

ROYALTY AGREEMENT

THIS ROYALTY AGREEMENT is dated as of April 13, 2023 (the “**Effective Date**”),

BETWEEN:

1262430 ALBERTA LTD. of *[address redacted]*

(“**1262430**”)

SOTO ENTERPRISES LTD. of *[address redacted]*

(“**Soto**”, and collectively with 1262430, the “**Holder**”)

AND:

2037881 ALBERTA LTD. of *[address redacted]*

(the “**Payor**”)

WHEREAS:

- (A) The Holder and the Payor are entering into this Agreement in connection with a Share Purchase Agreement dated as of April 3, 2023, pursuant to which Oberon Uranium Corp. (“**Oberon**”) purchased all of the issued and outstanding equity securities of the Payor from the shareholders of the Payor (the “**Share Transaction**”); and
- (B) As part of the consideration payable by Oberon in connection with the Share Transaction, Oberon agreed that at closing of the Share Transaction, the Holder would be granted a three percent (3%) royalty on production realized from those property interests held by the Payor at the time of closing of the Share Transaction, such royalty to be governed by this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties agree as follows:

ARTICLE 1. INTERPRETATION

1.1 Unless otherwise defined herein or the context otherwise requires, the following terms will have the following meanings in this Agreement:

- (a) “**Affiliate**” of a Person means a Person that controls, is controlled by or is under common control with the subject Person, and for the purpose of this definition, a Person will control another Person if such Person has the power to direct or cause the direction of the management and policies of the other Person, whether directly or indirectly, and whether by ownership of shares or other equity interests, the holding of voting or contractual rights, by being the managing partner of a general partnership or the general partner of a limited partnership, or otherwise.

- (b) **“Agreement”** means this Royalty Agreement, together with any and all Schedules attached hereto, as the same may be amended, supplemented, restated and replaced in accordance with the provisions hereof from time to time.
- (c) **“Business Day”** means any day other than a Saturday, a Sunday or a day on which banks are required to be closed in Vancouver, British Columbia.
- (d) **“Effective Date”** means the date established as such on the first page of this Agreement.
- (e) **“Gross Revenue”** means the aggregate of the following amounts (without duplication) accruing in each calendar quarter following the Effective Date:
 - (i) the revenue received by the Payor from arm’s length purchasers of all Mineral Products;
 - (ii) the fair market value of all Mineral Products sold by the Payor to persons not dealing at arm’s length with the Payor; and
 - (iii) any proceeds of insurance on Mineral Products;
- (f) **“Mineral Products”** mean all precious and base metals and minerals, non-metallic minerals, industrial minerals, ores (and concentrates derived therefrom), precipitates, beneficiated products, and refined or semi-refined products, produced from the Property, including Precious Metals and Other Minerals.
- (g) **“Net Production Returns”** means the Gross Revenue with respect to the Mineral Products less the Permissible Deductions with respect to such Mineral Products, for an applicable calendar quarter.
- (h) **“Notice”** has the meaning given to such term in Section 6.7(a).
- (i) **“Other Minerals”** means all minerals other than Precious Metals, and the beneficiated products thereof.
- (j) **“Parties”** means, collectively, 126,2430, Soto and the Payor, and **“Party”** means any one of them.
- (k) **“Permissible Deductions”** means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are incurred with respect to the Property in each calendar quarter:
 - (i) sales charges levied by any sales agent on the sale of Mineral Products;
 - (ii) transportation costs for Mineral Products from the Property to the place of beneficiation, processing or treatment (other than a mill or concentrator) and thence to the place of delivery of Mineral Products to a purchaser thereof,

including shipping, freight, handling, loading, port, demurrage and forwarding expenses;

- (iii) all costs, expenses and charges of any nature whatsoever which are either paid or incurred by the Payor in connection with mining, refinement or beneficiation of Mineral Products before or after leaving the Property, including all smelter and refinery charges and all weighing, sampling, assaying, representation and storage costs, umpire charges, and any penalties charged by the processor, refinery or smelter; and
- (iv) all insurance costs on Mineral Products and any government royalties as required by statute, production taxes, severance taxes and sales and other taxes levied on Mineral Products or on the production value thereof (other than income taxes of the Payor);

it being understood that all such costs and charges in (i) through (iv) above will not be in excess of those that would be incurred on an arm's length basis on fair market terms.

- (l) **"Person"** is to be broadly interpreted and includes any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity, however designated or constituted.
 - (m) **"Precious Metals"** means gold, silver and platinum group metals, including palladium, rhodium, iridium, osmium, rhenium and ruthenium.
 - (n) **"Property"** means the mineral claims listed in Schedule "A" to this Agreement, and includes any claims, concessions or similar rights issued to the Payor or its nominee in substitution for or replacement of such listed mineral claims but only to the extent pertaining to the same lands as such listed mineral claims.
 - (o) **"Representatives"** means, with respect to any Party, its Affiliates and, if applicable, its and their respective directors, officers, employees, agents and other representatives and advisors.
 - (p) **"Royalty"** has the meaning ascribed to such term in Section 2.1.
 - (q) **"Royalty Buy Back Option"** has the meaning ascribed to such term in Section 3.1.
 - (r) **"Royalty Buy Back Option Purchase Price"** has the meaning ascribed to such term in Section 3.1.
 - (s) **"Statement"** has the meaning ascribed to such term in Section 2.6.
- 1.2 This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities which are to be resolved

against the drafting Party will not apply to the construction or interpretation of this Agreement.

1.3 For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) headings preceding the text, Articles, Sections, Schedules and/or other subdivisions hereof are for convenience only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof;
- (b) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, Schedule or other subdivision of this Agreement;
- (c) the word “including”, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (d) a reference to an Article, Section, Schedule or other subdivision is a reference to the specified Article, Section, Schedule or other subdivision of this Agreement;
- (e) a reference to any agreement is a reference to such agreement as amended, restated, supplemented, replaced and/or modified from time to time;
- (f) a reference to any Person will include and will be deemed to be a reference to each Person that is the successor of such Person;
- (g) words importing one gender will include each other gender and words in the singular include the plural and vice versa; and
- (h) unless otherwise specified, all dollar amounts in this Agreement, including the symbol “\$”, refer to lawful currency of Canada.

1.4 In this Agreement, unless specified otherwise or the context otherwise requires:

- (a) a reference to a period of days is deemed to begin on the first day after the event that started the period and to end at 5:00 p.m. on the last day of the period, but if the last day of the period does not fall on a Business Day, the period ends at 5:00 p.m. on the next succeeding Business Day;
- (b) all references to specific dates mean 11:59 p.m. on the dates;
- (c) all references to specific times will be references to Vancouver time; and

- (d) with respect to the calculation of any period of time, references to “from” mean “from and excluding” and references to “to” or “until” mean “to and including”.

1.5 The Schedules to this Agreement, as listed below, are an integral part of this Agreement and are expressly incorporated into and made a part of this Agreement:

Schedule “A” – Property Listing

ARTICLE 2. GRANTING OF ROYALTY

- 2.1 Effective as of the Effective Date, the Payor hereby grants to the Holder a royalty of three percent (3.0%) of the Net Production Returns with respect to the Mineral Products derived from the Property (the “**Royalty**”), it being acknowledged and agreed that 1262430 has a 60% beneficial interest in the Royalty and Soto has a 40% beneficial interest in the Royalty for all purposes under this Agreement.
- 2.2 It is intended that the Royalty, to the extent permissible under applicable law, constitutes an interest in the Property, and the Parties accordingly agree that:
 - (a) the Royalty will run with the land comprising the Property, and every interest in the Property; and
 - (b) the Payor will upon request sign and deliver to the Holder, and the Holder may register or otherwise record against titles to the Property, the form of notice or other document or documents as the Holder may reasonably request to give notice of the existence of the Royalty to other persons, to secure payment of the Royalty and protect the Holder’s rights to receive the Royalty as contemplated by this Agreement.
- 2.3 Net Production Returns will be calculated on a calendar quarter basis.
- 2.4 The Payor may, but will not be under any duty to, engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Property. None of the revenues, costs, profits or losses from such transactions will be taken into account in calculating Net Production Returns.
- 2.5 For greater certainty, and without limiting the generality of the foregoing, all charges deducted by an arm’s length purchaser of ores or concentrates whether for smelting, treatment, handling, refining, storage or any other operation (other than milling or concentrating of primary ore) on or service relating to the Mineral Products that occurs after the point of sale shall be considered to be legitimate deductions in arriving at the Net Production Returns amount.
- 2.6 The Royalty will be calculated and paid within sixty (60) days after the end of each calendar quarter. All receipts and major disbursements in a currency other than Canadian currency must be converted into Canadian currency on the day of receipt or disbursement, as the case may be, and all other disbursements in a currency other than Canadian currency must be converted into Canadian currency at the average rate for the month of disbursement

determined using the Bank of Canada noon rates. Smelter settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation (the "**Statement**") must be submitted with the payment made by the Payor to the Holder.

- 2.7 In the event that final amounts required for the calculation of the Royalty is not available within the time period referred to in Section 2.6 of this Agreement, then provisional amounts will be estimated, and the Royalty shall be paid on the basis of this provisional calculation. Positive or negative adjustments will be made to the Royalty payment of the succeeding calendar quarter.
- 2.8 The Holder may request an audit of the sales and related financial records maintained by the Payor be conducted to verify the calculation of the Royalty for a particular calendar quarter within thirty (30) days following receipt of the Statement for that calendar quarter by the Holder. The audit shall be conducted by an independent auditor acceptable to the parties. The Holder shall bear the full cost and expense of the audit unless it is determined that the Royalty calculated by the Payor understated the actual amount due by more than ten percent (10%), in which case the Payor shall pay all costs and expenses of the audit. The Payor shall forthwith pay any deficiency to the Holder and the Holder shall forthwith repay any overpayment to the Payor. If no request for an audit is made by the Holder within the period specified above, such Statement will be conclusively deemed to be correct and such Royalty payment sufficient and complete, and no exception or claim for adjustment will thereafter be permitted.

ARTICLE 3. ROYALTY BUY BACK OPTION

- 3.1 At any time following the Effective Date, the Payor shall have the exclusive and irrevocable right and option to purchase the Royalty (the "**Royalty Buy Back Option**"), by making a payment in cash, by wire transfer or certified cheque to the Holder in the amount of one million dollars (\$1,000,000.00) (the "**Royalty Buy Back Option Purchase Price**"). In exchange for the payment of the Royalty Buy Back Option Purchase Price, the Holder shall deliver to the Payor an executed quitclaim or deed of release in respect of the Royalty pursuant to the Royalty Buy Back Option, in form and substance satisfactory to the Payor.

ARTICLE 4. OPERATIONS ON THE PROPERTY

4.1 The Payor to Determine Operations:

- (a) The Payor may, but will not be obligated to, treat, mill, heap leach, sort, concentrate, refine, smelt, or otherwise process, beneficiate or upgrade the ores, concentrates, and other products at sites located on or off the Property, prior to sale, transfer, or conveyance to a purchaser, user, or consumer. The Payor will not be liable for mineral values lost in processing under sound practices and procedures, and no Royalty will be due on any such lost mineral values.
- (b) The Payor will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so.

- (c) Except as expressly set out in this Agreement, raw mineral stockpiles are not subject to Royalty until treated and the Mineral Products are delivered and sold. The Payor will have no obligation to sell any Mineral Products at any time. The Payor may stockpile any ores, minerals or materials or other products from the Property at such place or places as the Payor may elect.
- (d) The Payor will be permitted to sell the Mineral Products in the form of raw ore, doré, or concentrates to an Affiliate of the Payor, provided that such sales will be deemed, for the purposes of this Agreement, to have been sold at prices and on terms no less favourable to the Payor than those which would be extended by an unaffiliated counterparty in an arm's length transaction under similar circumstances.
- (e) Commingling of the Mineral Products from the Property with other ores, doré, concentrates, mineral products, metals and minerals produced elsewhere is permitted, provided that 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 minerals and in the ores, doré, concentrates, mineral products, metals and minerals.

ARTICLE 5. ASSIGNMENT

- 5.1 The Holder may convey or assign all or any undivided portion of the Royalty payable either for a stated term of years or up to a specified dollar amount, provided that such assignment will not be effective against the Payor until the assignee has delivered to the Payor a written and enforceable undertaking, in which the assignee agrees to be bound, to the extent of the interest assigned, by all of the terms and conditions of this Agreement.
- 5.2 Notwithstanding that more than one Person may in future comprise the Holder, the Payor will not be or become liable to make payments in respect of the Royalty to, or to otherwise deal in respect of this Agreement with, more than one Person. If the interests of the Holder under this Agreement is at any time owned by more than one Person, such Persons must, as a condition of receiving payment of the Royalty, nominate one Person to act as common agent and trustee for receipt of monies payable under this Agreement and to otherwise deal with the Payor in respect of such interest, and no royalty holders will be entitled to administer or enforce any provisions of this Agreement except through such common agent and trustee. In such event, the Payor will, after receipt of Notice respecting the nomination of such common agent and trustee, make and be entitled to make payments due under this Agreement in respect of the Royalty to such common agent and trustee and to otherwise deal with such common agent and trustee as if it were the sole royalty holder under this Agreement.
- 5.3 The Payor may transfer, sell, assign or otherwise dispose of all or any portion of its interest in the Property, provided that such disposition will not be effective as against the Holder until the transferee has delivered to the Holder a written and enforceable undertaking agreeing to be bound, to the extent of the interest disposed of, by all of the terms and conditions of this Agreement.

ARTICLE 6. MISCELLANEOUS

- 6.1 Entire Agreement: This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement.
- 6.2 Time of Essence: Time is of the essence of this Agreement.
- 6.3 Amendment: No amendment, addition, deletion or other modification to this Agreement will be effective unless in writing and signed by each Party.
- 6.4 Waiver of Rights: Any waiver or consent will be effective only in the instance and for the purpose for which it is given. A failure to enforce any breach of this Agreement by any Party does not constitute a waiver of such breach or any provision of this Agreement by such Party.
- 6.5 Jurisdiction: Each Party irrevocably and unconditionally attorns to the exclusive jurisdiction of the courts of the Province of British Columbia.
- 6.6 Governing Law: This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein, and each Party irrevocably attorns to the courts of the Province of British Columbia, which jurisdiction will be the sole and exclusive jurisdiction for any disputes or claims in relation to this Agreement and all matters related hereto.
- 6.7 Notices:
- (a) All notices, requests, demands, claims, and other communications required or permitted hereunder (each, a “**Notice**”) will be in writing and will be delivered by (i) personal delivery, (ii) certified or registered mail (first class postage pre-paid), (iii) guaranteed overnight delivery by recognized national courier, or (iv) by e-mail, addressed to the address for a Party indicated on page 1 hereof (or to such other addresses which such Party will subsequently designate by like Notice to the other Party).
 - (b) Any Notice made or given by personal delivery, courier or e-mail to the Party to whom it is addressed as provided above will be deemed to have been given and received on the day it is so delivered at such address or, in the case of an e-mail, the day in which transmission is confirmed. If such day is not a Business Day, or if the Notice is received after 4:00 p.m. (addressee’s local time), then the Notice will be deemed to have been given and received on the next Business Day. Any Notice sent by prepaid registered mail will be deemed to have been given and received on the fifth Business Day following the date of its mailing. Notices sent to an e-mail address will be deemed to be received upon the sender’s receipt of an automatic or other written acknowledgement from the intended recipient.

- 6.8 Further Assurances: The Parties will at all times do, execute, acknowledge and deliver such acts, deeds, agreements and other instruments as may be reasonably necessary or desirable to give full force and effect to the terms of this Agreement.
- 6.9 Severability: Any provision of this Agreement that is or becomes unenforceable will be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent permitted by Applicable Law, each of the Parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.
- 6.10 Successors: This Agreement will enure to the benefit of and be binding upon the Parties and their heirs, executors, administrators, personal representatives, respective successors and permitted assigns.
- 6.11 Counterparts: This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic means will be equally effective as delivery of a manually executed counterpart thereof.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

1262430 ALBERTA LTD

SOTO ENTERPRISES LTD.

By: "*Johannas Kingma*"
Authorized Signatory

By: "*Sandy Loutitt*"
Authorized Signatory

2037881 ALBERTA LTD.

By: "*Lawrence Hay*"
Authorized Signatory

SCHEDULE "A"
PROPERTY LISTING

See attached.

Disposition #	Type	Status	Holder(s)	Total Area	Issuance Date	Review Date	Work Req	Avail Expenditures
S-107903	Mineral Claim	Active	Sandy Loutitt 100.000	4840.000	12/10/2004	12/9/2022	\$121,000.00	\$876,040.55
CBS 7827	Mineral Claim	Active	Sandy Loutitt 100.000	858.000	3/13/1997	3/12/2023	\$21,450.00	\$150,150.00
S-102825	Mineral Claim	Active	Sandy Loutitt 100.000	1200.000	5/5/1994	5/4/2023	\$30,000.00	\$240,000.00
S-103668	Mineral Claim	Active	Sandy Loutitt 100.000	1140.000	7/30/2008	7/9/2022	\$28,500.00	\$27,360.00
S-105209	Mineral Claim	Active	Sandy Loutitt 100.000	1464.000	12/10/2004	12/9/2022	\$36,600.00	\$191,784.00
S-106101	Mineral Claim	Active	Sandy Loutitt 100.000	2472.000	12/10/2004	12/9/2022	\$61,800.00	\$571,032.00
S-107390	Mineral Claim	Active	Sandy Loutitt 100.000	975.000	4/14/2004	4/13/2023	\$24,375.00	\$203,775.00
S-107906	Mineral Claim	Active	Sandy Loutitt 100.000	1653.000	12/10/2004	12/9/2022	\$41,325.00	\$299,193.00
S-108031	Mineral Claim	Active	Sandy Loutitt 100.000	994.000	9/22/2005	8/9/2023	\$24,850.00	\$80,544.09
S-108053	Mineral Claim	Active	Sandy Loutitt 100.000	170.000	2/7/2006	12/12/2022	\$4,250.00	\$45,220.00
S-106537	Mineral Claim	Active	Sandy Loutitt 100.000	1468.000	10/27/2000	10/26/2022	\$36,700.00	\$202,584.00
S-107788	Mineral Claim	Active	Sandy Loutitt 100.000	449.000	11/8/2004	11/7/2022	\$11,225.00	\$105,066.00
S-107789	Mineral Claim	Active	Sandy Loutitt 100.000	9.000	3/15/2005	1/19/2023	\$400.00	\$1,084.00
S-107899	Mineral Claim	Active	Sandy Loutitt 100.000	497.000	12/10/2004	12/9/2022	\$12,425.00	\$65,107.00
S-107900	Mineral Claim	Active	Sandy Loutitt 100.000	359.000	12/10/2004	12/9/2022	\$8,975.00	\$86,231.66
S-107901	Mineral Claim	Active	Sandy Loutitt 100.000	93.000	12/10/2004	12/9/2022	\$2,325.00	\$16,833.00
S-107902	Mineral Claim	Active	Sandy Loutitt 100.000	23.000	12/10/2004	12/9/2022	\$575.00	\$4,163.00
S-107441	Mineral Claim	Active	Sandy Loutitt 100.000	225.000	6/21/2004	6/20/2023	\$5,625.00	\$55,575.00
S-107442	Mineral Claim	Active	Sandy Loutitt 100.000	38.000	8/17/2004	8/16/2023	\$950.00	\$9,386.00
S-107609	Mineral Claim	Active	Sandy Loutitt 100.000	264.000	10/22/2004	10/21/2022	\$6,600.00	\$35,376.00
S-107610	Mineral Claim	Active	Sandy Loutitt 100.000	454.000	10/22/2004	10/21/2022	\$11,350.00	\$123,488.00
S-107611	Mineral Claim	Active	Sandy Loutitt 100.000	142.000	11/8/2004	11/7/2022	\$3,550.00	\$38,624.00
S-107787	Mineral Claim	Active	Sandy Loutitt 100.000	277.000	11/8/2004	11/7/2022	\$6,925.00	\$75,344.00