

SINGER OPTION AGREEMENT

THIS AGREEMENT made as of October 6, 2021

BETWEEN:

SHAWN RYAN, a businessperson having an address at 40 Drift Drive, Whitehorse, Yukon Territory, Y1A 0B2 (Fax: 867-667-7127; Email sryan@ryanwoodexploration.com)

("Ryan")

AND:

WILDWOOD EXPLORATION INC., a Yukon corporation with a business address at 40 Drift Drive, Whitehorse, Yukon Territory, Y1A 0B2 (Fax: 867-667-7127; Email sryan@ryanwoodexploration.com)

("Wildwood")

AND:

TARGA EXPLORATION CORP., a corporation incorporated under the laws of British Columbia and having its head office at Suite 700, 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7 (Email: jon@inventacapital.ca)

(the "Optionee")

WHEREAS:

- A. Ryan is the owner of an interest, recorded as to a 70% interest, and Wildwood is the owner of an interest, recorded as to a 30% interest, in those mineral claims situated in the Mayo Mining District, Yukon Territory, more particularly described in Schedule "A" attached hereto, which are generally known and described as the "Singer Property" (collectively, the "**Property**"); and
- B. The Optionee desires to obtain an option from Ryan and Wildwood, and collectively, Ryan and Wildwood have agreed to grant to the Optionee an option to acquire an undivided 100% right, title and interest in and to the Property.

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

SECTION 1 - INTERPRETATION

1.1 **Definitions.** In this Agreement:

- (a) "**Act**" means the *Quartz Mining Act* (Yukon), as amended from time to time;
- (b) "**Advance Royalty**" has the meaning set forth in Section 12.
- (c) "**Commercial Production**" means, and is deemed to have commenced:

- (i) if a plant is located on the Property, when the plant processing ores, for other than testing or commissioning purposes, has operated for a period of 30 production days at an average rate of not less than 60% of design capacity; or
 - (ii) if a plant is not located on the Property, when ores have been shipped from the Property for a period of 30 days during which ore has been shipped from the Property on a reasonably regular basis for the purpose of earning revenues;
- (d) “**Common Shares**” means common shares of the Optionee;
- (e) “**Exchange**” means the TSX Venture Exchange or the CSE Canadian Securities Exchange, being the Exchange the Optionee completes a listing with;
- (f) “**Expenditures**” means all costs, expenses charges, obligations and liabilities actually incurred of whatever kind or nature expended, or incurred directly or indirectly by or on behalf of a Party on or with respect to the Property, including, without limitation, all monies expended in maintaining the Property in good standing, doing geophysical, geochemical and geological surveys, drilling, drifting and other surface and underground work, assaying and metallurgical testing and engineering; in preparing engineering or technical reports; in acquiring facilities for the Property and equipping the Property for and commencing Commercial Production, including, without limitation, all taxes, management, legal and land fees associated with the management of the Property, net smelter returns royalty and/or net profits interest payments or pre-payments as the case may be; in paying the fees, wages, salaries, travelling expenses, and fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property; in paying for the food, lodging and other reasonable needs of such persons and including all costs at prevailing charge out rates for any personnel who from time to time are engaged directly in work on the Property, such rates to be in accordance with industry standards;
- (g) “**Lien**” means any lien, security interest, mortgage, charge, encumbrance, or other claim of a third party, whether registered or unregistered, and whether arising by agreement, statute or otherwise;
- (h) “**Net Smelter Returns**” means actual proceeds received by the Optionee from any mint, smelter, refinery or other purchaser from the sale of minerals, concentrates, metals (including bullion) or other products produced from the Property and sold, after deducting from such proceeds the following charges levied by third parties to the extent that they are not deducted by a smelter, a milling facility or other purchaser in computing payment:
 - (i) reasonable costs of transportation and handling of the minerals, concentrates, metals (including bullion) or other products from the Property to such smelter, milling facility or other purchaser;
 - (ii) any smelting, milling and refining charges, including penalties; and
 - (iii) marketing and insurance costs in respect of such minerals, concentrates, metals (including bullion) or other products produced from the Property;
- (i) “**Operator**” means the party responsible for carrying out, or causing to be carried out, all work in respect of the Property during the currency of the Option;

- (j) **“Option”** means the option granted to the Optionee by Ryan and Wildwood in accordance with Section 3.1;
- (k) **“Parties”** means the Optionee, Ryan and Wildwood, and each of them is a **“Party”**;
- (l) **“Royalty Holder”** means Ryan and Wildwood, with Ryan as to a 70% interest, and Wildwood as to a 30% interest; and
- (m) **“Tie In Property”** has the meaning set forth in Section 7.

SECTION 2 - REPRESENTATIONS AND WARRANTIES

2.1 Ryan hereby represents and warrants to the Optionee that:

- (a) he is of the age of majority and has full power, authority and capacity to enter into this Agreement and to carry out his obligations under this Agreement and is qualified to carry on business in the Yukon Territory.

2.2 Wildwood hereby represents and warrants to the Optionee that:

- (a) it is a corporation duly incorporated and organised and validly existing under the *Business Corporations Act* (Yukon);
- (b) it has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and is qualified to carry on business in the Yukon Territory;
- (c) it has been duly authorized to enter into, and to carry out its obligations under, this Agreement and no obligation of it in this Agreement conflicts with or will result in the breach of any term in:
 - (i) its notice of articles or articles; or
 - (ii) any other agreement to which it is a party.

2.3 Ryan and Wildwood jointly and severally represent and warrant to the Optionee that:

- (a) (i) the claims comprising the Property were properly recorded and filed with appropriate governmental agencies; (ii) all assessment work required to hold the mineral claims comprising the Property has been performed and all governmental fees have been paid and all filings required to maintain the mineral claims comprising the Property in good standing until at least the dates specified in Schedule “A” attached hereto have been properly and timely recorded or filed with appropriate governmental agencies; (iii) they have no knowledge of conflicting mineral claims;
- (b) the Property is properly and accurately described in Schedule "A" hereto;
- (c) Ryan and Wildwood are collectively the owner of a 100% registered and beneficial interest in the Property and the Property is free and clear of all Liens and third party interests;
- (d) there has been no known spill, discharge, deposit, leak, emission or other release of any contaminant, pollutant, dangerous or toxic substance, or hazardous waste on, into, under

or affecting the Property and no such contaminant, pollutant, dangerous or toxic substance, or hazardous waste is stored in any type of container on, in or under the Property, except as necessary to carry on exploration on the Property;

- (e) there are no pending or threatened actions, suits, claims or proceedings regarding the Property; and
- (f) Ryan and Wildwood are not non-residents of Canada for the purposes of Section 116 of the *Income Tax Act (Canada)*.

2.4 The Optionee hereby represents and warrants that:

- (a) it is a corporation duly incorporated and organised and validly existing under the *Business Corporations Act (British Columbia)*;
- (b) it has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and is qualified to carry on business in its jurisdiction of incorporation;
- (c) it has been duly authorized to enter into, and to carry out its obligations under, this Agreement and no obligation of it in this Agreement conflicts with or will result in the breach of any term in:
 - (i) its notice of articles or articles; or
 - (ii) any other agreement to which it is a party.

2.5 Each Party's representations and warranties set out above will be relied on by the other Parties in entering into the Agreement and shall survive the execution and delivery of the Agreement. Each Party shall indemnify and hold harmless the other Parties for any loss, cost, expense, claim or damage, including legal fees and disbursements, suffered or incurred by the other Parties at any time as a result of any misrepresentation or breach of warranty arising under the Agreement.

SECTION 3 - OPTION

3.1 Ryan and Wildwood hereby jointly grant to the Optionee the sole and exclusive right and option to acquire an undivided 100% right, title and interest in and to the Property on the terms set out herein.

3.2 In order to maintain this Agreement in good standing and exercise the Option, the Optionee must:

- (a) pay to Wildwood an aggregate of \$750,000, as follows:
 - (i) \$50,000, within ten business days after execution of this Agreement;
 - (ii) \$100,000 on or before the first anniversary of the date of this Agreement;
 - (iii) \$100,000 on or before the second anniversary of the date of this Agreement;
 - (iv) \$100,000 on or before the third anniversary of the date of this Agreement;
 - (v) \$150,000 on or before the fourth anniversary of the date of this Agreement; and

- (vi) \$250,000 on or before the fifth anniversary of the date of this Agreement;
- (b) incur Expenditures in the aggregate amount of not less than \$2,850,000, as follows:
 - (i) in the amount of \$100,000 on or before November 15, 2021;
 - (ii) in the additional amount of \$250,000 on or before November 15, 2022;
 - (iii) in the additional amount of \$250,000 on or before November 15, 2023;
 - (iv) in the additional amount of \$500,000 on or before November 15, 2024;
 - (v) in the additional amount of \$750,000 on or before November 15, 2025;
 - (vi) in the additional amount of \$1,000,000 on or before November 15, 2026;
- (c) issue and deliver to Ryan an aggregate of 4,000,000 Common Shares, as follows:
 - (i) 500,000 Common Shares within ten business days after the date of this Agreement;
 - (ii) an additional 500,000 Common Shares on or before the first anniversary of the date of this Agreement;
 - (iii) an additional 600,000 Common Shares on or before the second anniversary of the date of this Agreement;
 - (iv) an additional 650,000 Common Shares on or before the third anniversary of the date of this Agreement;
 - (v) an additional 750,000 Common Shares on or before the fourth anniversary of the date of this Agreement; and
 - (vi) an additional 1,000,000 Common Shares on or before the fourth anniversary of the date of this Agreement.

3.3 All of the payment, Expenditures and share issuances contemplated herein may be accelerated at the Optionee's option, and sole discretion, and Expenditures incurred by any date in excess of the amount of Expenditures required to be incurred by such date in order to exercise the Option shall be carried forward to the succeeding period and qualify as Expenditures for the succeeding period.

3.4 The Optionee will have the right to terminate this Agreement at any time up to the date of exercise of the Option by giving notice in writing of such termination to Ryan and Wildwood, and in the event of such termination, this Agreement will, except for the provisions of Sections 2.5, 5.2 and 6, be of no further force and effect save and except for any obligations of the Optionee incurred prior to the effective date of termination.

3.5 Forthwith upon satisfaction of the provisions of Section 3.2 on the terms set out herein, the Optionee will, and will be deemed for all purposes hereof to have exercised the Option and to thereupon have acquired an undivided 100% right, title and interest in and to the Property pursuant to this Agreement free of any Liens and Ryan and Wildwood shall thereupon deliver to the Optionee duly executed transfer documents in recordable form sufficient to transfer to the Optionee or its nominee an undivided 100% right, title and interest in and to the Property free of any Liens.

3.6 The Optionors hereby acknowledge that:

- (a) the Optionee is not a "reporting issuer" or the equivalent in any jurisdiction;
- (b) there is no market through which the Common Shares may be sold;
- (c) the Common Shares issued will be subject to restrictions on resale and/or escrow restrictions under applicable securities laws of Canada, and the certificates evidencing the Shares will bear a legend to that effect;

and the Optionors covenant and agree with the Optionee to abide by all such resale restrictions and to enter into an escrow agreement if required by the Exchange.

3.7 The Common Shares are not currently listed on any stock exchange and there may never be a market for the sale of such securities. The Common Shares may not be transferred without the written consent of the board of directors of the Optionee, which consent may not be unreasonably withheld.

3.8 Notwithstanding the provisions of Section 3.2(c), if the Optionee fails to incur the required Expenditures within any of the time frames set out in Section 3.2(c) the Optionee may make a cash payment to the Optionor in lieu of the deficiency in such required Expenditures at any time within a period of 30 days immediately following the final date for completion of such required Expenditures. Any cash payment so made will be deemed to have been Expenditures duly and properly incurred and the option will remain in full force and effect.

3.9 Expenditures incurred by the Optionee exceeding the amount of Expenditures required to be incurred within any period will be carried forward to the succeeding period and qualify as Expenditures.

3.10 Notwithstanding the provisions of Section 3.2, if the Optionee fails to make any of the required cash payments and share issuances within any of the time frames set out in Section 3.2(a) or Section 3.2(c) or fails to incur any of the required Expenditures within any of the time frames set out in Section 3.2(b), the Optionee will retain its right to exercise the Option unless the Optionor delivers notice to the Optionee specifying the nature of such default and the Optionee does not use reasonable efforts in good faith to rectify such default within 30 days of the receipt of notice of such default from the Optionor.

3.11 Expenditures will be deemed to have been incurred by the Optionee when the Optionee has expended funds or has received goods or services from third parties for which the Optionee has an obligation to make payment, whether or not payment has been made. Where Expenditures are charged to the Optionee by an affiliate of the Optionee for services rendered by such affiliate, such Expenditures will not exceed the fair market value of the services rendered. A certificate of an officer of the Optionee setting forth the Expenditures incurred by the Optionee in reasonable detail will be prima facie evidence of the same

SECTION 4 - COVENANTS OF RYAN AND WILDWOOD

4.1 During the currency of this Agreement, Ryan and Wildwood shall:

- (a) not do any other act or thing which would or might in any way adversely affect the rights of the Optionee hereunder;
- (b) make available to the Optionee and its representatives all available relevant technical data, geotechnical reports, maps, digital files and other data with respect to the Property in

Ryan's or Wildwood's possession or control, including soil samples, and all records and files relating to the Property and permit the Optionee and its representatives at their own expense to take abstracts therefrom and make copies thereof;

- (c) promptly provide the Optionee with any and all notices and correspondence received by Ryan or Wildwood from government agencies in respect of the Property;
- (d) cooperate fully with the Optionee in obtaining any surface and other rights on or related to the Property as the Optionee deems desirable;
- (e) grant to the Optionee, its employees, agents and independent contractors, the sole and exclusive right and option to:
 - (i) enter upon the Property;
 - (ii) have exclusive and quiet possession thereof;
 - (iii) do such prospecting, exploration, development or other mining work thereon and thereunder as the Optionee in its sole discretion may consider advisable;
 - (iv) bring and erect upon the Property such equipment and facilities as the Optionee may consider advisable; and
 - (v) remove from the Property and dispose of material for the purpose of testing.

4.2 The covenants, agreements, obligations, representations and warranties of Ryan and Wildwood in this Agreement are made, given and enforceable by the Optionee against Ryan and Wildwood jointly and severally. In addition, delivery of any and all certificates, notices, and documents by the Optionee to either of Ryan or Wildwood will be deemed, under this Agreement, to be a valid and acceptable delivery by the Optionee to both of Ryan and Wildwood.

SECTION 5 - COVENANTS OF THE OPTIONEE

5.1 During the currency of the Option, the Optionee shall:

- (a) keep the Property free and clear of all Liens arising from its operations hereunder (except liens for taxes not yet due, other inchoate liens or liens contested in good faith by the Optionee) and proceed with all diligence to contest or discharge any Lien that is filed;
- (a) maintain the Property in good standing under the Act by annually filing all necessary assessment reports for Expenditures incurred with the appropriate government offices, to the maximum extent permissible under the Act, and taking all other actions necessary in that regard;
- (b) pay or cause to be paid all workers and wage earners employed by it or its contractors on the Property, and pay for all materials, services and supplies purchased or delivered in connection with its activities on or with respect to the Property;
- (c) permit Ryan or Wildwood, or their representatives duly authorized by them in writing, at their own risk and expense, access to the Property at all reasonable times and to all records and reports, if any, prepared by the Optionee in connection with work done on or with

respect to the Property, and furnish Ryan and Wildwood within 60 days of the completion of a program on the Property with a report with respect to the work carried out by the Optionee on or with respect to said program and material results obtained;

- (d) conduct all work on or with respect to the Property in a careful and minerlike manner and in compliance with all applicable federal, provincial and local laws, rules, orders and regulations, and indemnify and save Ryan and Wildwood harmless from any and all claims, suits, demands, losses and expenses including, without limitation, with respect to environmental matters, made or brought against it as a result of work done or any act or thing done or omitted to be done by the Optionee on or with respect to the Property; and
- (e) provide to Ryan and Wildwood within 60 days of the end of each calendar quarter during which any Expenditures have been incurred comprehensive written reports showing the operations carried out and the results obtained and detailing the Expenditures incurred together with evidence of payment thereof.

5.2 In the event of termination of the Option for any reason other than through the exercise thereof, the Optionee will:

- (a) leave the Property:
 - (i) with all necessary assessment work required to be filed pursuant to paragraph 5.1(b) and in good standing for a period of at least one (1) year with respect to the filing of required assessment reports (or payment in lieu) as required under the Act, and free and clear of all Liens arising from its operations hereunder,
 - (ii) in a safe and orderly condition, and
 - (iii) in a condition which is in compliance with all rules and orders of governmental authorities with respect to reclamation and rehabilitation of all disturbances resulting from the Optionee's use and occupancy of the Property;
- (b) deliver to Ryan and Wildwood, within 90 days of a written request therefor, a report on all work carried out by the Optionee on the Property (limited to factual matters only) together with copies of all sample location maps, drill hole assay logs, assay results and other technical data compiled by the Optionee or its representatives with respect to the Property; and
- (c) have the right (and, if requested by Ryan and Wildwood within 90 days of the effective date of termination, the obligation) to remove from the Property within one year of termination of this Agreement all facilities erected, installed or brought upon the Property by or at the instance of Optionee, failing which, the facilities shall become the property of Ryan and Wildwood.

SECTION 6 - CONFIDENTIALITY

6.1 All matters concerning the execution and contents of this Agreement and the Property shall be treated as and kept confidential by the Parties and there shall be no public release of any information concerning the Property, except where such release: (i) is of information that is now or hereafter becomes publicly available, other than by reason of the disclosing Party's failure to comply with this Agreement; or (ii) is required by law, by a court, by a regulatory authority having jurisdiction, or according to the rules,

by-laws, policies, disclosure standards or codes of professional conduct or ethics of any applicable stock exchange, regulatory authority having jurisdiction or applicable statutorily recognized professional association. Notwithstanding the foregoing, the Parties are entitled to disclose confidential information to prospective investors or lenders, who shall be required to keep all such confidential information confidential.

6.2 Ryan and Wildwood acknowledge that, in order to comply with applicable securities laws and the rules and policies of the Exchange, Ryan and Wildwood will be required to provide certain personal information to the Optionee. Such information is being collected by the Optionee for the purposes of seeking the Exchange's acceptance for filing of this Agreement and otherwise complying with applicable securities laws and the rules and policies of the Exchange, including, without limitation, determining Ryan's and Wildwood's eligibility to acquire securities of the Optionee pursuant to this Agreement. By entering into this Agreement, Ryan and Wildwood are deemed to be consenting to the foregoing collection, use and disclosure of their personal information (and, if applicable, any shareholder, officer, or director's information).

SECTION 7 - TIE IN PROPERTY

7.1 In this section, the words "claims adjoining" means those mineral claims that come into direct contact one with the other at some point on the boundary lines or that share an immediate common boundary.

7.2 Subject to Section 7.3, in the event any Party acquires, after the date of this Agreement, directly or indirectly, any interest in any new property which has mineral claims adjoining any part of the Property (a "Tie In Property"), the acquiring Party must disclose this acquisition promptly to the other Parties and the acquiring Party's entire Tie In Property shall form part of the Property and become subject to the terms of this Agreement.

7.3 For greater certainty,

- (a) only a Tie In Property shall form part of the Property, and no additional properties, however acquired, beyond a Tie In Property boundary shall form part of the Property, unless agreed to in writing between the Parties; and
- (b) notwithstanding Section 7.2, except for mineral claims acquired by the Optionee by new staking under the Act carried out by or on behalf of the Optionee, no mineral claim or other property interest acquired by the Optionee, after the date of this Agreement, directly or indirectly, will be a Tie In Property.

SECTION 8 - FORCE MAJEURE/TERMINATION

8.1 No Party will be liable for its failure to perform any of its obligations, or meet any requirement, under this Agreement due to a cause beyond its reasonable control including any laws or changes in any laws, action or inaction of civil or military authority, interference by First Nations or First Nations rights groups, environmentalists or other activists, terrorism, inability to obtain any licence, permit or other authorization that may be required, unusually severe weather, storms, fire, explosion, flood, insurrection, riot, labour dispute, inability after commercially reasonable efforts to obtain workers, equipment or material, delay in transportation, pandemics and acts of God, but not including lack of funds (an "**Intervening Event**") and all time limits imposed by this Agreement will be extended by a period equivalent to the period of delay resulting from an Intervening Event.

8.2 This Agreement and the Option shall terminate if (a) the Optionee is in default in performing any requirement herein set forth and has failed to take reasonable steps to cure such default within 30 days after the giving of a written notice of default by Ryan or Wildwood, or (b) at any other time, by the Optionee giving notice of such termination to Ryan and Wildwood.

8.3 The Optionee acknowledges the desire of Ryan and Wildwood to obtain liquidity for the Common Shares of the Optionee it receives pursuant to this Agreement. Provided the Optionee has not terminated this Agreement, the Optionee agrees that it will obtain board approval and take commercially reasonable steps to pursue a transaction which (i) results in the shares of the Optionee becoming listed on a nationally recognized stock exchange (through an initial public offering or otherwise), (ii) results in the shareholders of the Optionee receiving cash or shares of another company listed on a nationally recognized exchange, or (iii) results in the shareholders of the Optionee receiving shares of another company which is listed on a nationally recognize exchange (by way of a share dividend or otherwise), each of which are described herein as a "Liquidity Event". In the event that a Liquidity Event is not completed by March 1, 2022 other than as a result of inordinate delays on the part of the Exchange or other securities regulators, then Ryan and Wildwood may, and their sole remedy for failure to complete a Liquidity Event shall be to, terminate this Agreement and the Option, both of which shall be of no further force and effect save and except for any obligations of the Optionee incurred, or benefits received by the Optionor, prior to the effective date of termination, by delivering written notice to the Optionee.

SECTION 9 - OPERATOR

9.1 During the term of this Agreement, the Optionee shall be the Operator for purposes of developing and executing exploration programs to complete the Expenditures.

SECTION 10 - ROYALTY

10.1 Upon the commencement of Commercial Production with respect to the Property, the Optionee (the "**Payor**") shall pay to the Royalty Holder, in accordance with their respective interests, a Net Smelter Returns royalty (the "**Royalty**"), being equal to 2.5% of Net Smelter Returns. The Payor shall be entitled at any time and from time to time to purchase that portion of the Royalty equal to 1.0% of Net Smelter Returns (leaving 1.5% of the Royalty to the Royalty Holder) from the Royalty Holder for \$2,000,000.

10.2 Instalments of the Royalty payable shall be paid by the Payor to the Royalty Holder within 30 days after the receipt by the Payor of the payment from the smelter, refinery or other place of treatment of the proceeds of sale of the minerals, ore, concentrates or other product from the Property.

10.3 Within 120 days after the end of each fiscal year, commencing with the year in which commencement of Commercial Production occurs, the accounts of the Payor relating to operations on the Property and the statement of operations, which shall include the statement of calculation of the Royalty for the year last completed, shall be audited by the independent auditors of the Payor at its expense. The Royalty Holder shall have 60 days after receipt of such statements to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct and unimpeachable thereafter.

10.4 If such audited financial statements disclose any overpayment by the Payor of the Royalty during the fiscal year, the amount of the overpayment shall be deducted from future instalments of Royalty payable.

10.5 If such audited financial statements disclose any underpayment by the Payor of the Royalty during the year, the amount thereof shall be paid to the Royalty Holder forthwith after determination thereof.

10.6 The Payor agrees to maintain for each mining operation on the Property, up-to-date and complete records relating to the production and sale of minerals, ore, bullion and other product from the Property, including accounts, records, statements and returns relating to treatment and smelting arrangements of such product. The Royalty Holder shall have the right to have such accounts audited by independent auditors at its own expense once each fiscal year.

10.7 Notwithstanding any other provision of this Agreement, the Royalty Holder shall have the right, at any time and from time to time, to assign, transfer, convey, mortgage, pledge or charge all, but not less than all, of the Royalty and its interest in and to this Agreement applicable to such Royalty, and the Payor covenants and agrees that it shall be bound by and shall perform, and that it will acknowledge in writing in favour of such assignee, transferee, mortgagee, pledgee or chargee that it is bound by and shall perform, the terms of this Agreement upon any such assignment, transfer, conveyance, mortgage, pledge or charge. The Royalty Holder shall notify the Payor in writing of any such assignment, transfer or conveyance, confirming the identity of such transferee and the appropriate contact information for such transferee.

SECTION 11 - ROYALTY - ADVANCE PAYMENT

11.1 If the Optionee exercises the Option by making all of the option payments, Expenditures or share issues described in Section 3.2, the Optionee shall make annual advance Royalty payments of \$25,000 (the "Advance Royalty") to the Royalty Holder, in accordance with their respective interests, commencing December 31, 2027 and continuing each year thereafter until commencement of Commercial Production.

11.2 The Royalty Holder may elect, by notice in writing to the Optionee no later than December 1 of each year that the Advance Royalty is payable, to receive the Advance Royalty in cash (payable by cheque or bank draft) or, subject to the acceptance for filing thereof by the Exchange on behalf of the Optionee, that number of Common Shares as is equal to the Advance Royalty then payable divided by the average closing price of the Common Shares over the 10 trading days immediately preceding the due date for such Advance Royalty, failing such election the Advance Royalty then due shall be paid in cash.

11.3 Any Advance Royalty paid by the Optionee will be deducted from the Royalty payable after commencement of Commercial Production.

11.4 In the event that the Optionee does not pay an Advance Royalty as and when due, then the provisions of Section 12.5 will apply, if:

- (a) the Royalty Holder provides the Optionee a written notice of default; and
- (b) the Optionee has not, within 15 calendar days of delivery of the notice of default, made such payment, if a cash payment, by bank draft, certified cheque or solicitor's trust cheque or, if a payment in Common Shares, by delivery of share certificates, to the Royalty Holder or their solicitor.

11.5 If the Optionee has not paid the Advance Royalty as required herein, notice has been provided to the Optionee pursuant to paragraph 12.4(a), and the Optionee has not made payment as provided in paragraph 12.4(b), then:

- (a) interest shall accrue on the unpaid amount of the Advance Royalty from the due date at a rate of Twenty (20%) Per Cent per annum, calculated annually; and

- (b) the Optionee may not transfer, convey, assign, mortgage, grant an option in respect of, grant a right to purchase or in any other manner dispose of or alienate any or all of its interest in the Property without the prior written consent of the Royalty Holder, which may be unreasonably withheld or delayed until receipt of payment of the Advance Royalty.

SECTION 12 - GENERAL

12.1 **Assignment.** Any assignment of this Agreement or any rights hereunder in the Property shall be effected by delivering notice to that effect to the other Parties provided the assignee agrees in writing to be bound by the terms of this Agreement. No Party shall be entitled to assign this Agreement or any rights hereunder in the Property without the prior written consent of the other Parties, such consent not to be unreasonably withheld. For greater certainty, nothing herein shall prevent any of the Parties from entering into any corporate reorganization, merger, amalgamation, takeover bid, plan of arrangement, or any other such corporate transaction which has the effect of, directly or indirectly, selling, assigning, transferring, or otherwise disposing of all or a part of the rights under this Agreement to a purchaser.

12.2 **Binding.** This Agreement inures to the benefit of and binds the Parties and their respective successors and permitted assigns.

12.3 **Further Assurances.** Each Party shall from time to time promptly execute and deliver all further documents and take all further action reasonably necessary or desirable to give effect to the terms and intent of this Agreement.

12.4 **Amendment.** No amendment, supplement or restatement of any term of this Agreement is binding unless it is in writing and signed by all Parties.

12.5 **Notice.** Any notice or other communication required or permitted to be given under this Agreement must be in writing and shall be effectively given if delivered personally or by overnight courier or if sent by fax, addressed in the case of notice to Ryan, Wildwood or the Optionee, as the case may be, to its address set out on the first page of this Agreement. Any notice or other communication so given is deemed conclusively to have been given and received on the day of delivery when so personally delivered, on the day following the sending thereof by overnight courier, and on the same date when faxed (unless the notice is sent after 4:00 p.m. (Vancouver time) or on a day which is not a business day, in which case the fax will be deemed to have been given and received on the next business day after transmission). Any Party may change any particulars of its name, address, contact individual or fax number for notice by notice to the other Parties in the manner set out in this Section 13.5. No Party shall prevent, hinder or delay or attempt to prevent, hinder or delay the service on that Party of a notice or other communication relating to this Agreement.

12.6 **Counterparts.** This Agreement may be validly executed and delivered by the Parties in any number of separate counterparts and all counterparts, when executed and delivered, will together constitute one and the same instrument. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) will be treated as originals, fully binding and with full legal force and effect, and the Parties waive any rights they may have to object to such treatment.

12.7 **Severability.** If any term of this Agreement is or becomes illegal, invalid or unenforceable, that term shall not affect the legality, validity or enforceability of the remaining terms of this Agreement.

12.8 **Schedules.** The schedules referenced herein and attached to this Agreement, are incorporated into and form part of this Agreement.

12.9 **Time.** Time is of the essence of this Agreement.

12.10 **Governing Law.** Except for matters relating to title to the Property and the Royalty, which shall be governed by the laws of the Yukon Territory, this Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia, without regard for any conflict of laws or choice of laws principle that would permit or require the application of the laws of any other jurisdiction, and the Parties irrevocably submit to the exclusive jurisdiction of the courts located in the Province of British Columbia or, with respect to matters relating to title to the Property or the Royalty, located in the Yukon Territory

12.11 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter herein and supersedes all prior arrangements, negotiations, discussions, undertakings, representation, warranties and undertakings, whether written or oral.

The Parties hereto intending to be legally bound have executed this Agreement as of the date and year first written above.

Witness:

(signed) "Shawn Ryan"
SHAWN RYAN

(signed)
(Signature)

[Redacted]
(Print Name)

[Redacted]
(Address)

Wildwood Exploration Inc.

By: (signed) Shawn Ryan
Authorized Signatory

Targa Exploration Corp.

By: (signed) "Jon Ward"
Authorized Signatory

SCHEDULE A

DESCRIPTION OF THE PROPERTY

Claim Name and Number	Grant Number	Expiry Date
CA 1 - 8	YC11620 – YC11627	2022/01/27
LS 1 – 8	YC11612 – YC11619	2022/01/27
RA 1 – 8	YC11628 – YC11635	2022/01/27
SF 1 – 6	YC11636 – YC11641	2022/01/27
Shanghai 1 – 60	YC11642 – YC11701	2022/01/27
Shanghai 61-65	YC57330 – YC57334	2022/01/27
Shanghai 66-86	YC57561 – YC57581	2022/01/27
SR 1 – 8	YC11604 – YC11611	2022/01/27

SR