

MANAGEMENT SERVICES AGREEMENT

THIS AGREEMENT made as of the 4th day of January, 2021

BETWEEN:

HAWTHORN RESOURCES CORP., a company incorporated
under the laws of British Columbia

(hereinafter called the "**Company**")

OF THE FIRST PART

AND:

VENUS CORPORATE SERVICES INC., a company
incorporated under the laws of British Columbia

(hereinafter called the "**Manager**")

OF THE SECOND PART

WHEREAS:

- A. The Company, a private company in the mineral exploration business, wishes to retain the Manager to manage its business;
- B. The Company desires the Manager to provide corporate administration management services for the Company; and
- C. The Manager has agreed to accept such appointment and provide or cause to provide such services to the Company on the terms and conditions herein set out.

NOW THEREFORE in consideration of the premises and of the mutual covenants and agreements hereinafter contained, the parties mutually agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions. Unless the context otherwise requires in this Agreement, the following terms shall have the following meanings:

- (a) "**Affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the company in question, including without limitations, directors and principal officers of the company in question;
- (b) "**Term**" has the meaning ascribed to such term in section 3.1.

ARTICLE 2
APPOINTMENT OF MANAGER

2.1 **Appointment.** The Company hereby appoints the Manager to provide the Services (as defined below) on the terms and conditions set forth in this Agreement.

2.2 **Authority of Manager.** During the Term the Manager shall have full authority and power to act on behalf of the Company to the extent necessary to perform the Services on the terms and conditions set forth in this Agreement.

ARTICLE 3
TERM

3.1 **Term.** This Agreement shall be effective as of January 4th, 2021 (the "**Effective Date**"), and shall continue until terminated pursuant to Article 8 (the "**Term**").

ARTICLE 4
MANAGEMENT SERVICES

4.1 **Management Services.** The Manager shall be responsible for the management of the Company and its business including providing general administrative services to the Company, together with such other duties and responsibilities as the board of directors of the Company may request from time to time (the "**Services**") including:

- (a) management and administration of the day to day affairs of the Company;
- (b) maintenance of the corporate files and records of the Company, including all agreements and contracts;
- (c) the provision of secretarial and reception services;
- (d) liaising on behalf of the Company with trust companies, transfer agents, external accountants, auditors, accountants, legal counsel, securities regulatory authorities, stock exchanges, and investment and brokerage firms;
- (e) preparation and distribution of news releases; provided, however that all news releases shall be approved by the Company in its sole discretion; and
- (f) assisting in the preparation and distribution of documentation and material in connection with annual general meetings, annual regulatory filings, directors' meetings and special meetings of the Company.

The Manager agrees that it shall obtain the prior approval of the Company for all Services that involve significant legal, financial, securities, contractual or commercial decisions.

The Manager may retain an outside agent or expert to assist in providing any of the Services, provided, however, that the retention by the Manager of such outside agent or expert shall not release the Manager from its obligations under this section.

ARTICLE 5
STANDARDS OF MANAGER

5.1 Standards Related to the Services. In performing its obligations under Article 4, the Manager will provide such Services and execute and complete all such actions required therein in a good and faithful manner, in compliance with all laws required to be complied with by the Company, including without limitation, securities laws and policies of the stock exchanges on which any of the Company's shares are listed for trading so that the Company is and continues to be in good standing under all applicable corporate and securities laws and stock exchange rules and policies.

5.2 Non-Exclusive Services. The Company acknowledges the Manager is not required to devote its personnel and resources exclusively to or for the benefit of the Company; provided however that this acknowledgement in no way reduces or waives any of Manager's duties and obligations to the Company herein.

5.3 Other business Interests. The Company acknowledges that the Manager or Affiliates or associates of the Manager are engaged in or may become engaged in a variety of other businesses. The Company acknowledges and consents to any and all such activities and agrees that nothing herein shall prevent the Manager or any of its Affiliates or associates or any of their respective officers, directors or employees from having other business interests, even though such business interests may be similar to or competitive with those of the Company. The Manager and its Affiliates and associates shall not be obligated to offer any business opportunities to the Company and the Manager and its Affiliates and associates and their respective directors, officers and employees shall have the right independently to engage in and receive the full benefits from business activities, whether or not similar to or competitive with the business of the Company without consulting the Company.

ARTICLE 6
MANAGERS FEES

6.1 Manager's Fees. The Company shall pay to the Manager a monthly management fee (the "**Management Fee**") as fees for Services provided in Section 4.1, equal to \$4,000, per month payable monthly, in arrears, on the last day of each month during the Term.

6.2 Rental Fees. In addition to the Management Fees, the Company will pay the Manager a rental fee (the "**Rental Fee**") as fees for office space of \$1,000, per month payable monthly, in arrears, on the last day of each month during the Term.

6.3 Intentionally Deleted.

6.4 Reimbursement of Expenses. Other than the services described in section 4.1 (Management Services), the Manager may be required to incur costs on behalf of the Company and shall be entitled to reimbursement of these reasonable expenses, as approved by the Company, including, without limitation, reimbursement of salary costs for any employees of the Manager who spend their time on the affairs of the Company.

ARTICLE 7
INDEMNIFICATION AND LIABILITY

7.1 Indemnification by Company. The Company agrees to indemnify and save the Manager harmless from all damages, claims, costs, and expenses suffered or incurred by the Manager as a result of the bona fide performance by the Manager of its Services hereunder; provided, however, that the Company shall have no obligation to indemnify the Manager for any damage, claim, cost or expense to the extent that such damage, claim, cost or expense arises from the wilful act or negligence of the Manager or its agents or employees or a breach by the Manager of the terms of this Agreement.

7.2 Indemnification by Manager. The Manager agrees to indemnify and save the Company harmless from all damages, claims, costs, and expenses suffered or incurred by the Company as a result of the breach by the Manager of this Agreement or the negligence or wrongful act of the Manager or any employee or agent of the Manager in providing Services hereunder; provided, however, that the Manager shall have no obligation to indemnify the Company for any damage, claim, cost or expense to the extent that such damage, claim, cost or expense arises from the wilful act or negligence of the Company or its employees or agents, a breach by the Company of the terms of this Agreement or as a result of the Manager or its employees or agents acting on specific written instructions of the Company.

ARTICLE 8
TERMINATION

8.1 Termination by the Company. The Company may terminate this Agreement or the obligations of the Manager:

- (a) on seven (7) days' written notice to the Manager upon the Manager failing to perform or observe any covenant or condition to be performed by the Manager under this Agreement if such failure shall continue for 15 days after notice thereof unless the Manager, having been given written notice of the default is diligently pursuing the remedy of the default;
- (b) immediately upon notice to the Manager if any of the following shall occur:
 - (i) a decree or order is rendered by a court having jurisdiction:
 - (A) adjudging the Manager a bankrupt or insolvent,
 - (B) approving a petition seeking reorganization, readjustment, arrangement, composition or similar relief for the Manager under bankruptcy laws or any other similar applicable law or practice, or
 - (C) for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Manager or a substantial part of the assets of the Manager, or for the winding up or liquidation of its affairs; or
 - (ii) the Manager:
 - (A) institutes proceedings to be adjudicated a voluntary bankrupt or an insolvent,
 - (B) consents to the filing of a bankruptcy proceeding against it,

- (C) files a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or relief under any similar applicable law or practice,
- (D) consents to the filing of any such petition, or to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency for it or for a substantial part of its assets,
- (E) makes an assignment for the benefit of creditors,
- (F) is unable to or admits in writing its inability to pay its debts generally as they become due, or
- (G) takes any corporate action in furtherance of any of items listed in this clause 8.1(b).

8.2 **Termination by the Manager.** The Manager may terminate this Agreement or the obligations of the Manager:

- (a) on seven (7) days' written notice to the Company upon the Company failing to perform or observe any covenant or condition to be performed by the Company under this Agreement if such failure shall continue for 15 days after notice thereof;
- (b) immediately upon notice to the Company if any of the following shall occur:
 - (i) a decree or order is rendered by a court having jurisdiction:
 - (A) adjudging the Company a bankrupt or insolvent,
 - (B) approving a petition seeking reorganization, readjustment, arrangement, composition or similar relief for the Company under bankruptcy laws or any other similar applicable law or practice, or
 - (C) for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Company or a substantial part of the assets of the Company, or for the winding up or liquidation of its affairs; or
 - (ii) the Company
 - (A) institutes proceedings to be adjudicated a voluntary bankrupt or an insolvent,
 - (B) consents to the filing of a bankruptcy proceeding against it,
 - (C) files a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or relief under any similar applicable law or practice,
 - (D) consents to the filing of any such petition, or to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency for it or for a substantial part of its assets,

- (E) makes an assignment for the benefit of creditors,
- (F) is unable to or admits in writing its inability to pay its debts generally as they become due, or
- (G) takes any corporate action in furtherance of any of items listed in this clause 8.2(b)(ii).

8.3 Termination by Company or Manager.

- (a) The Company may terminate this Agreement by providing the Manager with thirty (30) days prior written notice.
- (b) The Manager may terminate this Agreement by providing the Company with thirty (30) days prior written notice.

8.4 Manager's Obligations Upon Termination. Upon the termination of this Agreement the Manager shall forthwith deliver to the Company, or its designee, complete copies of all books and accounting records of the Company, including records with respect to the issuance of shares, correspondence and document files, updated to the date of termination.

8.5 Effect of Termination. Upon termination of this Agreement, the obligations of the parties under this Agreement shall cease; provided, however, that any outstanding obligation accrued prior to the date of termination shall survive termination.

ARTICLE 9 **MISCELLANEOUS**

9.1 Confidentiality Obligation of the Manager. The Manager shall not, either while this Agreement is in force or at any time thereafter, disclose to any person, firm or corporation any information concerning the material assets or the private affairs of the Company and the Manager shall not, either while this Agreement is in force or any time thereafter, use any such information for its own benefit or to the detriment or intended or probable detriment of the Company; provided, however, that nothing in this section shall preclude disclosure of information which is in the public domain, disclosure in pleadings or in evidence in the course of any legal proceeding between the Manager and the Company or disclosure required by law.

9.2 Arbitration. In the event of any dispute between the Company and the Manager respecting the subject matter of this Agreement, provided that the relief sought by any aggrieved party is within the jurisdiction of, and may be adjudicated upon by an arbitrator, the same shall be determined by a single arbitrator. The Company and the Manager shall jointly appoint such single arbitrator. If either party refuses or neglects, within a period of five days of having been requested to do so, to agree to the appointment of such single arbitrator, then each party shall provide a list of a maximum of three candidates for the appointment of such arbitrator within the further period of 5 days. The single arbitrator shall be appointed from the names of candidates so provided upon application by either party to a judge of the Supreme Court of British Columbia. If either party refuses or neglects to provide such list of candidates then the arbitrator shall be appointed from the list provided by the other. The award or determination made by the arbitrator shall be final and binding upon the parties, and the provisions of this section shall be deemed to be a commercial arbitration agreement within the meaning of the *Commercial Arbitration Act* (British Columbia) and any statutory modification or re-enactment thereof.

9.3 Enurement. This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and assigns.

9.4 Notices. Any notice relating to this Agreement shall be in writing and shall be sufficiently given if delivered or mailed by prepaid registered mail addressed to the party for whom it is intended to the address set forth below, or sent via email set forth below:

To the Company:

Suite 1180 – 625 Howe Street
Vancouver, B.C. V6C 2T6
Attention:
Email:

To the Manager:

Suite 1180 – 625 Howe Street
Vancouver, B.C. V6C 2T6
Attention:
Email:

or such other address or email address as the parties shall have most recently advised the other party to this Agreement by notice in writing. Any notice shall be deemed to have been given to the party to whom it is addressed, if sent via facsimile on the next business day after such notice is sent, if delivered, when delivered, and if mailed, on the third business day (exclusive of Saturdays, Sundays and statutory holidays) after the same is mailed, provided that if the mail is not picked up, dealt with, transmitted, or delivered in its ordinary course, then the notice mailed shall not be deemed to have been given until it is received by the party to whom it is addressed at such address, whether by mail or otherwise. The burden of proving that a notice should not be deemed to have been given due to disruption in mail service shall be on the party to whom such notice was addressed.

9.5 Assignment. This Agreement may not be assigned by either party without the prior written consent of the other party, which consent may not be unreasonably withheld.

9.6 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia.

9.7 Number and Gender. All references to any party to this Agreement shall be read with such changes in number and gender as the context or reference to the party may require.

9.8 Manager an Independent Contractor. Nothing in this Agreement shall be construed as creating a partnership between the Company and the Manager. The duties to be performed and the obligations assumed by the Manager under this Agreement shall be performed and assumed by the Manager as an independent contractor and not as the agent representative of the Company.

9.9 Counterpart Execution. This Agreement may be executed in counterparts and when each party has executed a counterpart each of such counterparts will be deemed to be an original and all of such counterparts when taken together will constitute the same agreement.

9.10 Monetary References. All references to currency is to Canadian funds.

9.11 Waiver. No waiver by either party of the breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or similar nature.

9.12 Entire Agreement. This Agreement constitutes the entire agreement between the parties and may not be amended or varied except by instrument in writing signed by all parties.

9.13 Time of the Essence. In this Agreement, time shall be of the essence.

9.14 Headings. Headings in this Agreement have been inserted for referential purposes only and shall not be used in the interpretation of this Agreement.

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

HAWTHORN RESOURCES CORP.

Per: (Signed) "*Daniel Joyce*"
Authorized Signatory

VENUS CORPORATE SERVICES INC.

Per: (Signed) "*Surita Banger*"
Authorized Signatory