

**MINERAL PROPERTY OPTION AMENDING AGREEMENT**

**THIS AMENDING AGREEMENT** made effective as of the 27th day of August, 2021.

BETWEEN:

**DAVID SAINT CLAIR DUNN**

(“**Dunn**”), of #801 – 570 18<sup>th</sup> Street, West Vancouver, B.C. V7V 3V7

**Email:** [davidsdunn@telus.net](mailto:davidsdunn@telus.net); and

**KEITH DAVID NEVILLE-SMITH** (“**Smith**”), of #200 – 2368 West Broadway Street, Vancouver, B.C. V6K 2E5

**Email:** \_\_\_\_\_

(together the “**Optionors**”)

OF THE FIRST PART

AND:

**GOLDEN AGE EXPLORATION LTD.**, a company incorporated under the laws of British Columbia and having an office at Suite 404 – 815 Hornby Street, Vancouver, B.C. V6Z 2E6

**Email:** [tibor@armorcapital.ca](mailto:tibor@armorcapital.ca) and [KHansonCPA@telus.net](mailto:KHansonCPA@telus.net)

( the “**Optionee**”)

OF THE SECOND PART

**WHEREAS:**

- A. The Optionors are collectively the registered and beneficial owners of a 100% undivided interest in and to the Property consisting of four (4) mineral tenures totalling 1,293.54 hectares located southwest of Quesnel, British Columbia as more particularly described in Schedule “A” hereto; and
- B. The Optionors have agreed to grant the Optionee the sole and exclusive right and Option to acquire up to an 80% undivided interest in and to the Property free and clear of all Liens on the terms and conditions set out in the Option Agreement dated June 9, 2021 (the Option Agreement”).
- C. The parties hereto desire to amend the terms of the Option Agreement dated June 9, 2021 to extend the Exploration Expenditures of \$50,000 due on or before December 31, 2021 to September 30, 2022 and the other Payments, Share issuances and Exploration Expenditures due on or before the second, third and fourth anniversary of the Effective Date to on or before 6 months after the second, third and fourth anniversary of the Effective Date.

**NOW THEREFORE** in consideration of the covenants and agreements contained in the Option Agreement dated June 9, 2021, the Optionor and the Optionee amend the Option Agreement as follows:

1. The parties hereto desire to amend the terms of the Option Agreement dated June 9, 2021, to extend the Exploration Expenditures of \$50,000 due on or before December 31, 2021 to September 30, 2022 and the other Payments, Share issuances and Exploration Expenditures due on or before the second, third and fourth anniversary of the Effective Date to on or before 6 months after the second, third and fourth anniversary of the Effective Date.
2. All parties agree that the original agreement may be amended by Greg Chu to include this amendment.

### **GENERAL**

1. Time and each of the terms and conditions of this Amending Agreement shall be of the essence of this Amending Agreement and any waiver by the parties of this Section 1 or any failure by them to exercise any of their rights under this Amending Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Amending Agreement or otherwise affect any of their rights or remedies under this Amending Agreement.
2. The headings in this Amending Agreement are for reference only and do not constitute terms of the Amending Agreement.
3. No alteration, amendment, modification or interpretation of this Amending Agreement or any provision of this Amending Agreement shall be valid and binding upon the parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by the parties directly affected by such alteration, amendment, modification or interpretation.
4. Whenever the singular or masculine is used in this Amending Agreement the same shall be deemed to include the plural or the feminine or the body corporate as the context may require.
5. The parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any party may, reasonably require in order to carry out the full intent and meaning of this Amending Agreement.
6. The parties hereto confirm that the Option Agreement will remain in full force and effect as of the date of this Amending Agreement and unchanged save as amended hereby.
7. This Amending Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.

8. This Amending Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia.
9. This Amending Agreement may be executed in several counterparts and by facsimile transmission, all of which will be taken and read together to form one and the same agreement.

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

SIGNED, SEALED AND DELIVERED  
by **DAVID SAINT CLAIR DUNN**  
in the presence of:

*B. A. Frank*

Witness

#501-520 15th Street  
Address

West Vancouver B.C. V2V 3V2

Retired Manager  
Occupation

*David Saint Clair Dunn*  
**DAVID SAINT CLAIR DUNN**

SIGNED, SEALED AND DELIVERED  
by **KEITH DAVID NEVILE-SMITH**  
in the presence of:

*K. D. Brown*  
Witness

#108-125 W-18<sup>th</sup> ST.  
Address

N. VAN

Retired  
Occupation

*Keith David Nevile-Smith*  
**KEITH DAVID NEVILE-SMITH**

**GOLDEN AGE EXPLORATION LTD.**

Per:

*[Signature]*  
Authorized Signatory

**SCHEDULE "A"**

**DESCRIPTION OF PROPERTY**

The Property is comprised of four (4) mineral tenures totaling 1293.54 hectares located approximately 80 kilometers west southwest of Quesnel, British Columbia as set out below:

<b>Name of Tenure</b>	<b>Tenure Number</b>	<b>Number of Hectares</b>	<b>Good To Date</b>	<b>Registered Owner(s)</b>
Star 3	1063527	313.54	October 2, 2023	Dunn – 50% Smith – 50%
Star 4	1063712	156.77	October 10, 2023	Dunn – 50% Smith – 50%
-	1082538	235.09	May 11, 2022	Dunn – 100%
Magic	1082539	588.14	May 11, 2022	Dunn – 100%
<b>TOTAL</b>		<b>1293.54</b>		



**OPTION AGREEMENT**

THIS AGREEMENT is made as of the 9<sup>th</sup> day of June, 2021 (the “Effective Date”)

**BETWEEN:**

**DAVID SAINT CLAIR DUNN** (“Dunn”), of #801 – 570 18<sup>th</sup> Street, West Vancouver, B.C. V7V 3V7

**Email:** [davidsdunn@telus.net](mailto:davidsdunn@telus.net); and

**KEITH DAVID NEVILLE-SMITH** (“Smith”), of #200 – 2368 West Broadway Street, Vancouver, B.C. V6K 2E5

**Email:** \_\_\_\_\_

(together the “Optionors”)

OF THE FIRST PART

**AND:**

**GOLDEN AGE EXPLORATION LTD.**, a company incorporated under the laws of British Columbia and having an office at Suite 404 – 815 Hornby Street, Vancouver, B.C. V6Z 2E6

**Email:** [tibor@armorcapital.ca](mailto:tibor@armorcapital.ca) and [KHansonCPA@telus.net](mailto:KHansonCPA@telus.net)

(the “Optionee”)

OF THE SECOND PART

**WHEREAS:**

- A. The Optionors are collectively the registered and beneficial owners of a 100% undivided interest in and to the Property consisting of four (4) mineral tenures totalling 1,293.54 hectares located southwest of Quesnel, British Columbia as more particularly described in Schedule “A” hereto; and
- B. The Optionors have agreed to grant the Optionee the sole and exclusive right and Option to acquire up to an 80% undivided interest in and to the Property free and clear of all Liens on the terms and conditions set out herein.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of \$10.00 now paid by the Optionee to the Optionors (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

**DEFINITIONS**

- 1.1 For the purposes of this Agreement the following words and phrases shall have the following meanings, namely:
- (a) "Applicable Law" means any and all federal, provincial, territorial or municipal laws, statutes, regulations, by-laws, ordinances, rules, guidelines, policies, notices, orders and directions, or other requirements of any Governmental Authority having jurisdiction over the parties or the Property;
  - (b) "Business Day" means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Vancouver, British Columbia;
  - (c) "Environment Laws" means all Applicable Laws in effect from time to time relating to pollution or protection of the environment, health, safety or natural resources, including, without limitation, the use, consumption, handling, transportation, storage or Release of Hazardous Substances;
  - (d) "Environmental Order" means any prosecution, order, decision, notice, direction, report, recommendation or request issued, rendered or made by any Governmental Authority in connection with Environmental Laws or environmental orders;
  - (e) "Effective Date" means the date of execution of this Agreement by the Optionors and Optionee;
  - (f) "Exploration Expenditures" means the sum of:
    - (i) all costs of maintenance of the Property, all expenditures on the exploration and/or development of the Property, and all other costs and expenses of whatsoever kind or nature, including those of a capital nature, incurred or chargeable by the Optionee with respect to the exploration and/or development of the Property; and
    - (ii) as compensation for general overhead expenses which the Optionee may incur, an amount equal to 15% of all amounts included in subparagraph (i) in each year but only 10% of such amounts when paid by the Optionee under any contract involving payments by it in excess of \$100,000 in one year;
  - (g) "First Option" has the meaning ascribed to such term in Section 2.1, being the option to acquire a 50.1% undivided interest in and to the Property;
  - (h) "Governmental Authority" means any government or governmental, administrative, regulatory or judicial body, department, commission, authority, tribunal, agency or entity;
  - (i) "Hazardous Substance" means any substance, combination of substances or by-product of any substance which is or may become hazardous, toxic, injurious or dangerous to any person, property, air, land, water, flora, fauna or wildlife; and includes but is not limited to contaminants, pollutants, wastes and dangerous, toxic, deleterious or designated substances as defined in or pursuant to any Environmental Laws or

- Environmental Orders;
- (j) “Joint Venture” has the meaning ascribed to such term in Section 3.4 hereof;
  - (k) “Joint Venture Agreement” has the meaning ascribed to such term in Section 3.4 hereof;
  - (l) “Joint Venture Date” has the meaning ascribed to such term in Section 3.4 hereof;
  - (m) “Liens” means liens, security interests, royalties, charges, mortgages, pledges, hypothecs, encumbrances, adverse claims or challenges of any nature or kind whatsoever, whether written or oral, or direct or indirect;
  - (n) “NI 43-101” means National Instrument 43-101 *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;
  - (o) “Option” means collectively the First Option, the Second Option and the Third Option, as applicable, to acquire up to a 80% undivided interest in and to the Property;
  - (p) “Option Period” has the meaning ascribed to such term in Section 8.1 hereof;
  - (q) “Property” means the mineral tenures described in Schedule "A" hereto including any replacement or successor tenures, and all mining leases and other mining interests derived from such tenures, together with all licenses, permits, surface rights, easements, rights-of-way, water rights, certificates and approvals appurtenant therein or thereto or obtained by either of the parties either before or after the Effective Date and necessary for the exploration and/or development of the Property;
  - (r) “Release” includes abandon, add, deposit, discharge, disperse, dispose, dump, emit, empty, escape, leach, leak, migrate, pour, pump, release or spill;
  - (s) “Second Option” has the meaning ascribed to such term in Section 2.4, being, subject to exercise of the First Option, the option to acquire an additional 14.9% undivided interest (65% in total) in and to the Property;
  - (t) “Shares” means the common shares in the capital of the Optionee to be issued to the Optionors pursuant to the exercise of the Option as contemplated in Sections 2.2(b), 2.4 and 2.6 hereof, as applicable; and
  - (u) “Third Option” has the meaning ascribed to such term in Section 2.6, being, subject to exercise of the First and Second Options, the option to acquire an additional 15% undivided interest (80% in total) in and to the Property.

In this Agreement, other words and phrases that are capitalized have the meaning assigned in this Agreement.

- 1.2 In this Agreement, words importing gender will include all genders, words importing the singular number only will include the plural and vice versa, and any reference to any statute will be deemed to extend to and include any amendment or re-enactment of such statute.
- 1.3 The division of this Agreement into Sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and will not affect or be utilised in the construction or interpretation of this Agreement.



Canadian dollars.

1.5 Any Section, subsection or other subdivision of this Agreement and any other provision of this Agreement which is, or becomes, illegal, invalid or unenforceable will be severed from this Agreement and be ineffective to the extent of such illegality, invalidity or unenforceability and will not affect or impair the spirit or intent of the remaining provisions hereof.



1.6 The following schedules are incorporated by reference into this Agreement:

Schedule "A"	-	Description of Property
Schedule "B"	-	Material Joint Venture Terms

#### GRANT OF OPTION

2.1 The Optionors hereby grant to the Optionee the sole and exclusive right and option (the "**First Option**") to acquire a 50.1% undivided interest in and to the Property free and clear of all Liens whatsoever.

2.2 The First Option shall be exercised by the Optionee:

- (a) paying to or to the order of the Optionors a total of \$12,500 as follows:
- (i) \$7,500 <sup>on or before July 7, 2021</sup> ~~upon execution of this Agreement~~; and 
  - (ii) an additional \$5,000 on or before the second anniversary of the Effective Date;
- (b) issuing to or to the order of the Optionors, as fully paid and non-assessable, a total of 500,000 Shares as follows:
- (i) 200,000 Shares <sup>on or before July 7, 2021</sup> ~~upon execution of this Agreement~~; and 
  - (ii) an additional 300,000 Shares on or before the second anniversary of the Effective Date; and
- (c) incurring Exploration Expenditures of not less than \$300,000 on the Property as follows:
- (i) \$50,000 on or before December 31, 2021 (inclusive of the cost of preparing a NI 43-101 technical report on the Property), subject to extension by mutual agreement of the parties; and
  - (ii) an additional \$250,000 on or before the second anniversary of the Effective Date;

2.3 If the Optionee exercises the First Option in accordance with Section 2.2 above, the Optionee may elect, by written notice delivered to the Optionors within 120 days following the exercise thereof, to accept the grant of the Second Option to earn an additional 14.9% undivided interest (cumulative 65% interest) in the Property pursuant to Section 2.4 below, failing which the Optionee shall be deemed not to have accepted the Second Option and the provisions of Section 3.4 below shall apply.

2.4 Subject to the Optionee exercising the First Option, the Optionors hereby irrevocably grant to the Optionee the sole and exclusive right and option (the "**Second Option**") to acquire up to an additional 14.9% undivided interest (cumulative 65% interest) in and to the Property free and clear

- 2.4 Subject to the Optionee exercising the First Option, the Optionors hereby irrevocably grant to the Optionee the sole and exclusive right and option (the "**Second Option**") to acquire up to an additional 14.9% undivided interest (cumulative 65% interest) in and to the Property free and clear of all Liens whatsoever, by paying the Optionors an additional \$5,000 cash (\$17,500 in total inclusive of the First Option), issuing the Optionors an additional 500,000 Shares (1,000,000 Shares in total inclusive of the First Option) and incurring an additional \$500,000 in Exploration Expenditures (\$1,000,000 in total inclusive of the First Option) on the Property on or before the third anniversary of the Effective Date.
- 2.5 If the Optionee exercises the Second Option in accordance with Section 2.4 above, the Optionee may elect, by written notice delivered to the Optionors within 120 days following the exercise thereof, to accept the grant of the Third Option to earn an additional 15% undivided interest (cumulative 80% interest) in the Property pursuant to Section 2.6 below, failing which the Optionee shall be deemed not to have accepted the Third Option and the provisions of Section 3.4 below shall apply.
- 2.6 Subject to the Optionee exercising the First and Second Options, the Optionors hereby irrevocably grant to the Optionee the sole and exclusive right and option (the "**Third Option**") to acquire an additional 15% undivided interest in and to the Property (80% interest in total) free and clear of all Liens whatsoever, by paying the Optionors an additional \$5,000 cash (\$22,500 in total inclusive of the First and Second Options), issuing the Optionors an additional 1,000,000 Shares (2,000,000 in total inclusive of the First and Second Options) and incurring an additional \$1,000,000 in Exploration Expenditures (\$1,800,000 in total inclusive of the First and Second Options) on the Property on or before the fourth anniversary of the Effective Date.
- 2.7 Each instalment of cash and Shares set out in Sections 2.2(a) and (b), 2.4 and 2.6, as applicable, shall be allocated amongst the Optionors as follows:
- (a) 50% to Dunn; and
  - (b) 50% to Smith.
- 2.8 In the event that the Optionee spends less than the specified Exploration Expenditures during any portion of the Option Period for the First Option, the Second Option or the Third Option, as the case may be, it may pay to the Optionors the difference between the amount it actually spent and the specified sum before the expiry of such period in full satisfaction of the Exploration Expenditures to be incurred for that period. In the event that the Optionee spends more than the specified Exploration Expenditures during any portion of the Option Period for the First Option or Second Option, the excess shall be carried forward and applied to the Exploration Expenditures to be incurred in the Option Period for the succeeding Second Option or Third Option, as the case may be.
- 2.9 In this Agreement, a written notice delivered by the Optionee to the Optionors by no later than 30 days after the dates listed in Section 2.2(c), 2.4 or 2.6, as applicable, on or before which Exploration Expenditures are to be incurred, together with a statement of an officer of the Optionee certifying the amount of Exploration Expenditures incurred by the applicable date, shall be conclusive evidence of the Exploration Expenditures incurred by the Optionee unless the Optionors question the accuracy of such statement within 15 days of receipt. If the Optionors question the accuracy of the statement, the matter shall be referred to an independent chartered professional accountant or firm of independent chartered professional accountants (in either case the "**Independent Accountant**") for final determination. If the Independent Accountant determines, after having consulted with the Optionee, that the Exploration Expenditures incurred were less than those



reported by the Optionee, the Optionee shall not lose any of its rights hereunder provided that the Optionee pays to the Optionors in cash within 30 days of the receipt of such determination 100% of the deficiency in such Exploration Expenditures. If the Optionee makes such payment, it shall be deemed to have timely incurred Exploration Expenditures equal to such payment. If the Independent Accountant determines that the Exploration Expenditures incurred were less than 95% of those reported by the Optionee, the Optionee shall pay the entire cost of the determination; if they were 95% to 105% of those reported by the Optionee, the cost of the determination shall be paid by the Optionee and the Optionors equally; if in excess of 105% of the Exploration Expenditures reported by the Optionee, the Optionors shall pay the entire cost of the Independent Accountant's determination.

- 2.10 The Optionee may, in its sole discretion, accelerate the exercise of the First Option, Second Option and/or Third Option, as the case may be, by making the cash payments, issuing the Shares and the incurring of the Exploration Expenditures contemplated in Sections 2.2, 2.4 and 2.6, respectively, prior to the respective due dates thereof.
- 2.11 This Agreement represents the granting of an Option only, and except as herein specifically provided otherwise, nothing herein contained shall be construed as obligating the Optionee to make any payments, issue any Shares, incur any Exploration Expenditures or otherwise do any acts or things hereunder, and no payment, issuance, expenditure or other act made or performed hereunder shall not be construed as an obligation of the Optionee to make any further payments, issue any further Shares, incur any further expenditures or perform any other acts. For greater certainty, the Optionee may, in its sole discretion:
- (a) terminate the First Option and this Agreement at any time in which event the Optionee shall have no further obligation or liability to the Optionors whatsoever, save and except as set out in Section 10.3; or
  - (b) terminate the Second Option or Third Option at any time in which event the provisions of Section 3.4 shall apply.

### **EXERCISE OF OPTION**

- 3.1 If the Optionee exercises the First Option by paying the aggregate sum of \$12,500 cash and issuing a total of 500,000 Shares to the Optionors and incurring \$300,000 in Exploration Expenditures on the Property as set out in Section 2.2, a 50.1% undivided right, title and interest in and to the Property shall automatically vest in the Optionee free and clear of all Liens.
- 3.2 Subject to the Optionee exercising the First Option, if the Optionee exercises the Second Option by paying the additional \$5,000 cash (cumulative \$17,500) and issuing the additional 500,000 Shares (cumulative 1,000,000 Shares) to the Optionors and incurring \$500,000 in additional Exploration Expenditures (cumulative \$800,000) on the Property as set out in Section 2.4, an additional 14.9% (65% in total) undivided right, title and interest in and to the Property shall automatically vest in the Optionee free and clear of all Liens.
- 3.3 Subject to the Optionee exercising the First and Second Options, if the Optionee exercises the Third Option by paying the additional \$5,000 cash (cumulative \$22,500) and issuing the additional 1,000,000 Shares (cumulative 2,000,000 Shares) to the Optionors and incurring \$1,000,000 in additional Exploration Expenditures (cumulative \$1,800,000) on the Property as set out in Section 2.6, an additional 15% (80% in total) undivided right, title and interest in and to the Property shall

automatically vest in the Optionee free and clear of all Encumbrances.

3.4 If:

- (a) only the First Option is exercised pursuant to Section 2.2 hereof;
- (b) only the First and Second Options are exercised pursuant to Sections 2.2 and 2.4, respectively, but not the Third Option; or
- (c) the First, Second and Third Options are exercised pursuant to Sections 2.2, 2.4 and 2.6 hereof, respectively,

a joint venture (the "**Joint Venture**") for the future exploration, development and mining of the Property will be immediately constituted between the parties effective the date (the "**Joint Venture Date**") of exercise of the First Option in the case of subsection (a) above, the date of exercise of the Second Option in the case of subsection (b) above, or the date of exercise of the Third Option in the case of subsection (c) above, as applicable, and the Optionors and Optionee will forthwith negotiate in good faith to enter into, execute and deliver a joint venture agreement between the parties (the "**Joint Venture Agreement**") to govern all further payments and work with respect to the Property, which agreement shall include, inter alia, the material terms and conditions set out in Schedule "B" attached hereto.

#### TRANSFER OF PROPERTY

- 4.1 The Optionee shall be entitled to record this Agreement or a memorandum in respect thereof against the title to the Property at its own cost.
- 4.2 Forthwith following the exercise of each of the First Option, the Second Option and the Third Option by the Optionee, as applicable, the Optionors shall deliver to the Optionee duly executed transfers of the undivided interest in and to the Property applicable to such exercise.

#### OPTION SHARES AND PERSONAL INFORMATION

- 5.1 Each of the Optionors acknowledges and agrees that:
  - (a) each installment of Shares delivered to the Optionors by the Optionee pursuant to Sections 2.2(b), 2.4 and/or 2.6, as applicable, will be issued by the Optionee pursuant to an exemption from the prospectus requirements of applicable securities legislation and subject to restrictions on resale including, but not limited to, a statutory hold period of four months and one day after the later of (i) the date of issue, and (ii) the date the Optionee becomes a reporting issuer in any province or territory of Canada and that the certificates representing such Shares will be legended to reflect such restriction;
  - (b) the Shares have not and will not be registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") or the securities or "blue sky" laws of any state in the United States and may not be offered or sold in the United States or to a U.S. Person (as such term is defined in Rule 902(o) of Regulation S promulgated under the *1933 Act* ("**Regulation S**"), and includes (i) any natural person resident in the United States and (ii) any partnership or corporation organized or incorporated under the laws of the United States, among other persons specified in such Rule) unless registered under the



*1933 Act* and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available, and the Optionee has no obligation or present intention of filing a registration statement under the *1933 Act* in respect of the Shares;

- (c) no securities commission or other securities regulatory authority in Canada or elsewhere has approved nor disapproved of the Shares or passed upon or endorsed the merits of the Shares;
- (d) he has had access to such financial and other information concerning the Optionee and the Shares as he has deemed necessary in connection with his decision to acquire the Shares, including an opportunity to ask questions of, and request information from, the Optionee;
- (e) if required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority having jurisdiction, he will execute, deliver, file and otherwise assist the Optionee in filing reports, questionnaires, undertakings and other documents with respect to his ownership of Shares; and
- (f) there may be material tax consequences to the Optionor acquiring, holding, or disposing of the Shares and the Optionee gives no opinion nor makes any representation or warranty with respect to the tax consequences to the Optionor under applicable federal, provincial, local or foreign tax law of the Optionor's acquisition, holding, or disposition of the Shares and that the Optionor is solely responsible for determining the tax consequences to him with respect to his investment in the Shares.

5.2 Each of the Optionors further acknowledges, authorizes and consents to:

- (a) the Optionee collecting the Optionor's personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other Applicable Law in effect from time to time), for the purpose of completing this Agreement and retaining such personal information for as long as permitted or required by law (including, but not limited to, the Applicable Law) or business practices;
- (b) the Optionee disclosing the Optionor's personal information to such regulatory authorities and stock exchanges having jurisdiction as required by Applicable Law or stock exchange policies including, but not limited to, the British Columbia Securities Commission (the "BCSC"); and
- (c) the indirect collection, publishing or otherwise making available to the public, of personal information (as defined in the securities laws in the Province of British Columbia) by the BCSC and confirms that it has been notified by the Optionee that:
  - (i) the Optionee may be required to file a report of exempt distribution with the BCSC containing his name, residential address and telephone number, number and type of Shares received, the total acquisition price for such Shares, the date of the acquisition and his status as an insider or registrant, if applicable, and the prospectus exemption being relied upon under applicable securities laws to issue such Shares;



- (ii) if applicable, the Optionee will be delivering certain personal information included in the Optionee's Form 45-106F1, Report of Exempt Distribution, to the BCSC in connection with the filing of a Form 45-106F1 for each issuance of Shares comprising part of an Option payment;
- (iii) such personal information is being collected indirectly by the BCSC under the authority granted to it under the securities laws of the Province of British Columbia;
- (iv) such personal information is being collected for the purpose of the administration and enforcement of the *Securities Act* (British Columbia); and
- (v) the business address and business telephone number of the BCSC to which questions about the BCSC's indirect collection of personal information can be directed is set out below:

British Columbia Securities Commission  
 P.O. Box 10142, Pacific Centre  
 701 West Georgia Street  
 Vancouver, British Columbia V7Y 1L2  
 Inquiries: (604) 899-6854  
 Toll free in Canada: 1-800-373-6393  
 Facsimile: (604) 899-6581  
 Email: inquiries@bcsc.bc.ca.

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE OPTIONORS**

- 6.1 The Optionors hereby jointly and severally represent and warrant to and covenant with the Optionee that:
- (a) the Optionors are legally entitled to hold the Property and will remain so entitled until the interests of the Optionors in the Property which are subject to the Option have been duly transferred to the Optionee as contemplated hereby;
  - (b) the Optionors are, and at the time of transfer to the Optionee of the interests in the Property contemplated herein upon exercise of the Option will be, the recorded holders and beneficial owners of a 100% undivided interest in and to the Property free and clear of all Liens;
  - (c) the mineral tenures comprising the Property have been duly and validly located, filed and recorded in compliance with Applicable Law as they relate to location and recordation of such mineral tenures and are in good standing with respect to all filings, fees, taxes, assessments, work commitments or other conditions on the date hereof and until the dates set opposite the respective names thereof in Schedule "A";
  - (d) other than possible claims by First Nations groups, of which the Optionors have no knowledge, there are no adverse claims or challenges against or to the ownership of or title to any of the mineral tenures comprising the Property, nor to the knowledge of the Optionors 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 has any royalty

or other interest whatsoever in production from the Property;

- (e) to the best of their information, knowledge and belief, after due inquiry, the Property and the activities and operations that have been carried out to date thereon have been in compliance, in all material respects, with all Applicable Laws and directives of all Governmental Authorities and it has not received notice of non-compliance from any such Government Authorities;
- (f) to the best of their information, knowledge and belief, after due inquiry, all the lands covered by the Property are free and clear of any Hazardous Substance and there is no judicial or administrative proceeding pending and no Environmental Order has been issued or threatened, concerning the possible violation of any Environmental Laws or Environmental Orders in respect of the Property;
- (g) to the best of their information, knowledge and belief, after due inquiry, all environmental approvals required with respect to activities carried out by or on behalf of the Optionors on any part of the lands covered by the Property, have been obtained, are valid and in full force and effect, have been complied with and there have been and are no proceedings commenced or threatened to revoke or amend any such environmental approvals;
- (h) neither the execution or performance of this Agreement by the Optionors, nor the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in any indenture, agreement, instrument or other document whatsoever to which the Optionors or either of them is a party or by which they are bound or to which they or the Property may be subject;
- (i) no proceedings are pending for, and the Optionors are unaware of any basis for the institution of any proceedings leading to the placing of the Optionors or either of them in bankruptcy or subject to any other laws governing the affairs of insolvent persons; and
- (j) neither Dunn nor Smith is a non-resident of Canada within the meaning of section 116 of the *Income Tax Act* (Canada).

6.2 The representations and warranties contained in Section 6.1 are provided for the exclusive benefit of the Optionee, and a breach of any one or more thereof may be waived by the Optionee 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 this Agreement shall survive the execution of this Agreement and any transfers, assignments, deeds or further documents respecting the Property.

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE OPTIONEE**

7.1 The Optionee represents and warrants to and covenants with the Optionors that:

- (a) it has been duly incorporated and validly exists as a corporation under the *Business Corporations Act* (British Columbia) and is in good standing with respect to the filing of annual reports with the British Columbia Registrar of Companies;
- (b) on or before the exercise of the First Option, it will be lawfully authorized to hold mineral



tenures under the laws of the province of British Columbia;

- (c) it has obtained all necessary corporate authorizations for the execution and performance of this Agreement, and the consummation of the transactions herein contemplated will not conflict with or result in any breach of any covenants or agreements contained in, or constitute a default under, or result in the creation of any Lien under the provisions of the constating documents of the Optionee or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionee is a party or by which it is bound or to which it or the Property may be subject;
- (d) no proceedings are pending for, and the Optionee is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding up of the Optionee or the placing of the Optionee in bankruptcy or subject to any other laws governing the affairs of insolvent corporations; and
- (e) the Shares will, at the time of delivery to the Optionors, be duly authorized and validly allotted and issued as fully paid and non-assessable.

7.2 The representations and warranties contained in Section 7.1 are provided for the exclusive benefit of the Optionors and a breach of any one or more thereof may be waived by the Optionors in whole or in part at any time without prejudice to their rights in respect of any other breach of the same or any other representation or warranty, and the representations and warranties contained in Section 7.1 shall survive the execution hereof.

### RIGHT OF ENTRY

- 8.1 Throughout the term of the Option (the “**Option Period**”), the directors and officers of the Optionee and their respective servants, employees, representatives, agents and independent contractors, shall 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 other mining work thereon and thereunder as the Optionee in its sole discretion may determine advisable;
  - (d) bring upon and erect upon the Property such 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 purposes of obtaining assays or making other tests.
- 8.2 Nothing contained in this Agreement shall be construed as creating a partnership of any kind or as imposing on any party any partnership duty, obligation or liability to any other party.

**OBLIGATIONS OF THE OPTIONEE DURING OPTION PERIOD**

- 9.1 Subject to Section 9.2 below, during the Option Period the Optionee shall:
- (a) maintain in good standing those mineral tenures comprising the Property by the doing and filing of assessment work or the making of payments in lieu thereof, by the payment of taxes and rentals, and the performance of all other actions which may be necessary in that regard and in order to keep such mineral tenures free and clear of all Liens arising from the Optionee's activities thereon except those at the time contested in good faith by the Optionee;
  - (b) record, at its discretion, such assessment work against the Property as may be required from time to time to maintain the Property in good standing;
  - (c) permit the Optionors and their duly authorized agents, at their own risk and expense, access to the Property at all reasonable times and upon reasonable notice to the Optionee, and the Optionors agree to indemnify the Optionee against and to save it harmless from all costs, claims, liabilities and expenses that the Optionee may incur or suffer as a result of any injury (including injury causing death) to any director, officer, employee, agent or designated consultant of the Optionors while on the Property;
  - (d) do all work on the Property in a good and workmanlike fashion and in accordance with Applicable Law;
  - (e) indemnify and save the Optionors harmless from any and all costs, claims, liabilities and expenses arising out of the Optionee's activities on the Property, but the Optionee shall incur no obligation hereunder 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 to the Optionors, upon request and subject to Section 16.1, copies of all reports, maps, assay results and other technical data compiled by or prepared at the direction of the Optionee with respect to the Property.
- 9.2 If the Optionors or either of them, are engaged, directly or indirectly, by the Optionee to perform work on the Property for the purposes of incurring Exploration Expenditures hereunder, the Optionors or Optionor, as the case may be, shall be solely responsible for the filing and recording of such work as assessment work with the applicable Governmental Authority for the purpose of maintaining the Property in good standing.

**TERMINATION OF OPTION**

- 10.1 The Optionee may, in its sole discretion, terminate the First Option, the Second Option or the Third Option, as the case may be, at any time upon giving notice of such termination to the Optionors.



- 10.2 If, at any time during the Option Period, the Optionee fails to incur or make any expenditure or payment or issuance of Shares which must be incurred or made or issued in order to exercise the First Option, the Second Option or the Third Option, as the case may be, on or before the due dates thereof, or the Optionee is otherwise in default of its obligations hereunder, the Optionors may terminate the First Option or, subject to Section 3.4, the Second Option or Third Option, as the case may be, but only if:
- (a) the Optionors shall have first given the Optionee a written notice of default containing particulars of the expenditures, payment or issuance which the Optionee has not made or the obligation which the Optionee has not performed; and
  - (b) the Optionee has not within 30 days following delivery of such notice of default:
    - (i) cured such default; or
    - (ii) commenced proceedings to cure such default by appropriate expenditure, payment, issuance or performance and, within 60 days following delivery of such notice of default, cured such default.
- 10.3 Upon termination of the First Option by the Optionee or the Optionors pursuant to Section 10.1 or 10.2, respectively, the Optionee shall:
- (a) cause the Property to be in good standing with respect to the filing of assessment work for a period of at least 12 months from the date of termination;
  - (b) deliver to the Optionors, within 30 days of the effective date of termination, copies of all factual maps, reports, assay results and other factual data and documentation in its possession relating to its operations on the Property; and
  - (c) vacate the Property within a reasonable period of time after such termination, provided that the Optionee shall have the right, within a period of 180 days following such termination, 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 180 day period shall thereafter become the property of the Optionors.
- 10.4 Upon termination of the Second Option or the Third Option by the Optionee or the Optionors pursuant to Section 10.1 or 10.2, respectively, the Optionee and the Optionors shall forthwith enter into the Joint Venture Agreement in accordance with the provisions of Section 3.4 hereof.

#### **INDEPENDENT ACTIVITIES**

- 11.1 Except as expressly provided herein, each party shall have the free and unrestricted right to independently engage in and receive the full benefit of any and all business endeavours of any sort whatsoever, whether or not competitive with the endeavours contemplated herein without consulting the other or inviting or allowing the other to participate therein. No party shall be under any fiduciary or other duty to the other which will prevent it from engaging in or enjoying the benefits of competing endeavours within the scope of the endeavours contemplated herein.

### **TRANSFERS**

- 12.1 The Optionee may at any time either during the Option Period or thereafter, sell, transfer or otherwise dispose of all or any portion of its interest in and to the Property and this Agreement provided that any purchaser, grantee or transferee of any such interest shall have first delivered to the Optionors its agreement relating to this Agreement and to the Property containing:
- (a) a covenant to perform all the obligations of the Optionee to be performed under this Agreement in respect of the interest to be acquired by it from the Optionee to the same extent as if this Agreement had been originally executed by such purchaser, grantee or transferee; and
  - (b) a provision subjecting any further sale, transfer or other disposition of such interest in the Property and this Agreement or any portion thereof to the restrictions contained in this section 12.1.
- 12.2 No assignment by the Optionee of any interest less than its entire interest in this Agreement and in the Property shall, as between the Optionee and the Optionors, discharge it from any of its obligations hereunder, but upon the transfer by the Optionee of the entire interest at the time held by it in this Agreement, whether to one or more transferees and whether in one or in a number of successive transfers, the Optionee shall be deemed to be discharged from all obligations hereunder save and except for the fulfillment of contractual commitments accrued due prior to the date on which the Optionee shall have no further interest in this Agreement.

### **SURRENDER OF PROPERTY INTERESTS PRIOR TO TERMINATION OF AGREEMENT**

- 13.1 The Optionee may at any time during the Option Period elect to surrender or abandon any one or more of the mineral tenures comprised in the Property by giving not less than 10 days notice to the Optionors of such intention, provided that such tenure or tenures shall be in good standing with respect to the filing of assessment work for a period of at least 12 months from the date of such notice. Upon any such abandonment, the mineral tenures so abandoned shall for all purposes of this Agreement cease to form part of the Property. For greater certainty, nothing contained in this Section 13.1 shall in any way limit or restrict the ability of the Optionee to terminate, in its sole discretion, the First Option, Second Option or Third Option at any time upon giving notice of such termination to the Optionors in accordance with Section 10.1 hereof.

### **FORCE MAJEURE**

- 14.1 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 strike, lock-out, labor shortage, power shortage, fuel shortage, fire, war, act of God, terrorism, pandemic, epidemic, governmental regulation restricting normal operations, shipping delay or any other reason or reasons, other than lack of funds, beyond the control of the Optionee, the time limited for the performance by the Optionee of its obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay, but nothing herein shall discharge the Optionee from its obligations hereunder to maintain the Property in good standing.



- 14.2 The Optionee shall give prompt notice to the Optionors of each event of force majeure and upon cessation of such event shall furnish to the Optionors 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.

#### AREA OF INTEREST

- 15.1 Any interest or rights to acquire an interest in mining tenures, leases or other mineral or real property rights or interests including, but not limited to, surface access or water rights within five kilometers of the external boundaries of the Property (the “**Area of Interest**”) acquired, directly or indirectly, by the Optionee or any of the Optionors, during the Option Period (the “**Additional Property**”) shall become subject to the provisions of this Agreement in accordance with the following terms and conditions:
- (a) within 30 days after the acquisition of the Additional Property, all or any portion of which lies within the Area of Interest (or constitutes contiguous claims that may extend beyond the Area of Interest), the acquiring party (in this Section the “**Acquiring Party**”) shall notify the other party (in this Section the “**Non-Acquiring Party**”) of such acquisition including a detailed description of the acquisition, the lands, the nature of the interest therein, the mining claims or other real property interest covered thereby, and the acquisition cost thereof. In addition to such notice, the Acquiring Party shall make any and all information concerning the Additional Property including technical data and information in its possession or under its control available to the Non-Acquiring Party;
  - (b) the Non-Acquiring Party shall then have 30 days after receipt of such notice and information to elect, in its sole discretion, to include the Additional Property as part of the Property for the purposes of the Option and, in such event:
    - (i) if the Optionee is the Acquiring Party, all costs incurred by the Optionee in acquiring the Additional Property shall be credited towards its Exploration Expenditures in Sections 2.2(c), 2.4 or 2.6 hereof, as the case may be; and
    - (ii) if the Optionors or either of them is the Acquiring Party, the Optionee shall reimburse the Optionors for their acquisition costs of the Additional Property and the amount of such reimbursement shall be credited towards the Optionee's Exploration Expenditures in Sections 2.2(c), 2.4 or 2.6 hereof, as the case may be; and
  - (c) if the Non-Acquiring Party elects not to include the Additional Property as part of the Property for the purposes of this Agreement, then the Acquiring Party shall be free to deal with the Additional Property at it deems fit, in its sole discretion, without any obligations to the Non-Acquiring Party with respect thereto.

#### CONFIDENTIAL INFORMATION

- 16.1 Except as otherwise provided in this Section, both parties shall treat all data, reports, records, results and other information relating to this Agreement and the Property as confidential. The text of any news release or other public statements, other than those required by law or regulatory bodies or stock exchanges, which a party desires to make shall be sent to the other party for its comments prior to publication and shall not include references to the other party unless such party has given its

prior consent to such inclusion, such consent not to be unreasonably withheld or delayed. The text of any disclosure which a party is required to make by law, by regulatory bodies or stock exchanges shall be sent to the other party at least 24 hours prior to its release or filing in order that the other party may have the opportunity to comment thereon. For all public disclosure, whether required to be made or not, any reasonable changes requested by the non-disclosing party shall be incorporated into the disclosure document.

### ARBITRATION

- 17.1 All questions or matters in dispute under this Agreement shall be submitted to arbitration pursuant to the terms hereof.
- 17.2 It shall be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that such party intending to refer any matter to arbitration shall have given not less than 10 days' prior notice of its intention to do so to the other party, together with particulars of the matter in dispute. On the expiration of such 10 days, the party who gave such notice may proceed to refer the dispute to arbitration as provided in Section 17.3.
- 17.3 The party desiring arbitration shall appoint one arbitrator, and shall notify the other party of such appointment, and the other party shall, within 15 days after receiving such notice, either consent to the appointment of such arbitrator which shall then carry out the arbitration or appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within 30 days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator to act with them and be chairman of the arbitration herein provided for. If the other party shall fail to appoint an arbitrator within 15 days after receiving notice of the appointment of the first arbitrator, the first arbitrator shall be the only arbitrator. If the two arbitrators appointed by the parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed under the provisions of the *Arbitration Act* (British Columbia). Except as specifically otherwise provided in this Section, the arbitration herein provided for shall be conducted in accordance with such *Act*. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place in Vancouver, British Columbia, for the purpose of hearing the evidence and representations of the parties, and he or she shall preside over the arbitration and determine all questions of procedure not provided for under such *Act* or this Section. After hearing any evidence and representations that the parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the parties. The expense of the arbitration shall be paid as specified in the award.
- 17.4 The parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.



**NOTICES**

- 18.1 Any notice, request, demand, direction or other communication given regarding the matters contemplated by this Agreement (each a “**Notice**”) must be in writing, sent by personal delivery, courier, registered mail or email and addressed to the parties at their respective addresses set out above and will be deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by registered mail, on the third business day following the posting thereof, or (iii) if sent by email, on the Business Day following the date the recipient thereof acknowledges receipt of such email. A Party may change its address for service from time to time by providing a Notice to the other Parties in accordance with the foregoing.

**GENERAL**

- 19.1 This Agreement shall supersede and replace any other agreement or arrangement, whether oral or written, heretofore existing between the parties in respect of the subject matter of this Agreement.
- 19.2 No consent or waiver expressed or implied by either party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall be deemed or construed to be consent to or a waiver of any other breach or default.
- 19.3 The parties shall promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record wherever appropriate the respective interest from time to time of the parties in the Property.
- 19.4 This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns.
- 19.5 This Agreement shall be governed by and construed in accordance with the laws of British Columbia.
- 19.6 This Agreement may be executed by the parties (by electronic or wet signature) in counterpart and delivered by email, each of which so executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement and notwithstanding the date of execution shall be deemed to bear the date as set forth above.

**[EXECUTION PAGE TO FOLLOW]**

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

SIGNED, SEALED AND DELIVERED  
by **DAVID SAINT CLAIR DUNN**  
in the presence of:

BA Furlow

Witness

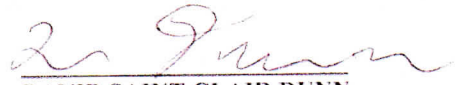
501-570-18<sup>th</sup> St

Address

West Van, BC V7V3V7

Retired

Occupation



**DAVID SAINT CLAIR DUNN**

SIGNED, SEALED AND DELIVERED  
by **KEITH DAVID NEVILE-SMITH**  
in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Address

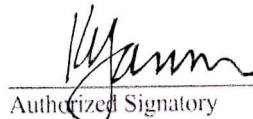
\_\_\_\_\_  
Occupation



**KEITH DAVID NEVILE-SMITH**

**GOLDEN AGE EXPLORATION LTD.**

Per:

  
Authorized Signatory

**SCHEDULE "A"**

**DESCRIPTION OF PROPERTY**

The Property is comprised of four (4) mineral tenures totaling 1293.54 hectares located approximately 80 kilometers west southwest of Quesnel, British Columbia as set out below:

<b>Name of Tenure</b>	<b>Tenure Number</b>	<b>Number of Hectares</b>	<b>Good To Date</b>	<b>Registered Owner(s)</b>
Star 3	1063527	313.54	October 2, 2023	Dunn – 50% Smith – 50%
Star 4	1063712	156.77	October 10, 2023	Dunn – 50% Smith – 50%
-	1082538	235.09	May 11, 2022	Dunn – 100%
Magic	1082539	588.14	May 11, 2022	Dunn – 100%
<b>TOTAL</b>		<b>1293.54</b>		

**SCHEDULE "B"**

**MATERIAL JOINT VENTURE TERMS**

1. Unless otherwise defined herein, capitalized words and phrases in this Schedule "B" shall have the meanings ascribed to such words and phrases in the option agreement (the "**Option Agreement**") to which this schedule is attached.
  
2. If the Optionee exercises its rights under (a) the First Option to acquire a 50.1% undivided interest in the Property pursuant to Section 2.2 of the Option Agreement; (b) the First and Second Options to acquire a cumulative 65% undivided interest in the Property pursuant to Sections 2.2 and 2.4 of the Option Agreement; or (c) the First, Second and Third Options to acquire an aggregate 80% undivided interest in the Property pursuant to Sections 2.2, 2.4 and 2.6 of the Option Agreement, as the case may be, a Joint Venture for the future exploration, development and mining of the Property will be immediately constituted in which the initial interest of each party shall be:
  - (a) in the case of a Joint Venture formed pursuant to the exercise of the First Option only:
    - (i) Optionee - 50.1%;
    - (ii) Optionors - 49.9%;
  
  - (b) in the case of a Joint Venture formed pursuant to the exercise of the First and Second Options:
    - (i) Optionee - 65%;
    - (ii) Optionors - 35%; or
  
  - (c) in the case of a Joint Venture formed pursuant to the exercise of the First, Second and Third Options:
    - (iii) Optionee - 80%;
    - (iv) Optionors - 20%.
  
3. Upon formation of the Joint Venture, the Optionors and the Optionee shall forthwith enter into the Joint Venture Agreement governing the future exploration, development and mining of the Property which shall include the following material terms:
  - (a) for the purposes of the Joint Venture and dilution thereunder, upon formation of the Joint Venture, each party will be deemed to have incurred Exploration Expenditures as follows:
    - (i) in the case of a Joint Venture formed upon exercise of the First Option only:

<b>Party</b>	<b>Percentage Ownership Interest</b>	<b>Deemed Exploration Expenditures</b>
Optionee	50.1%	\$300,000
Optionors	49.9%	\$300,000
<b>Total</b>	<b>100%</b>	<b>\$600,000</b>



- (ii) in the case of a Joint Venture formed upon exercise of the First and Second Options (but not the Third Option):

Party	Percentage Ownership Interest	Deemed Exploration Expenditures
Optionee	65%	\$800,000
Optionors	35%	\$457,692
<b>Total</b>	<b>100%</b>	<b>\$1,257,692</b>

- (iii) in the case of a Joint Venture formed upon exercise of the First, Second and Third Options:

Party	Percentage Ownership Interest	Deemed Exploration Expenditures
Optionee	80%	\$1,800,000
Optionors	20%	\$450,000
<b>Total</b>	<b>100%</b>	<b>\$2,250,000</b>

Notwithstanding the foregoing, all Exploration Expenditures incurred by or on behalf of the Optionee in order to earn its interest in the Joint Venture shall be for the sole account and benefit of the Optionee including, but not limited to, for the purposes of claiming and/or renouncing such expenditures for tax purposes.

- (b) the Joint Venture shall constitute a management committee (the “**Management Committee**”) comprised of two representatives of each party, with the representatives of each party being entitled to cast collectively that number of votes which is equal to the percentage interest of the party that he or they represent. Notwithstanding the foregoing, if the Optionee exercises only the First Option and for so long as the Optionee and the Optionors hold a 50.1% interest and 49.9% interest, respectively, in the Joint Venture, each party will be entitled to cast an equal number of votes on and for the purposes of the Management Committee;
- (c) the Optionee will be the initial operator (the “**JV Operator**”) under the Joint Venture and will remain as JV Operator unless its interest is reduced below 50% or the Optionee resigns or is removed by the Management Committee, in which event the Management Committee shall select another party to become JV Operator;
- (d) the JV Operator shall keep the Property in good standing and free from Liens, comply with Applicable Laws and maintain proper books and accounts and adequate insurance with respect to the Joint Venture;
- (e) the JV Operator shall provide the parties with quarterly progress reports and semi-annual lists of expenditures, and duplicates of all material documents created, received or acquired on the Property including maps, assays, analysis, invoices, statements, applications and correspondence in a timely manner but in any event not more than 30 days from the date of the JV Operator's receipt thereof;
- (f) the JV Operator shall be entitled to receive a management fee equal to 10% of the total costs of the Joint Venture in consideration for its efforts and services as JV Operator;

- (g) each party to the Joint Venture shall be responsible for its proportionate share of the costs and expenses of the Joint Venture;
- (h) on or before February 15 of each calendar year during the Joint Venture period, the JV Operator shall submit to the Management Committee for approval a complete exploration program (an “**Exploration Program**”) to be carried out during that calendar year. Any party not intending to participate in an approved Exploration Program pursuant to its pro rata share for a particular calendar year shall advise the other party in writing on or before March 15 of that year. A non-participating party shall be deemed to have forfeited all of its rights to enter, work, explore and develop the Property during any calendar year that it elects to be non-participating until such time as the participating party has incurred all of the expenditures that were set out in the Exploration Program for that calendar year;
- (i) if a party elects not to participate in an Exploration Program for any calendar year during the Joint Venture period, the non-participant’s interest shall be subject to dilution in accordance with the following calculation:

$$\frac{AB + Y}{B + C}$$

(Where:

A = the interest of the party being diluted prior to the start of the Relevant Program, as defined below;

B = the sum of all deemed and prior contributions of all parties prior to the start of the Relevant Program;

Y = the actual contributions (if any) of the party being diluted to the Relevant Program; and

C = the total amount actually contributed by all parties to the Relevant Program; and

“Relevant Program” means an Exploration Program to which the non-participating party elected not to contribute and the Exploration Program is subsequently funded by the other party increasing its contribution to fund all or part of the shortfall;

and the contributing party’s interest will be correspondingly increased;

- (j) if a party elects to participate in an Exploration Program but subsequently fails to pay in full for its proportionate share of the costs thereof, such failure shall constitute a default and the defaulting party’s interest shall be subject to double dilution in accordance with the following calculation:

$$\frac{AB + Y}{2[B+C]}$$

(A, B, Y and C having the meanings given above),

and the non-defaulting party's interest will be correspondingly increased;

- (k) in the event that a joint venture party's interest is reduced to 10%, that 10% interest shall automatically convert to a 2% net smelter returns royalty in the Property, subject to the following rights in favour of the other joint venture party: (i) the right to acquire one-half of such royalty, being a 1% net smelter returns royalty, at any time thereafter for \$1,000,000 cash; and (ii) a right of first refusal to acquire the other half of such royalty, being the remaining 1% net smelter returns royalty; and
- (l) no withdrawal by a party or winding up of the Joint Venture will be permitted without adequate payment of or security for reclamation and closure costs.