.2 Payments.....	12
3.3 No Payment In Kind.....	13
3.4 Audit and Adjustments.....	13
3.5 Currency and Wire Transfer.....	13
3.6 Payor to use Commercial Endeavours.....	13
3.7 Sales to or Processing by Affiliates.....	13
3.8 Trading Activities of the Payor.....	14
ARTICLE 4 OPERATION OF THE PROPERTY	14
4.1 Payor to Determine Operations.....	14
4.2 Stockpiling.....	14
4.3 Commingling.....	14
4.4 Tailings.....	15
4.5 Activities to be Conducted in a Proper Manner.....	15
4.6 Change of Refinery.....	15
ARTICLE 5 RECORDS, ACCESS AND REPORTING	15
5.1 Records and Access.....	15
5.2 Operations Reports.....	16

5.3	Annual Reports.....	16
5.4	New Product Resources or Reserves.....	17
ARTICLE 6 INDEMNITY.....		17
6.1	Indemnity	17
6.2	Limitation.....	17
6.3	Survival of Indemnity.....	18
ARTICLE 7 TITLE MAINTENANCE		18
7.1	Title Maintenance and Taxes	18
7.2	Abandonment	18
ARTICLE 8 ASSIGNMENT		19
8.1	Assignment by the Recipient.....	19
8.2	Assignment by the Payor.....	19
8.3	Transfer by Payor	20
ARTICLE 9 CONFIDENTIALITY		20
9.1	Confidentiality.....	20
9.2	Announcements.....	21
ARTICLE 10 MISCELLANEOUS		21
10.1	Governing Law	21
10.2	Dispute Resolution	21
10.3	Other Activities and Interests	22
10.4	No Partnership	22
10.5	Notice.....	22
10.6	Compliance with National Instrument 43-101	24
10.7	Further Assurances	24
10.8	Entire Agreement.....	24
10.9	Amendments and Waiver	24
10.10	Time of the Essence.....	24
10.11	Counterparts.....	24
10.12	Parties in Interest	25
APPENDIX A DESCRIPTION OF PROPERTY.....		1
APPENDIX B MAP OF PROPERTY.....		1

NET SMELTER RETURNS ROYALTY AGREEMENT

THIS ROYALTY AGREEMENT dated as of the 18th day of February, 2021

BETWEEN:

ACME GOLD COMPANY LIMITED

(the “**Payor**”)

AND:

EVRIM EXPLORATION CANADA CORP.

(the “**Recipient**”).

WHEREAS the Recipient and the Payor are parties to an option agreement (the “**Option Agreement**”) relating to the Property (as defined herein and described in greater detail in Schedule A hereto), pursuant to which the Payor acquired a 100% interest in the Property;

AND WHEREAS the Option Agreement provides that the Payor and or its Affiliate (as defined herein) shall grant to the Recipient the Royalty, as defined herein, on the terms set out herein;

NOW THEREFORE, for good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the Parties), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Royalty Agreement, unless otherwise provided:

“**Abandonment Date**” has the meaning provided in Section 7.2(a);

“**Abandonment Property**” has the meaning provided in Section 7.2(a);

“**Affiliate**” means any Person that directly or indirectly controls, is controlled by, or is under common control with, a Party. For purposes of the preceding sentence, “control” means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise;

“**Allowable Deductions**” means all costs, charges and expenses paid, incurred, or deemed incurred by the Payor for or with respect to Products including:

- (a) charges for offsite treatment in the smelting, refining, solution extraction, electrowinning and other beneficiation processes (including handling, provisional settlement fees, weighing, sampling, assaying, umpire and representation costs, any penalties including penalties for impurities contained in the Product which inhibit smelting, refining or minting, and other processor deductions), but excluding costs of mining, milling, leaching, concentrating and other similar processing;
- (b) actual costs of transportation (including loading, freight, insurance, security, surveyor fees, transaction taxes, handling, port fees, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of Products from the Property to the place of treatment and then to the place of sale and for greater certainty this excludes trucking ore within the project site;
- (c) costs or charges for or in connection with insurance, storage, or representation at a smelter or refinery for Products or refined metals;
- (d) actual selling and brokerage costs on all Products on proceeds actually received by the Payor; and
- (e) sales, use, severance, excise and net proceeds of mine taxes, and any taxes measured by the value of minerals produced, but not including (i) income taxes of the Payor, (ii) business and franchise taxes of the Payor and (iii) royalties payable to the government,

provided where Products are processed on or off the Property in a facility wholly or partially owned by the Payor or an Affiliate of the Payor, Allowable Deductions will not include any costs that are in excess of those that would be incurred on an arm's length basis at market terms, or which would not be Allowable Deductions if those Products were processed by an independent third Person;

“Applicable Law” in respect of any Person, property, transaction or event, means all laws, statutes, treaties, regulations, and enforceable judgments, orders and decrees applicable to that Person, property, transaction or event and, in each case having the force of law, all applicable official directives, rules, protocols, consents, approvals, authorizations and orders of any Governmental Body having or purporting to have authority over that Person, property, transaction or event;

“Average Cobalt Price” means the average cobalt price as published by the Metal Bulletin for the grade of cobalt produced (or should that quotation cease, another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Copper Price” means the average copper “First Position Settlement” price as published by COMEX on the CME Group Inc. website (or should that quotation cease, another similar quotation acceptable to the Parties, acting reasonably) calculated by

summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Gold Price” means the average “London Bullion Market Association (LBMA) P.M. USD Gold Fix” as published by the LBMA on its website (or should that quotation cease, then means the average spot price as published by COMEX on the CME Group website or should that quotation cease, then means another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Nickel Price” means the average nickel “Cash Seller and Settlement” price as published by the LME on its website (or should that quotation cease, another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Palladium Price” means the average palladium “First Position Settlement” price as published by NYMEX on the CME Group Inc. website (or should that quotation cease, another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Silver Price” means the average “London Bullion Market Association (LBMA) USD Silver Fix” as published by the LBMA on its website (or should that quotation cease, then means the average spot price as published by COMEX on the CME Group website or should that quotation cease, then means another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Average Platinum Price” means the average platinum “First Position Settlement” price as published by NYMEX on the CME Group Inc. website (or should that quotation cease, another similar quotation acceptable to the Parties, acting reasonably) calculated by summing such quoted prices reported for each day (or the average of all such prices reported for each such day, if more than one) and dividing the sum by the number of days for which such prices were reported;

“Books and Records” means all scientific and technical, financial, accounting, business, tax and employee information, records and files, in any form whatsoever (including written, printed or electronic form or stored on computer discs or other data and software storage devices) related to the Property, including regulatory filings and returns, books of account and related original source documentation, actuarial, tax and accounting information, geological and metallurgical data, drill hole logs, cross sections and assay

results, reports, files, lists, drawings, plans, logs, briefs, computer program documentation, employee data and records, deeds, certificates, contracts, surveys, title and legal opinions, records of payment, asset documentation, written employment manuals and employment policies;

“**Business Day**” means a day that is not a Saturday, Sunday or any other day which is a statutory holiday or a bank holiday in Vancouver, British Columbia;

“**Buydown Amount**” has the meaning provided in Section 2.2;

“**Cobalt Production**” means the quantity of Refined Cobalt out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Cobalt for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“**Confidential Information**” has the meaning provided in Section 9.1;

“**Copper Production**” means the quantity of Refined Copper out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Copper for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“**Disposal**” means any disposal by any means including dumping, incineration, spraying, pumping, injecting, depositing or burying;

“**Encumbrance**” means any mortgage, pledge, lien, charge or other form of security interest or interest in the nature of a security interest;

“**Environment**” includes the air, surface water, groundwater, body of water, any land, soil or underground space even if submerged under water or covered by a structure, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matters and living organisms and the environment or natural environment as defined in any Environmental Law and “Environmental” will have a similar extended meaning;

“**Environmental Laws**” means all Applicable Laws relating in whole or in part to the Environment, including those relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, release or Disposal of any Hazardous Substance;

“**Gold Production**” means the quantity of Refined Gold out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Gold for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“**Governmental Body**” means any national, provincial, state, regional, municipal or local government, governmental department, commission, board, bureau, agency, authority or instrumentality, or any Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, including all

tribunals, commissions, boards, bureaux, arbitrators and arbitration panels, and any authority or other Person controlled by any of the foregoing;

“**Gross Proceeds**” is determined as follows, subject to Section 3.7:

- (a) if Products are sold by the Payor or its Affiliates in the form of raw ore, doré, precipitates or other intermediate products or concentrates, then the Gross Proceeds in respect of such raw ore, doré, precipitates or other intermediate products or concentrates will be equal to the amount of gross proceeds on payable metal before Allowable Deductions received by the Payor or its Affiliates, subject to Section 3.7, during the calendar quarter from the sale of such raw ore, doré, precipitates or other intermediate products or concentrates; provided however, if the sale of such raw ore, doré, precipitates or other intermediate products or concentrates occurs in connection with Trading Activities then the Gross Proceeds will be based on the value of such Products ex-headframe or minesite loading facility in the case of ores or ex-mill or other treatment facility in the case of other such Products in both cases with reference to the average monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (b) if Products are sold by the Payor or its Affiliates in the form of Refined Cobalt, then such cobalt will be deemed to have been sold at the Average Cobalt Price for the calendar quarter in which the Refined Cobalt was produced, and the Gross Proceeds in respect of Refined Cobalt will be determined by multiplying Cobalt Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (c) if Products are sold by the Payor or its Affiliates in the form of Refined Copper, then such copper will be deemed to have been sold at the Average Copper Price for the calendar quarter in which the Refined Copper was produced, and the Gross Proceeds in respect of Refined Copper will be determined by multiplying Copper Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (d) if Products are sold by the Payor or its Affiliates in the form of Refined Gold, then such gold will be deemed to have been sold at the Average Gold Price for the calendar quarter in which the Refined Gold was produced, and the Gross Proceeds in respect of Refined Gold will be determined by multiplying Gold Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (e) if Products are sold by the Payor or its Affiliates in the form of Refined Nickel, then such nickel will be deemed to have been sold at the Average Nickel Price for the calendar quarter in which the Refined Nickel was produced, and the Gross Proceeds in respect of nickel will be determined by multiplying Nickel Production for such calendar quarter by the monthly applicable metal prices, during the

calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;

- (f) if Products are sold by the Payor or its Affiliates in the form of Refined Palladium, then such palladium will be deemed to have been sold at the Average Palladium Price for the calendar quarter in which the Refined Palladium was produced, and the Gross Proceeds in respect of palladium will be determined by multiplying Palladium Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (g) if Products are sold by the Payor or its Affiliates in the form of Refined Platinum, then such platinum will be deemed to have been sold at the Average Platinum Price for the calendar month in which the Refined Platinum was produced, and the Gross Proceeds in respect of platinum will be determined by multiplying Platinum Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (h) if Products are sold by the Payor in the form of Refined Silver, then such silver will be deemed to have been sold at the Average Silver Price for the calendar quarter in which the Refined Silver was produced, and the Gross Proceeds in respect of Refined Silver will be determined by multiplying Silver Production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (i) if Products are sold by the Payor in the form of refined metals other than cobalt, copper, gold, nickel, palladium, platinum or silver then such other refined metals will be deemed to have been sold at the average LME spot prices for the calendar quarter in which the other refined metal was produced and Gross Proceeds will be determined by multiplying the respective production for such calendar quarter by the monthly applicable metal prices, during the calendar quarter, without regard to the proceeds received by the Payor or its Affiliates;
- (j) if any Products are sold by the Payor and not included in Subsections (a) to (i) above the Gross Proceeds shall be the amount of gross proceeds actually received by the Payor or its Affiliates; and
- (k) if there is a Loss of Products, then the Gross Proceeds will be equal to the sum of the insurance proceeds in respect of such Loss and any Gross Proceeds from the Sale of such Products, determined under this section;

“**Hazardous Substance**” means any pollutant, contaminant, waste, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in any Environmental Law;

“**Indemnified Parties**” has the meaning provided in Section 6.1;

“**Inventory Period**” has the meaning provided in Section 4.2;

“**London Bullion Market**” means the international over-the-counter market for gold and silver where trading is conducted amongst members of the London Bullion Market Association;

“**LME**” means the London Metals Exchange;

“**Loss**” means an insurable loss of or damage to Products, whether or not occurring on or off the Property and whether the Products are in the possession of the Payor or its Affiliates or otherwise;

“**LPPM**” means The London Platinum & Palladium Market;

“**Materials**” has the meaning provided in Section 4.4;

“**Net Smelter Returns**” means Gross Proceeds less Allowable Deductions;

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators*;

“**Nickel Production**” means the quantity of Refined Nickel out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Nickel for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“**Notice**” has the meaning provided in Section 10.5;

“**NYMEX**” means the New York Mercantile Exchange;

“**Operations Report**” has the meaning provided in Section 5.2;

“**Palladium Production**” means the quantity of Refined Palladium out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Palladium for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“**Party**” or “**Parties**” means one or more of the parties to this Royalty Agreement;

“**Payor**” shall refer to the Payor and its successors in interest, including without limitation, assignees, partners, joint venture partners, lessees, and when applicable mortgagees and Affiliates having or claiming an interest in the Property;

“**Person**” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or other form of enterprise, or any government or any agency or political subdivision thereof;

“**Platinum Production**” means the quantity of Refined Platinum out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that

produces Refined Platinum for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“Products” means all ores, doré, precipitates or other intermediate products, concentrates, metals, minerals and mineral by-products that are extracted, produced or poured by or on behalf of the Payor or its Affiliates from the Property;

“Property” means certain mineral claims set out in Appendix A and depicted in Appendix B to this Royalty Agreement together with any present or future mining claims, mining leases, or other mining rights resulting from renewal, extension, modification, substitution, amalgamation, succession, conversion, demise to lease, renaming or variation of any of those mineral claims or any additional mining rights deriving from those mining rights (whether granting or conferring the same, similar or any greater rights and whether extending over the same or a greater or lesser domain);

“Quarter” and **“Quarterly”** mean the period commencing on the date that the Payor first receives payment for the Sale of Product or the out-turn of refined metals by a refinery to the pool account of the Payor or its Affiliates in respect of Product and expiring on the day preceding the next occurring 1st day of January, April, July or October and thereafter each successive period of three calendar months;

“Recipient” shall refer to the Recipient, its Affiliates or successors in interest, including without limitation any assignees;

“Refined Cobalt” means cobalt refined to a minimum of 99.30% purity and conforming in all respects with the specifications for good delivery against LME contracts;

“Refined Copper” means Grade 1 Electrolytic Copper Cathode as adopted by the American Society for Testing and Materials (B115-00), or its latest version and conforming in all respects with the specifications for good delivery against LME or COMEX contracts;

“Refined Gold” means gold of a minimum 0.995 fineness in gold bars, conforming in all respects with the specifications for “Good Delivery Gold Bars” under the “Good Delivery Rules”, as published by the London Bullion Market Association from time to time;

“Refined Nickel” means nickel refined to a minimum of 99.80% purity conforming to B39-79 (2013) and conforming in all respects with the specifications for good delivery against LME contracts;

“Refined Palladium” means palladium refined to a minimum of 99.95% purity and conforming in all respects with the specifications for good delivery to CME Group Inc. or LPPM;

“Refined Platinum” means platinum refined to a minimum of 99.95% purity and conforming in all respects with the specifications for good delivery to CME Group Inc. or LPPM;

“Refined Silver” means silver of a minimum 0.999 fineness in silver bars, conforming in all respects with the specifications for “Good Delivery Silver Bars” under the “Good Delivery Rules”, as published by the London Bullion Market Association from time to time;

“Royalty” means 1% of the Net Smelter Returns, subject to reduction in accordance with Section 2.2;

“Royalty Agreement” means this Net Smelter Returns Royalty Agreement;

“Sale” or **“Sold”** means the earlier of:

- (a) transfer of title to Products from the Payor or its Affiliates to a buyer (and includes a deemed transfer of title to Products transported off the Property that Payor or its Affiliates elects to have credited to or held for its account by a smelter, refiner or broker),
- (b) any Loss prior to any transfer or deemed transfer of title to Products, and
- (c) if deemed to be sold pursuant to Section 4.2;

“Silver Production” means the quantity of Refined Silver out-turned during a calendar month to the pool account of the Payor or its Affiliates by a refinery that produces Refined Silver for the Payor or its Affiliates on a toll-refining basis in respect of Products;

“Trading Activities” has the meaning provided in Section 3.8.

1.2 Appendices

Appendix A and Appendix B, which are attached to this Royalty Agreement, are incorporated into and form part of this Royalty Agreement.

1.3 Severability

If any one or more of the provisions contained in this Royalty Agreement is held to be invalid, illegal or unenforceable in any respect under the Applicable Laws of any jurisdiction, the validity, legality and enforceability of such provision will not in any way be affected or impaired thereby under the Applicable Laws of any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby.

1.4 Performance on Holidays

If any action is required to be taken pursuant to this Royalty Agreement on or by a specified date which is not a Business Day, then such action will be valid if taken on or by the next Business Day.

1.5 Calculation of Time

In this Royalty Agreement, a period of days will be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Vancouver time) on the last day of the period. If, however, the last day of the period does not fall on a Business Day, the period will terminate at 5:00 p.m. (Vancouver time) on the next Business Day.

1.6 Currency

Unless otherwise indicated, all references to currency herein, including "\$" are to lawful money of Canada. Allowable Deductions accrued in United States dollars shall be converted into Canadian dollars by applying the monthly average exchange rate quoted by the Bank of Canada as published on its website for the month during which the Allowable Deductions were accrued.

1.7 Consent

Whenever a provision of this Royalty Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise agreed, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

1.8 Headings

The headings to the articles and sections of this Royalty Agreement are inserted for convenience only and will not affect the construction hereof.

1.9 Other Matters of Interpretation

In this Royalty Agreement:

- (a) the singular includes the plural and vice versa;
- (b) the masculine includes the feminine and vice versa;
- (c) the term "includes" or "including" means "including without limiting the generality of the foregoing";
- (d) references to "Article", "Section", "Subsection" and "Appendix" are to articles, sections, subsections and appendices of this Royalty Agreement, respectively;
- (e) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter notwithstanding the absence of the words "covenants" or "agrees" or "promises";
- (f) all provisions requiring a Party to do something will be interpreted as including the covenant of that Party to cause that thing to be done when the Party cannot directly perform the covenant but can indirectly cause that covenant to be performed, whether by an Affiliate under its control or otherwise; and

- (g) the words “hereto”, “herein”, “hereby”, “hereunder”, “hereof” and similar expressions when used in this Royalty Agreement refer to the whole of this Royalty Agreement and not to any particular Article, Section, Subsection, Appendix or portion thereof.

ARTICLE 2 NET SMELTER RETURNS ROYALTY

2.1 Net Smelter Returns Royalty

The Payor hereby grants to the Recipient an interest in and right to the Property and the minerals derived from the Property to the extent of the Royalty payable hereunder. The Payor hereby covenants to pay the Royalty to the Recipient on all Products Sold or otherwise disposed of on and subject to the terms of this Royalty Agreement.

2.2 Buydown Right

The Payor will have the right to purchase 25% of the Royalty (0.25% of Net Smelter Returns) at any time upon the payment of C\$1,500,000, less the amount of advance cash payments made by the Payor to the Recipient pursuant to Section 6.3 of the Option Agreement (the “**Buydown Amount**”). Following the payment of the Buydown Amount, the Royalty will be reduced to 0.75% of the Net Smelter Returns.

2.3 Interest in the Property

The Parties intend that the Royalty, to the extent permissible under applicable laws, constitutes an interest in the Property and agree that:

- (a) the Royalty will run with the title to the Property, and any disposition or transfer of the Property, or any interest therein, shall be subject to the Royalty;
- (b) any sale or other disposition by the Payor of any interest in the Property will be effected only in accordance with Section 8.3 hereof; and
- (c) the Payor will, upon request by the Recipient, sign and deliver to the Recipient, and the Recipient may register or otherwise record against the Property, this Royalty Agreement or a notice of this Royalty Agreement, that will have the effect of giving notice of the existence of the Royalty to third Persons and protecting the Recipient’s right to receive the Royalty.

2.4 Term

The Royalty shall exist in perpetuity. If any right, power or interest of either Party under this Royalty Agreement would violate the rule against perpetuities or equivalent rule under Applicable Law, then such right, power or interest shall terminate at the expiration of 20 years after the death of the last survivor of all the lineal descendants of Her Majesty, Queen Elizabeth II of England, living on the date of this Royalty Agreement.

**ARTICLE 3
THE ROYALTY PAYMENTS**

3.1 Commencement of Mining and Accrual of Payment Obligation

- (a) The Payor shall give not less than 15 Business Days written Notice to the Recipient prior to the commencement of mining within the Property.
- (b) Following the first receipt by the Payor or its Affiliates of:
 - (i) payment for the Sale of Products; or
 - (ii) the out-turn of refined metals by a refinery to the pool account of the Payor or its Affiliates in respect of Products,

the Payor shall calculate and pay the Royalty for each Quarter in accordance with the provisions of this Article 3.

- (c) Where the Sale of Products or the out-turn of refined metals is made on a provisional basis, the amount of the Royalty payable will be based upon the amount of refined metal (or other Products) credited by such provisional settlement, but will be adjusted to account for the amount of refined metal (or other Products) established by final settlement by the refinery or by the purchaser of other Products, as the case may be. The payment of the Royalty based on a deemed transfer of title to Products transported off the Property that the Payor or its Affiliates elects to have credited to or held for its account by a smelter, refiner or broker will be final (subject to Section 3.4) and shall not be considered provisional.

3.2 Payments

- (a) Except when an election is made by Recipient under Section 3.3, Royalty payments will be due and payable Quarterly within ninety (90) days following the end of the calendar Quarter in which the obligation to pay the same accrued. The Royalty payments will be accompanied by an Operations Report. Without limiting the remedies available to the Recipient, any and all delinquent Royalty payments by the Payor hereunder shall bear interest from the date the Royalty payment was due until paid in full at a variable annual rate equal to 2.2 percentage points above the prime rate as announced from time to time by the Bank of Canada. Interest shall continue to accrue and be payable on all Royalty payments which are delayed due to resolution of any payment dispute, whether the dispute is ultimately resolved by mutual agreement, arbitration or otherwise.
- (b) Royalty payments will be made using proceeds received by the Payor for the sale of Products.

3.3 No Payment In Kind

The Royalty is a royalty in value only. No Royalty payments may be taken in kind by the Recipient.

3.4 Audit and Adjustments

All Royalty payments will be considered final and in full satisfaction of all obligations of the Payor unless the Recipient gives the Payor written Notice describing and setting forth an objection to the determination or calculation of the Royalty within one year after receipt by the Recipient of the Operations Report referred to in Section 5.2 that relates to the Royalty payment in question. If the Recipient objects to a particular Operations Report, then the Recipient shall have the right, for a period of 90 days after the Payor receives Notice of such objection, upon reasonable Notice and at all reasonable times, to have the Payor's Books and Records relating to the calculation of the Royalty in question audited by an independent firm of certified public accountants or chartered accountants selected by the Recipient. If such audit determines that there has been a deficiency or an excess in the payment made to the Recipient, such deficiency or excess will be resolved by adjusting the next Quarterly Royalty payment due. The Recipient will pay all costs of such audit unless a deficiency of 5% or more of the amount due to the Recipient is determined to exist. The Payor will pay the costs of such audit if a deficiency of 5% or more of the amount due to the Recipient is determined to exist. Failure on the part of the Recipient to make claim on the Payor for adjustment in such one-year period will establish the correctness of the Royalty payment and preclude the filing of exceptions thereto or making of claims for adjustment thereon; provided however that if fraud or gross negligence is reasonably determined by the Recipient to exist in respect of any Royalty payment, then no time limit shall preclude audits and adjustments on past Royalty payments.

3.5 Currency and Wire Transfer

All Royalty payments shall be made in Canadian dollars without demand, notice, set-off, or reduction, via the transfer of immediately available funds to such bank account as the Recipient may nominate in writing to the Payor from time to time.

3.6 Payor to use Commercial Endeavours

The Payor shall use commercially reasonable efforts to sell Products derived from the Property as soon as commercially reasonable and on such terms, including bona fide Trading Activities, which the Payor in its sole discretion determines.

3.7 Sales to or Processing by Affiliates

The Payor shall be permitted to sell any form of Products to an Affiliate of the Payor, provided that such sales will be deemed, for the purposes of this Royalty Agreement, to have been sold at prices and on terms no less favourable to the Payor than those that would be extended by an unaffiliated third Person in an arm's length transaction under similar circumstances and, where applicable, shall be determined based on the value of

the Products as set out under the definition of “Gross Proceeds” herein. If the Payor proposes to sell any form of Products to an Affiliate of the Payor, the Payor shall provide advance notice of the Sale to the Recipient. The Payor will be permitted to contract with an Affiliate of the Payor or an unaffiliated third Person for the smelting or other processing of Products, provided that such contract is on an arm’s length basis at market terms.

3.8 Trading Activities of the Payor

The Payor will have the right to market and sell refined metals and other Products in any manner it may elect, and will have the right to engage in futures trading or financial commodity options trading and other price hedging, price protection, and speculative arrangements (“**Trading Activities**”) which may involve the possible physical delivery of Products. The calculation of Net Smelter Returns will not be affected by, and the Recipient will not be entitled or required to participate in, any gain or loss of the Payor or its Affiliates in Trading Activities or in the actual marketing or sale of Products delivered pursuant to Trading Activities.

ARTICLE 4 OPERATION OF THE PROPERTY

4.1 Payor to Determine Operations

The Recipient acknowledges and agrees that any decision to commence, pursue, suspend or cease mining on the Property is solely a matter for the Payor; however the Payor shall notify the Recipient in writing if it is considering or intends to take any of these actions.

4.2 Stockpiling

The Payor may stockpile any Products from the Property at such place or places as the Payor may elect. In the event that the Payor stockpiles or holds inventory of any Product, it shall ensure security for the site where such materials are stockpiled in accordance with industry standards, and if any of the stockpiled Products have been processed and are in a form that is saleable without being sold for more than 120 days (“**Inventory Period**”), such Products shall be deemed to have been sold on the last day of the Inventory Period and the Payor shall have the obligation to pay the Royalty in accordance with Section 3.1.

4.3 Commingling

Commingling of Products from the Property with other ores, doré, concentrates, precipitates, or other intermediate products, metals, minerals or mineral by-products produced elsewhere (“**Other Source Products**”) is permitted, provided that:

- (a) reasonable and customary procedures are established for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such Products and Other Source Products;

- (b) representative samples of the Products shall be retained by the Payor and assays (including moisture and penalty substances) and other appropriate analyses of these samples must be made before commingling to determine gross metal content of the Products and that the Payor shall retain such analyses for a reasonable amount of time, but not less than 24 months, after receipt by the Recipient of the Royalty paid with respect to such commingled Products from the Property; and
- (c) the amount of valuable metals contained in such Products and Other Source Products is capable of being accurately verified by audit under Section 3.4.

4.4 Tailings

All tailings, residues, waste rock, spoiled leach materials, and other materials (collectively, “**Materials**”) resulting from the Payor’s operations and activities on the Property shall remain subject to the Royalty should the Materials be processed or reprocessed, as the case may be, in the future and result in the Sale or other disposition of Products.

4.5 Activities to be Conducted in a Proper Manner

The Payor shall conduct its activities in relation to the Property in a proper manner in accordance with all Applicable Laws and generally accepted standards and practices in the mining industry in Canada.

4.6 Change of Refinery

The Payor shall provide written notice to the Recipient within 10 days of any change of smelter or refinery to be used by the Payor.

ARTICLE 5 RECORDS, ACCESS AND REPORTING

5.1 Records and Access

The Payor shall:

- (a) keep true, accurate and complete Books and Records in accordance with International Financial Reporting Standards as adopted by the International Accounting Standards Board and as amended, supplemented or replaced from time to time to enable the Royalty to be calculated in accordance with this Royalty Agreement;
- (b) permit the Recipient, after it has given reasonable Notice to the Payor, up to four times per calendar year to inspect at the Payor’s premises and at all reasonable times and with access to the Payor’s relevant personnel, the Payor’s Books and Records referred to in Subsection 5.1(a), and to make and take away with it copies of such Books and Records; and

- (c) permit the Recipient to enter the Property at its own cost and risk for the sole purpose of inspecting the area and operations in it, provided that the Recipient does not unreasonably hinder the Payor's operations on the Property and complies with the Payor's instructions and directions, including in relation to health and safety and site inductions; provided further that the foregoing site visits shall not occur more than once per year, unless an audit under Section 3.4 shows that the Recipient has been underpaid, in which case the Recipient may conduct site visits up to four times per calendar year for a period of two years following such audit.

5.2 Operations Reports

At the same time as paying each Royalty payment under Section 3.2, the Payor must provide to the Recipient a report setting out in reasonable detail the following information ("**Operations Report**"):

- (a) the quantity, type and grade of Products extracted during that Quarter;
- (b) the quantity, type and grade of Products that have been processed during that Quarter;
- (c) the quantity, type and grade of all Products that have been Sold during that Quarter;
- (d) the quantity and type of Products held or unsold during that Quarter;
- (e) the quantity and type of Products that have been processed and are in a form that is saleable without being sold for longer than the Inventory Period where the Inventory Period has ended during that Quarter;
- (f) the Royalty for that Quarter and details of the Gross Proceeds (including details on the average monthly price determined as herein provided for refined metals and proceeds of Sale for other Products) and Allowable Deductions underlying the calculation of the Royalty;
- (g) the cumulative total of Royalty payments paid to the Recipient under this Royalty Agreement (including the payment under Subsection 5.2(f)); and
- (h) other pertinent information in sufficient detail to explain the calculation of the Royalty payment.

5.3 Annual Reports

- (a) Prior to the commencement of mining within the Property, the Payor shall provide to the Recipient an annual report on or before 90 days after the last day of each fiscal year of the Payor, outlining the following:
 - (i) the work carried out by or on behalf of the Payor on the Property during that year; and

- (ii) an update of the mine operating and development plan and budget which includes updated mineral resources and mineral reserves and forecasted production.
- (b) From the commencement of the payment of the Royalty, (pursuant to Subsection 3.1(a)), the Payor shall provide to the Recipient an annual report on or before 90 days after the last day of each fiscal year of the Payor, setting out the following:
 - (i) amount of Products produced from the Property;
 - (ii) if applicable, the names and addresses of each offtaker to which Products were delivered during the year;
 - (iii) updated mineral resources and mineral reserves on the Property;
 - (iv) operating and exploration expenditure and forecast; and
 - (v) annual production forecast, budget and life of mine plan.

5.4 New Product Resources or Reserves

If the Payor establishes a new mineral resource or mineral reserve on the Property, the Payor shall provide to the Recipient the reports pertaining to such mineral resource or mineral reserve as soon as practicable after the Payor makes its first public disclosure with respect to the establishment thereof.

ARTICLE 6 INDEMNITY

6.1 Indemnity

The Payor agrees that it shall defend, indemnify, reimburse and hold harmless the Recipient and its agents and employees and their successors and assigns (collectively the “**Indemnified Parties**”), and each of them, for, from and against any and all claims, demands, liabilities, actions and proceedings, that may be made or brought against the Indemnified Parties or which the Indemnified Parties may sustain, pay or incur that result from or relate to operations conducted on or in respect of the Property that result from or relate to the mining, smelting or refining of the Products or to their handling or transportation, including claims, demands, liabilities, actions and proceedings arising from the date of this Royalty Agreement, in any way arising from or connected with any non-compliance with applicable Environmental Laws.

6.2 Limitation

The indemnity provided in Section 6.1 is limited to claims, demands, liabilities, actions and proceedings that may be made or taken against an Indemnified Party in its capacity as or related to the Recipient as a holder of the Royalty and will not include any indemnity in respect of any claims, demands, liabilities, actions and proceedings against an Indemnified Party in any other capacity.

6.3 Survival of Indemnity

The indemnity in Section 6.1 is a continuing obligation, separate and independent from other obligations and will not be discharged by any one payment or act and will survive expiration or earlier termination of this Royalty Agreement.

ARTICLE 7 TITLE MAINTENANCE

7.1 Title Maintenance and Taxes

Subject to Section 7.2, the Payor shall:

- (a) not do or permit to be done, anything that may render its interest in the Property liable for forfeiture;
- (b) maintain title to the Property, including without limitation, paying when due all taxes, duties or other payments on or with respect to the Property and doing all things and making any payments required by Applicable Law or appropriate to maintain the right, title and interest of the Payor and the Recipient, respectively, in the Property and under this Royalty Agreement;
- (c) perform all required assessment work (whether statutory or contractual), pay all maintenance fees and make such filings and recordings on the Property as are necessary to maintain title to the Property in accordance with Applicable Law; and
- (d) maintain in good standing any policies of insurance maintained by the Payor in respect of the Property and present all claims under such policies in a due and timely manner.

7.2 Abandonment

- (a) If the Payor intends to allow to lapse, abandon or surrender the Property in its entirety (the “**Abandonment Property**”), the Payor shall give Notice of such intention to the Recipient in advance of the proposed date of abandonment or surrender (one or the other, an “**Abandonment Date**”) along with details of the Abandonment Date and details of any Encumbrance on the Abandonment Property created by, through or under the Payor. The Abandonment Property must be in good standing for a period of at least 12 months from the Abandonment Date. Within 30 days of receipt of Notice of the Abandonment Date, and at least 30 days prior to the Abandonment Date, the Recipient may deliver Notice to the Payor, that the Recipient desires the Payor to convey the Abandonment Property to the Recipient and, if the Recipient desires to have the Abandonment Property conveyed to it, then the Payor shall convey the Abandonment Property to the Recipient, which will be on an “as is” basis in consideration for the sum of \$1.00 and the Payor shall have no further obligations in respect of the Abandonment Property under this Royalty Agreement. The Payor shall use commercially

reasonable efforts to obtain all approvals and consents required by any third Person or Governmental Body to effect this transfer. The Payor shall also deliver to the Recipient all reports, maps and data in its possession with respect to the Abandonment Property concurrently with the conveyance.

- (b) If the Recipient does not request conveyance of the Abandonment Property within 30 days of receipt of the Notice of the Abandonment Date then, subject to Subsection 7.2(c), the Recipient's right to have such property conveyed will be terminated and the Payor may abandon the Abandonment Property and shall thereafter have no further obligations in respect of the Abandonment Property under this Royalty Agreement.
- (c) For greater certainty, if, for any reason, the Abandonment Property is not abandoned, surrendered or transferred to the Recipient in accordance with this Section 7.2, then the Royalty shall continue to be payable on such Abandonment Property and the Payor will not allow the Abandonment Property to lapse or proceed with any abandonment or surrender of such Abandonment Property without again complying with the provisions of this Section 7.2 and so on from time to time.

ARTICLE 8 ASSIGNMENT

8.1 Assignment by the Recipient

The Recipient may assign this Royalty Agreement, in whole or in part, provided, however, that any change in ownership of rights shall be accomplished in such manner that the Payor shall not be required to make payments to or give notice to more than one person, firm, corporation, or entity. No change or division in the ownership of the Royalty, however accomplished, shall enlarge the obligations of or diminish the rights of the Payor. No change or division in the ownership of the Royalty shall be binding on the Payor until 10 days after the Payor has received a copy of the assignment instrument duly recorded in the applicable recording district evidencing the change or division in ownership.

8.2 Assignment by the Payor

The Payor shall not assign this Royalty Agreement or any rights and obligations under this Royalty Agreement without the written consent of the Recipient (such consent not to be unreasonably withheld) except to an Affiliate of the Payor or in connection with a transfer contemplated by Section 8.3, provided that such Affiliate or other transferee agrees in writing to assume the obligations of the Payor hereunder and to be bound by the provisions of this Royalty Agreement in all respects and to the same extent as the Payor is bound. If the assignment is to an Affiliate of the Payor, the Payor shall continue to be bound by all of the obligations as if such assignment had not occurred and perform such obligations to the extent that such Affiliate fails to do so.

8.3 Transfer by Payor

The Payor shall not transfer, sell, lease, assign or otherwise dispose of all or any of its rights, title and interest in and to the Property unless:

- (a) the Payor delivers to the Recipient Notice of the sale, lease, assignment or other disposition of any of its rights, title and interest in and to the Property;
- (b) the transferee, purchaser, lessee or assignee, agrees in writing to assume the obligations of the Payor hereunder and be bound by the terms of this Royalty Agreement (to the extent of the interest that is transferred, sold, leased or assigned); and
- (c) if the Recipient has been granted a mortgage or other security agreement in respect of the Property which secures the payment of the Royalty and obligations contained in this Royalty Agreement, then the transferee, purchaser, lessee or assignee must covenant to be bound by the terms of such mortgage or security agreement in a form acceptable to the Recipient.

Notwithstanding any other provision in this Royalty Agreement, including the provisions of this Section 8.3, the Payor shall remain liable for all covenants, agreements and obligations of the Payor contained in this Royalty Agreement, despite any transfer, sale, lease or assignment of any interest in the Property by the Payor (or an Affiliate of the Payor), until such time as any transferee, purchaser, lessee or assignee assumes such covenants, agreements and obligations in writing.

ARTICLE 9 CONFIDENTIALITY

9.1 Confidentiality

- (a) Subject to Subsection 9.1(b), each Party covenants with the other that it will keep confidential all information provided or disclosed to a Party by reason of the operation of this Royalty Agreement, including any information regarding a Party's Affiliates ("**Confidential Information**").
- (b) Each Party undertakes that neither it nor its employees, agents or contractors will, without the prior written consent of the other Party, disclose any Confidential Information to any third Person unless:
 - (i) the disclosure is expressly permitted by this Royalty Agreement;
 - (ii) the information is already in the public domain (unless it entered the public domain because of a breach of this Section 9.1 by the Party);
 - (iii) the disclosure is made on a confidential basis to the Party's Affiliates, officers, employees, agents, financiers, professional advisers, consultants or contractors and is necessary for the Party's business;

- (iv) the disclosure is necessary to comply with any Applicable Law, or an order of a court or tribunal;
- (v) the disclosure is necessary to comply with a directive or request of any Governmental Body, securities regulator or stock exchange (whether or not having the force of law) so long as a responsible person in a similar position would comply;
- (vi) the disclosure is necessary or desirable to obtain an authorization from any Governmental Body, securities regulator or stock exchange;
- (vii) the disclosure is necessary in relation to any discovery of documents, or any proceedings before an arbitrator, court, tribunal, other Governmental Body, securities regulator or stock exchange; or
- (viii) the disclosure is made on a confidential basis to a prospective purchaser, assignee or financier of the Party, or to any other person who proposes to enter into contractual relations with the Party.

9.2 Announcements

The Payor agrees that before it makes its first public announcement regarding the entering into or content of this Royalty Agreement, it will provide a copy of the proposed announcement to the Recipient at least 48 hours prior to the time that the announcement is intended to be made. The Payor shall consider in good faith any reasonable additions or amendments to its proposed announcement requested by the Recipient.

ARTICLE 10 MISCELLANEOUS

10.1 Governing Law

This Royalty Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, other than such laws relating to conflict of laws.

Subject to Section 10.2, the Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in the Province of British Columbia and any court that may hear appeals from any of those courts for any proceeding in connection with this Royalty Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

10.2 Dispute Resolution

Any dispute, controversy or claim between the Parties, arising out of or relating to this Royalty Agreement, or the execution, interpretation, breach, termination, or invalidity thereof, shall be determined by arbitration in accordance with the *International Commercial Arbitration Act* (British Columbia) or any successor or replacement legislation which may be in force, and judgment on the award rendered by the arbitrators

may be entered in any court having jurisdiction over the relevant Party or its assets. The place of arbitration shall be Vancouver, British Columbia and the arbitration shall be conducted in the English language.

The arbitration shall be conducted by one arbitrator selected from an eight (8) member panel designated by the International Commercial Arbitration Society. Each member named to the panel shall have significant experience in the precious or base metals industry. In the event the Parties are unable to agree on one arbitrator from the panel, each Party shall rank the members of the panel from first choice (eight points) to last choice (one point), assigning each panel member a separate and distinct ranking in an associated whole numerical point value. Upon combining the point designations of the Payor and the Recipient, the panel members with the highest combined total shall be elected as the arbitrator. In the event of a tie, the panel members who are so tied shall privately confer and determine which of the tied panel members shall be appointed as arbitrator.

The arbitrator shall reduce its award to writing and deliver one copy thereof to each of the Parties, and such award will be final and binding upon the Parties.

Nothing in this provision shall prevent any Party from seeking conservatory or interim measures, including, but not limited to, attachments, temporary restraining orders or preliminary injunctions or their equivalent, from any court having jurisdiction thereof, either before or after the arbitral tribunal is constituted.

10.3 Other Activities and Interests

This Royalty Agreement and the rights and obligations of the Parties hereunder are strictly limited to the Property. Each Party will have the free and unrestricted right to enter into, conduct and benefit from any and all business ventures of any kind whatsoever, whether or not competitive with the activities undertaken pursuant hereto, without disclosing such activities to the other Party or inviting or allowing the other to participate therein, including activities involving mining titles adjoining the Property.

10.4 No Partnership

This Royalty Agreement is not intended to, and will not be deemed to, create any partnership between or among the Parties including, without limitation, a mining partnership or commercial partnership. The obligations and liabilities of the Parties will be several and not joint and no Party will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of any other Party. Nothing herein contained will be deemed to constitute a Party the partner, agent or legal representative of the other Parties or to create any fiduciary relationship between the Parties.

10.5 Notice

Any notice, demand, consent or other communication (“**Notice**”) given or made under this Royalty Agreement:

- (a) must be in writing and signed by a person duly authorised by the sender;
- (b) must be delivered to the intended recipient by hand or by courier to the address below or the address last notified by the intended recipient to the sender:
 - (i) to the Recipient:

c/o Orogen Royalties Inc.
1201 – 510 West Hastings Street
Vancouver, British Columbia
V6B 1L8

Attention: Paddy Nicol
Email: paddy@orogenroyalties.com
 - (ii) to the Payor:

Acme Gold Company Limited
992 East 13th Avenue
Vancouver, British Columbia
V5T 2L6

Attention: Don Crossley
Email: doncrossleycpa@gmail.com
- (c) Any Notice will be deemed to have been given and received:
 - (i) if personally delivered, then on the day of personal service to the recipient Party, provided that if such date is a day other than a Business Day such Notice will be deemed to have been given and received on the first Business Day following the date of personal service;
 - (ii) if by courier, on the day of receipt by the recipient party, provided that if such date is a day other than a Business Day such notice will be deemed to have been given and received on the first Business Day following the date of personal service; or
 - (iii) if sent by facsimile transmission or email and successfully transmitted with proof of transmission prior to 4:00 pm on a Business Day where the recipient is located, then on that Business Day, and if transmitted after 4:00 pm on a Business Day where the recipient is located or on the day that is not a Business Day where the recipient is located, then on the first Business Day following the date of transmission.

A Party may at any time change its address for future Notices hereunder by Notice in accordance with this Section.

10.6 Compliance with National Instrument 43-101

The Parties acknowledge that the Recipient or Affiliates thereof may become subject to NI 43-101. The Payor hereby covenants that upon written request by the Recipient or an Affiliate thereof, it shall:

- (a) provide any and all necessary technical data on the Property as reasonably requested by the Recipient;
- (b) grant access to the Property to the Recipient, its Affiliates or any representative thereof for personal inspection of the Property; and
- (c) allow any report prepared for the Payor in accordance with NI 43-101 to be used by the Recipient or its Affiliates in any technical report prepared for the Recipient or its Affiliates, on a condition that a “qualified person” (as such term is defined in NI 43-101) engaged by the Recipient is the author of the report prepared for the Recipient or its Affiliates.

10.7 Further Assurances

Each Party will, at the request of the other Party and at the requesting Party’s expense, execute all such documents and take all such actions as may be reasonably required to effectuate the purposes and intent of this Royalty Agreement.

10.8 Entire Agreement

This Royalty Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between or among the Parties with respect thereto.

10.9 Amendments and Waiver

No modification of or amendment to this Royalty Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties and no waiver of any breach of any term or provision of this Royalty Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived.

10.10 Time of the Essence

Time is of the essence in the performance of any and all of the obligations of the Parties, including, without limitation, the payment of monies.

10.11 Counterparts

This Royalty Agreement may be executed in two or more counterparts (including counterparts delivered by facsimile or email), all of which, taken together, shall be regarded as one and the same Royalty Agreement. Counterparts may be delivered by

facsimile or email and the Parties adopt any signatures received by facsimile or email as original signatures of the Parties.

10.12 Parties in Interest

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

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Royalty Agreement to be executed and delivered as of the date first set forth above.

ACME GOLD COMPANY LIMITED

By: "Donald Crossley"
Name: Don Crossley
Title: President and Chief Executive
Officer

EVIM EXPLORATION CANADA CORP.

By: "Paddy Nicol"
Name: Paddy Nicol
Title: President and Chief Executive
Officer

**APPENDIX A
DESCRIPTION OF PROPERTY**

The Property is defined as the following mineral claims located in the Cariboo Mining Division of British Columbia:

Tenure Number	Claim Name	Owner	Tenure Type	Tenure Sub Type	Map Number	Issue Date	Good To Date	Area (ha)
519005		Evrin Exploration Canada Corp.	Mineral	C	093A	2005/Aug/13	2021/Oct/25	829.37
831513	LEMON E1	Evrin Exploration Canada Corp.	Mineral	C	093A	2010/Aug/14	2021/Oct/25	39.5
617347	LEMON 1A	Evrin Exploration Canada Corp.	Mineral	C	093A	2009/Aug/11	2021/Oct/25	454.22
617348	LEMON 2A	Evrin Exploration Canada Corp.	Mineral	C	093A	2009/Aug/11	2021/Oct/25	375.12
519007		Evrin Exploration Canada Corp.	Mineral	C	093A	2005/Aug/13	2021/Oct/25	197.53
539960	COMINC O 1	Evrin Exploration Canada Corp.	Mineral	C	093A	2006/Aug/28	2021/Oct/25	493.63
539962	COMINC O 2	Evrin Exploration Canada Corp.	Mineral	C	093A	2006/Aug/28	2021/Oct/25	256.79
							Total	2,646.16

**APPENDIX B
MAP OF PROPERTY**

See attached.



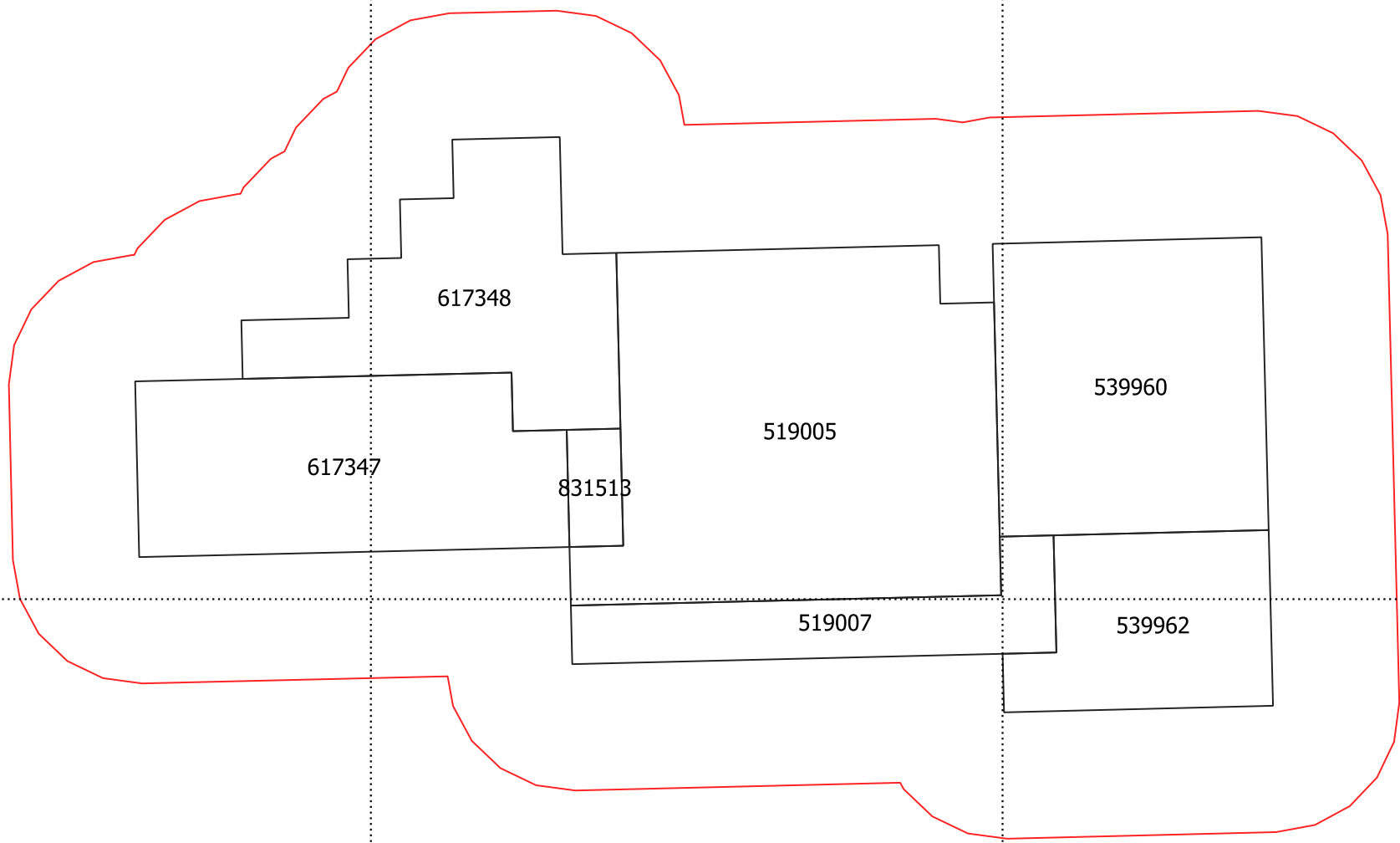
5805000

5805000

615000

620000

625000



5800000

5800000

615000



620000

625000

0 1 2 km



Legend

-  Lemon Lake Claims
-  1km AOI