

**THIS MINERAL PROPERTY OPTION AGREEMENT** is dated and made for reference the 9th day of November, 2021 (the “**Effective Date**”).

**AMONG:**

**CANAL FRONT INVESTMENTS INC.**, a corporation having an office located at #97 Cranberry Court, Port Moody, British Columbia, V3H 0C4 (email: criercapital@yahoo.com)

(“**Canal**”)

**AUBREY BUDGELL**, Businesswoman, of 59 Bayview Heights, Triton, Newfoundland, A0J 1V0 (email: aubreybudgell@hotmail.com)

(“**Aubrey**”)

**GARY LEWIS**, Businessman, of 28 Loins Crescent, Unit 8, CBS. South, Newfoundland, A1W 4M2 (email: garylewis1959@gmail.com)

(“**Gary**”)

**LEN LEWIS**, Businessman, of 31 Whitmore Street, Grand Falls Windsor, Newfoundland, A2B 1B9 (email: len\_lewis@hotmail.com)

(“**Len**”)

**NIGEL LEWIS**, Businessman, of 59 Blade Crescent, Mount Pearl, Newfoundland, A1N 5K9 (email: nigel.lewis.gfw@gmail.com)

(“**Nigel**”)

**MARK STOCKLEY**, Businessman, of P.O.BOX 115, Gambo, Newfoundland, A0G 2E0 (email: markstockley1977@gmail.com)

(“**Mark**”)

(Canal, Aubrey, Gary, Len, Nigel and Mark collectively referred to as the “**Optionors**”)

**AND:**

**SORRENTO RESOURCES LTD.**, a corporation having an office located at 9285 - 203B Street, Langley, British Columbia, V6C 2C2 (email: brayden.sutton@gmail.com)

(the “**Optionee**”)

**WHEREAS:**

- A. The Optionors hold a 100% interest in the mineral property claims located in the Province of Newfoundland & Labrador as more particularly described in Schedule “A” attached hereto (the “**Claims**”);
- B. The Claims are in the process of being transferred by the current registered holders of the Claims (as set out in Schedule “A”) to the Optionors; and
- C. The Optionors wish to grant to the Optionee the option to acquire all of its right, title and interest in and to the Claims, and the Optionee wishes to accept such grant on the terms and subject to the conditions as are more particularly set forth herein;

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that for and in consideration of the premises, the mutual covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. OPTION**

1.1 For the purposes of this Agreement, “**Expenditures**” means any amounts spent by the Optionee, directly or indirectly, on or in connection with the Claims for the purposes of ascertaining the existence, location, quality, quantity or commercial value of deposits of minerals on the Claims, include all expenses directly benefiting the Claims and the prospecting, exploration, evaluation, development and maintenance thereof.

1.2 The Optionors hereby grant to the Optionee the option (the “**Option**”) to purchase the Claims free and clear of all liens, charges, and encumbrances. The Option shall be exercisable by the Optionee completing a series of cash payments to the Optionors totaling \$85,000, issuing 3,000,000 common shares of the Optionee to the Optionors, incurring \$200,000 of Expenditures on the Claims and delivering a technical report in respect of the Claims, prepared by an independent qualified person in accordance with the requirements of National Instrument 43-101 (the “**Technical Report**”) as follows (in accordance with the allocations set forth in subsection 1.5 herein):

- (a) make a cash payment of \$35,000 within 21 days of signing of this Agreement;
- (b) incurring \$90,000 of Expenditures on the Claims and deliver the Technical Report, on or before November 30, 2022;
- (c) issue 1,000,000 common shares to the Optionors on or before the earlier of (i) listing of the Optionee’s common shares on the Canadian Securities Exchange (the “**Listing Date**”), and (ii) November 30, 2022; and
- (d) make a further cash payment of \$50,000 and issue a further 2,000,000 Shares to the Optionors and incur a further \$200,000 of Expenditures on the Claims on or before the earlier of (i) the first anniversary of the Listing Date, and (ii) November 30, 2023.

1.3 Following completion of the cash payments, common share issuances, Expenditures and Technical Report set forth above, the Optionee shall have exercised the Option in full and shall be the beneficial owner of the Claims subject to the reservation by the Optionors of a 3.0% net smelter returns royalty interest calculated in accordance with the terms set out in Schedule “B” attached hereto (the “**Optionor’s NSR**”).

1.4 At any time following the exercise of the Option, the Optionee will have the right to purchase two-thirds of the Optionors’ NSR from the Optionors at any time for \$1,000,000, leaving the Optionors with a 1%

NSR.

1.5 The cash payments, common share issuances and NSR allocations pursuant to sections 1.2, 1.3 and 1.4 shall be allocated to the Optionors as follows:

<b>Optionor</b>	<b>Cash s.1.2(a)</b>	<b>Shares s. 1.2(c)</b>	<b>Cash s. 1.2(d)</b>	<b>Shares s. 1.2(d)</b>	<b>NSR s. 1.3 &amp; s. 1.4</b>
Canal	-	500,000	\$25,000	1,000,000	50%
Aubrey	\$25,000	180,000	\$5,000	360,000	12.5%
Gary	\$10,000	180,000	\$5,000	360,000	12.5%
Len	-	50,000	\$5,000	100,000	12.5%
Nigel	-	50,000	\$5,000	100,000	12.5%
Mark	-	40,000	\$5,000	80,000	-
<b>TOTAL:</b>	<b>\$35,000</b>	<b>1,000,000</b>	<b>\$50,000</b>	<b>2,000,000</b>	<b>100%</b>

1.6 All common shares issuable by the Optionee hereunder shall be subject to such resale restrictions and legends as may be imposed by the applicable securities laws and the Canadian Securities Exchange and subject to adjustment in the event of any reorganization of the authorized capital of the Optionee by way of consolidation, merger, sub-division, amalgamation, rights offering or otherwise, or the payment of any stock dividends. In addition, 875,000 of the common shares issued to the Optionors pursuant to subsection 1.2(c) above will be restricted from resale as follows:

- (a) 125,000 common shares will be restricted for a period of three (3) months following the Listing Date;
- (b) 125,000 common shares will be restricted for a period of six (6) months following the Listing Date;
- (c) 125,000 common shares will be restricted for a period of nine (9) months following the Listing Date;
- (d) 125,000 common shares will be restricted for a period of twelve (12) months following the Listing Date;
- (e) 125,000 common shares will be restricted for a period of fifteen (15) months following the Listing Date
- (f) 125,000 common shares will be restricted for a period of eighteen (18) months following the Listing Date; and
- (g) 125,000 common shares will be restricted for a period of twenty-one (21) months following the Listing Date.

All share certificates representing the common shares will bear appropriate restrictive legends to give effect to the above resale restrictions and any other restrictions that may be imposed by securities laws and the policies of the Canadian Securities Exchange.

## 2. THE OPTIONORS' REPRESENTATIONS

2.1 The Optionors hereby jointly and severally represents and warrants to the Optionee that:

- (a) Canal validly exists as a corporation and is in good standing pursuant to the laws of the

jurisdiction in which it was incorporated;

- (b) Canal has the corporate power and capacity to hold an interest in the Claims, to enter into this Agreement and all documents and agreements contemplated by this Agreement to which they will be a party, and to perform their obligations under this Agreement and all documents and agreements contemplated by this Agreement to which they will be a party;
- (c) this Agreement has been duly executed and delivered by each of the Optionors and constitutes a legal, valid and binding agreement enforceable against each Optionor in accordance with its terms;
- (d) the Optionors own and possesses good and marketable title to the Claims, free and clear of all liens, charges and encumbrances;
- (e) the Claims have been duly and validly staked and recorded pursuant to the laws of the Province of Newfoundland & Labrador and are in good standing as of the date of this Agreement; and
- (f) there are no adverse claims or challenges against or to the ownership of or title to the Claims 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 Claims or any portion thereof, no taxes or rentals are due in respect of the Claims, and no person has any royalty or other interest whatsoever in production from the Claims.

2.2 The representations and warranties of the Optionors as set out in subsection 2.1 above form part of this Agreement and shall survive the acquisition of any interest in the Claims by the Optionee.

### **3. THE OPTIONEES' REPRESENTATIONS**

3.1 The Optionee represents and warrants to the Optionors that:

- (a) it validly exists as a corporation and is in good standing pursuant to the laws of the jurisdiction in which it was incorporated;
- (b) it has the corporate power and capacity to carry on its business, to enter into this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party, and to perform its obligations under this Agreement and all documents and agreements contemplated by this Agreement to which it will be a party; and
- (c) this Agreement has been duly executed and delivered by the Optionee and constitutes a legal, valid and binding agreement enforceable against the Optionee in accordance with its terms.

3.2 The representations and warranties of the Optionee as set out in subsection 3.1 above form part of this Agreement and shall survive the acquisition of any interest in the Claims by the Optionee.

### **4. ACTIVITIES PENDING EXERCISE OF THE OPTION**

4.1 Following execution of this Agreement and prior to the earlier of the exercise of the Option and the date on which this Agreement is terminated, the Optionee and its respective employees, agents, independent contractors and prospective assignees shall have the right to:

- (a) enter upon the Claims;

- (b) have exclusive and quiet possession thereof;
- (c) incur Expenditures on the Claims;
- (d) do such prospecting, exploration and development work thereon and thereunder as the Optionee may consider advisable, including the removal of ore and other materials from the Claims as may be permitted by applicable law;
- (e) be responsible for and abide by all environmental laws when entering upon the Claims; and,
- (f) advise and consult with the applicable aboriginal groups in the area in respect to all visits and work contemplated and apply for all permits, licenses and other approvals necessary to undertake operations on the Claims from applicable governmental authorities or other entities having regulatory authority over the Claims.

4.2 During such time as this Agreement is in effect, and prior to the exercise of the Option:

- (a) the Optionors shall not directly or indirectly solicit, discuss, encourage or accept any offer for the purchase, joint venture, option or financing of the Claims, or any other action with the intention or reasonably foreseeable effect of leading to a transaction contrary in intent to this Agreement;
- (b) the Optionee shall not commence any commercial mining operations or activities on the Claims; and
- (c) the Optionee shall be responsible for all expenses and fees required to keep the Claims in good standing in the Province of Newfoundland & Labrador.

## **5. TRANSFER OF CLAIMS**

5.1 As soon as practicable after the completion of the cash payments, common share issuances, Expenditures and Technical Report required to exercise the Option as set forth in section 1.2 above, but in any event not later than five days following such completion, the Optionors shall execute and make available for delivery to the Optionee a duly executed transfer of mineral title in a form acceptable for recording in the Province of Newfoundland & Labrador.

## **6. ABANDONMENT OF OPTION**

6.1 The Optionors hereby acknowledge that this Agreement is an option only, and nothing shall be construed as obligating the Optionee to complete any cash payment, common share issuance or Expenditure required herein. Prior to the exercise of the Option, the Optionee shall have the absolute right to abandon this Agreement by giving notice to the Optionors and in the event of termination this Agreement shall be of no further force or effect. Should the Optionee fail to make any cash payment, common share issuance required by section 1.2 above and within the timeline required, unless otherwise agreed between the parties, this Agreement shall automatically terminate and be of no further force or effect, without any further liability owing by the Optionee to the Optionors except as set out in section 6.3 and 6.4 below.

6.2 In the event this Agreement is terminated in accordance with section 6.1 above, the Optionee shall promptly return to the Optionors all technical data related to the Claims in its possession and shall remove all equipment brought on the Claims by the Optionee or its agents.

6.3 In the event this Agreement is terminated in accordance with section 6.1 above, the Claims must remain in good standing for one year from the date of notice of termination.

6.4 Notwithstanding section 6.2 above, and in the event that this Agreement is terminated in accordance with section 6.1 above, the Optionee shall provide to the Optionors all additional written work reports and data accumulated or compiled on the Claims by the Optionee, if any, during the term of this Agreement.

## 7. ASSIGNMENTS

7.1 Subject to sections 7.3 and 7.4, neither Optionors nor the Optionee (the “**Assigning Party**”) will assign its rights under this Agreement without the prior written consent of the other Party (the “**Non-Assigning Party**”), such consent not to be unreasonably withheld.

7.2 As a condition of any sale, transfer or other disposition of all or any part of Optionors or the Optionee’s rights or interests under this Agreement, the proposed assignee shall, prior to acquiring such rights or interests, agree to be bound by this Agreement as if it was an original party to this Agreement in the place of the Assigning Party and shall deliver a notice to that effect to the Non-Assigning Party.

7.3 Nothing in this section 7 applies to or restricts in any manner a corporate merger, consolidation, amalgamation, or reorganization related to the Optionee or the Optionors, provided the surviving entity will assume the rights, obligations, and liabilities of the affected Party to this Agreement.

7.4 A Party may assign this Agreement to an Affiliate or a subsidiary (an “**Assignee**”) of that Party. An assignment to an Assignee will be subject to the Assignee and the Assigning Party entering into an agreement with the Non-Assigning Party, in form and substance satisfactory to the Non-Assigning Party, acting reasonably, by which:

- (a) concurrently with the assignment of this Agreement by the Assigning Party to the Assignee, the legal and beneficial interest of the Assigning Party in the Assets is assigned to the Assignee; and
- (b) the Assignee agrees to assume the obligations of the Assigning Party under this Agreement and be bound by this Agreement.

## 8. ENTIRE AGREEMENT

8.1 This Agreement constitutes the entire agreement to date between the parties hereto and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the parties hereto with respect to the subject matter of this Agreement.

## 9. NOTICE

9.1 Any notice required to be given under this Agreement shall be deemed to be well and sufficiently given if delivered, if sent by prepaid registered mail in Canada or if transmitted by facsimile, email or other form of recorded communication to the respective addresses of the parties set forth above. Any notice given as aforesaid shall be deemed to have been given, if delivered, when delivered, or if mailed, or if transmitted by facsimile, or if emailed on the third business day after the date of sending thereof. Either party hereto may from time to time by notice in writing change its address for the purpose of this section.

**10. INDEPENDENT LEGAL ADVICE**

10.1 EACH OF THE OPTIONORS ADKNOWLEDGES, CONFIRMS AND AGREES THAT IT HAS HAD THE OPPORTUNITY TO SEEK AND WAS NOT PREVENTED OR DISCOURAGED BY ANY PARTY HERETO FROM SEEKING INDEPENDENT LEGAL ADVICE PRIOR TO THE EXECUTION AND DELIVERY OF THIS AGREEMENT AND THAT, IN THE EVENT THAT IT DID NOT AVAIL ITSELF WITH THAT OPPORTUNITY PRIOR TO SIGNING THIS AGREEMENT, IT DID SO VOLUNTARILY WITHOUT ANY UNDUE PRESSURE AND AGREES THAT ITS FAILURE TO OBTAIN INDEPENDENT LEGAL ADVICE SHALL NOT BE USED BY IT AS A DEFENCE TO THE ENFORCEMENT OF ITS OBLIGATIONS UNDER THIS AGREEMENT.

**11. COUNTERPARTS**

11.1 This Agreement may be executed and delivered in two or more counterparts and by facsimile or scanned electronically. Each such counterpart and facsimile or electronic scan shall be deemed an original and together shall form one and the same instrument, bearing the date set forth on the face page hereof notwithstanding the date of execution.

**12. MISCELLANEOUS**

12.1 All funds referred to under the terms of this Agreement shall be Canadian dollars. This Agreement shall be governed by the laws of the Province of British Columbia and shall enure to the benefit of and be binding upon the parties hereto and their respective successors, assigns, heirs, executors and administrators. The parties hereto agree to do or cause to be done all acts or things necessary to implement and carry into effect the provisions and intent of this Agreement. Time shall be of the essence of this Agreement.

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IN WITNESS WHEREOF this Agreement has been executed as of the day written above.

**SORRENTO RESOURCES LTD.**

**CANAL FRONT INVESTMENTS INC.**

Per: "Brayden Sutton"  
BRAYDEN SUTTON, President

Per: "Blair Naughty"  
BLAIR NAUGHTY, President

"Aubrey Budgell"  
AUBREY BUDGELL

"Gary Lewis"  
GARY LEWIS

"Len Lewis"  
LEN LEWIS

"Nigel Lewis"  
NIGEL LEWIS

"Mark Stockley"  
MARK STOCKLEY



**Schedule "A"**

**PROPERTY CLAIMS**

<b>Registered Claim Owner</b>	<b>License Number</b>	<b>Number of Claims/Blocks</b>
Len Lewis	033026M	20
Len Lewis	033028M	10
Nigel Lewis	032984M	20
Nigel Lewis	033025M	10
Unity Resources	033060M	185
Unity Resources	033061M	185
Gary Lewis	033059M	103

**Schedule "B"**

**NSR CALCULATION**

1. For the purposes of this Agreement, the term "**Net Smelter Returns**" shall mean all monies realized and actually received by the Optionee on the sale of any ores or minerals mined or extracted from the property comprising the Claims (the "**Property**") as evidenced by its returns or settlement sheets, including any premiums, bonuses and subsidies, less, if any such ores or minerals require smelting or other processing, all monies paid or payable on account of:
  - (a) loading and transportation of the ores or minerals from the Property or any mill erected on or about the Property to the smelter or other purchaser;
  - (b) smelter treatment charges or other charges levied by the purchaser;
  - (c) freight allowance and severance taxes or royalties that may be paid to any government agency having jurisdiction over the Property;
  - (d) insurance and security costs and charges;
  - (e) marketing costs and commissions; and
  - (f) penalties and other deductions whatsoever paid or payable in relation to the sale of the ores or minerals.
2. Net Smelter Returns due and payable to the Optionors hereunder shall be paid within thirty (30) days after receipt of the said actual proceeds by the Optionee, while the Property is in Commercial Production.
3. Within ninety (90) days after the end of each fiscal year of the Optionee during which the Property was in Commercial Production, the records relating to the calculation of Net Smelter Returns during that fiscal year shall be audited and any adjustments shall be made forthwith. The audited statements shall be delivered to the Optionors who shall have sixty (60) days after receipt of such statements to question in writing their accuracy and, failing such question, the statements shall be deemed correct.
4. The Optionors or its representative duly appointed in writing shall have the right at all reasonable times, upon written request, to inspect such books and financial records of the Optionee as are relevant to the determination of Net Smelter Returns and at its own expense, to make copies thereof.
5. For the purposes of the Agreement and this Schedule, "**Commercial Production**" means the operation of the Property or any portion thereof as a producing mine and the production of minerals therefrom, for a period of thirty (30) consecutive days at an average rate of not less than seventy percent (70%) of the initial rated capacity of the mine facilities, as set out in the relevant feasibility study prepared in connection with the Property, and for greater certainty does not include milling for the purpose of testing, milling by a pilot plant, or milling during an initial tune-up period of the plant of any mine shall have the meaning set forth in the Agreement, and "**commencement of Commercial Production**" means the first day after the Property has been in Commercial Production for at least thirty (30) consecutive days.