

## ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (the “**Assignment Agreement**”) is made as of May 2, 2022, by and between **Pan Pacific Resource Investments Ltd.**, an entity organized under the laws of the Province of Alberta (the “**Assignor**”), **Torr Resources Corp.**, an entity organized under the laws of the Province of Alberta (the “**Consenting Party**”), and **Cascade Copper Corp.** (the “**Assignee**”), an entity organized under the laws of the Province of Alberta.

Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Option Agreement (defined below), a copy of which is attached hereto as Schedule “A”.

**WHEREAS**, the Assignor and the Consenting Party are parties to a property option agreement between the Assignor and the Consenting Party dated November 13, 2020 (the “**Option Agreement**”), pursuant to which, and subject to the terms and conditions set forth therein, the Assignor purchased an option from the Consenting Party to acquire 100% of the Consenting Parties legal and beneficial ownership of all mineral interests in and to certain mineral claims known as the Fire Mountain Property consisting of 3 claims (the “**Claims**”) totaling 3769.84 hectares, located in the New Westminster Mining District of southwest British Columbia, and registered with the Ministry of Energy, Mines, and Petroleum of British Columbia, as more particularly as described in Schedule “A” to the Option Agreement;

**AND WHEREAS**, the Assignee has agreed to assume, and satisfy, perform, pay and discharge as and when due and payable, and otherwise be solely responsible for, all liabilities and obligations of the Assignor under the Option Agreement.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual covenants and agreements set forth herein, the Assignor, Assignee, and the Consenting Party hereby agree as follows:

1. **Assignment of Option Agreement.** On the terms and subject to the conditions of the Assignment Agreement as of the date hereof (the “**Effective Date**”), the Assignor and the Consenting Party hereby assign and transfer to Assignee, and the Assignee hereby takes assignment from the Assignor and the Consenting Party of all right, title and interest of the Consenting Party and the Assignor in and to the Option Agreement, and all rights benefits and advantages whatsoever to be derived therefrom, free and clear of all encumbrances.
2. **Assumption of Assumed Liabilities.** On the terms and subject to the conditions of the Option Agreement, the Assignee hereby agrees to be bound by the Option Agreement and to assume all of the liabilities and obligations of the Assignor to the Consenting Party under the Option Agreement.
3. **Consideration.** As consideration for the assignment of all right, title and interest of the Consenting Party and the Assignor in and to the Option Agreement, the Assignee shall pay one (1) dollar to the Assignor to assume the obligations of the Assignor under the Option Agreement.
4. **Agreement.** Nothing in this Assignment Agreement shall, or shall be deemed to, defeat, limit, alter or impair, enhance or enlarge any right, obligation, claim or remedy created by the Agreement. In the event of any conflict between this Assignment Agreement and the Option Agreement, the Option Agreement shall be the conclusive document to resolve any conflict.
5. **Successors and Assigns.** This Assignment Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.
6. **Definitive Agreement.** The parties hereto acknowledge and agree that the Assignee and the Consenting Party will enter into an amendment to the Option Agreement (“**First Amendment to the Option Agreement**”) to extend the Liquidity Event, as such term is defined in the Option Agreement, to December 30, 2022. A copy of the First Amendment to the Option Agreement is attached hereto as Schedule “B”.
7. **Further Assurances.** Each party hereto agrees to execute and deliver all such additional assignments, assumptions, releases, other documents and instruments, and do such further acts and things as may be reasonably required to effectuate completely this Assignment Agreement.

8. **Applicable Law.** This Assignment Agreement and any disputes between the parties under or related to this Assignment Agreement or the facts and circumstances leading to its execution, whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the Province of Alberta, Canada and the federal laws of Canada applicable therein, without giving effect to those principles of conflicts of laws that might otherwise require application of the laws of any other jurisdiction.
9. **Counterparts.** This Assignment Agreement may be executed by facsimile, portable document format (PDF) or other electronic means and/or in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same Assignment Agreement.

*[EXECUTION PAGE FOLLOWS]*

**IN WITNESS WHEREOF**, the parties hereto have caused this Assignment Agreement to be executed and delivered as of the date first written above.

**PAN PACIFIC RESOURCE INVESTMENTS LTD.**

By: (Signed) "Elena Clarici"  
Name: **Elena Clarici**  
Title: President, CEO and Director

**TORR RESOURCES CORP.**

By: (Signed) "Malcolm Dorsey"  
Name: Malcolm Dorsey  
Title: President and CEO

**CASCADE COPPER CORP.**

By: (Signed) "Elena Clarici"  
Name: **Elena Clarici**  
Title: President, CEO and Director

## SCHEDULE "A"

**PROPERTY OPTION AGREEMENT** effective as of the 13th day of November, 2020.

**BETWEEN:**

**PAN PACIFIC RESOURCE INVESTMENTS LTD.,**  
a corporation duly incorporated under the laws of the Province of Alberta,  
with its head office located in Calgary, Alberta  
("Pan Pacific")

**-AND-**

**TORR RESOURCES CORP.,**  
a corporation duly incorporated under the laws of the Province of Alberta,  
with its head office located in Canmore, Alberta  
("Property Owner")

(collectively, the "Parties")

**WHEREAS:**

- A. The Property Owner is the legal and beneficial owner of all mineral interests in and to certain mineral claims known as the Fire Mountain Property consisting of 3 claims (the "Claims") totaling 3769.84 hectares, located in the New Westminster Mining District of southwest British Columbia, and registered with the Ministry of Energy, Mines, and Petroleum of British Columbia, as more particularly described in Schedule "A" attached hereto (the "Property").
- B. Pan Pacific wishes to acquire the Option (as defined herein) to earn a 100% interest in and to the Property and the Property Owner is willing to grant the Option upon and subject to the terms and conditions of this Agreement.
- C. The Parties acknowledge that Pan Pacific shall form a new wholly-owned subsidiary (the "Subco") and will assign the Option to Subco, at its sole discretion, within 30 days of the execution of this Agreement. The Parties acknowledge the Property will constitute Subco's qualifying property for the purposes of meeting the initial listing requirements of the CSE (as defined herein).

**NOW THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS HEREINAFTER SET OUT, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:**

### 1. DEFINITIONS

In this Agreement, the following terms will, except where inconsistent with the context, have the following meanings:

"**Agreement**" means this property option agreement, together with the schedules attached hereto, as amended, supplemented or restated from time to time.

"**Applicable Law**" means, with respect to any person, property, transaction, event or other matter, any existing law, rule, statute, regulation, order, judgment, decree, treaty, grant, concession, franchise, license or other requirement of any federal, regional, state, provincial, local, municipal, or international governmental or non-governmental body having the force of law (collectively, the "Law") relating or applicable to such person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any existing formal and binding interpretation of the Law (or any part thereof) by any person having jurisdiction over it or charged with its administration or interpretation.

"**Approval Date**" means the date which is the first Business Day after the date that the CSE issues its written acceptance of this Agreement and the transactions contemplated thereby.

"**ASC**" means the Alberta Securities Commissions.

"**Business Day**" means a day, excluding a Saturday or Sunday, on which banks in Calgary, Alberta are generally open for ordinary banking business.

"**Commercial Production**" means the operation of the Property or any portion thereof as a producing mine and the production of mineral products therefrom (excluding bulk sampling, pilot plant or test operations).

“**Common Shares**” means the Common Shares in the capital of Pan Pacific or Subco, as the case may be.

“**Confidential Information**” of a Party at any time means all information relating to the business, affairs, financial condition, assets, operations, prospects, trade secrets and other data in respect of such Party or any of its affiliates which,

- (a) at the time is of a confidential nature (whether or not specifically identified as confidential) and is known or should be known by each other Party or its Representatives as being confidential, and
- (b) has been or is from time to time made known to or is otherwise learned by any other Party or its Representatives as a result of the matters provided for in this Agreement, including all notes, analyses, compilations, evaluations, studies, maps, computer programs or data or other documentation or information whatsoever relating to the Party, or prepared by the recipient, its Representatives or others containing or based upon, in whole or in part, such information and all non-public information obtained by visiting the facilities of the Party or its affiliates; but not including any information that at such time:
  - (i) has become generally available to the public other than as a result of a disclosure by the other Party or any of its Representatives;
  - (ii) was rightly available to the other Party or its Representatives on a non- confidential basis before the date of this Agreement; or
  - (iii) becomes rightly available to the other Party or its Representatives on a non- confidential basis from a person other than the first-mentioned Party or any of its Representatives who is not, to the knowledge of such other Party or its Representatives, otherwise bound by confidentiality obligations to such first- mentioned Party in respect of such information or otherwise prohibited from transmitting the information to the other Party or its Representatives;

“**CSE**” means the Canadian Securities Exchange.

“**Designated Stock Exchange**” shall have the meaning attributed to such term in the Income Tax Act (Canada).

“**Encumbrance**” means any interest or equity of any person (including any right to acquire, option or right of pre-emption or first offer or first refusal) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or other security agreement or arrangement or any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, royalty, carried interest, deferred obligation or similar right or encumbrance.

“**Environmental Laws**” means all requirements of the common law or of environmental, health or safety statutes, regulations, rules, ordinances, policies, orders, approvals, notices, licenses, permits or directives of any federal, territorial, provincial or local judicial, regulatory or administrative agency, board or governmental authority including, but not limited to those relating to: (i) noise; (ii) pollution or protection of the air, surface water, ground water or land; (iii) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation; (iv) exposure to hazardous or toxic substances; or (v) the closure, decommissioning, dismantling or abandonment of any facilities, mines or workings and the reclamation or restoration of any lands.

“**Expenditures**” means, without limitation, all costs and expenses incurred by a Party on the Property including without limitation monies expended in doing geophysical, geochemical and geological surveys, drilling, drifting and other surface and underground work, assaying and metallurgical testing and engineering and costs, fees and expenses which may be paid to obtain feasibility, engineering or other studies or reports on or with respect to the Property or any part of it, and in acquiring facilities for the Property and equipping the Property for and commencing Commercial Production (as hereinafter defined), including without limitation all taxes, management, legal and land fees associated with the management of the Property, the costs, fees and expenses of recording work for assessment credit under applicable legislation and property and mining taxes relating to or in respect of the Property; and 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 or 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.

“**Force Majeure**” means acts of God and of public enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests, and orders of courts or other lawful authorities, civil disturbances, Government and military actions, strikes, and any other causes not within the control of the party claiming a suspension, which by the exercise of due diligence, such party will not be able to avoid or overcome.

“**Liquidity Event**” means the completion of any transaction as a result of which all or substantially all of the outstanding Common Shares of Pan Pacific or Subco, as the case may be, being listed on a Designated Stock Exchange.

“**Option**” shall have the meaning ascribed to such term in Section 2.1.

“**Option Period**” means the period during which the Option is in full force and effect.

“**OSC**” means the Ontario Securities Commission.

“**Party**” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns.

“**Property**” means the Fire Mountain Property located in the New Westminster Mining District of southwest British Columbia, and registered with the Ministry of Energy, Mines, and Petroleum of British Columbia, as more particularly described in Schedule “A” and consisting of 3 claims, as well as all data regarding the “Fire Mountain Project” comprising, but not limited to, all financial information, agreements, documents, engineering reports, files, filings, geological data and reports, information and maps.

“**Representatives**” with respect to any Party means its affiliates and its and their respective directors, officers, employees, agents, counsel, consultants and other representatives and advisers.

“**Royalty**” means a net smelter return royalty payable by Pan Pacific or its wholly owned subsidiary to the Property Owner equal to 2% on the Sale Proceeds from Commercial Production, as described in Schedule “B” for all minerals derived from the Property, and subject to the provisions of Section 11.3.

“**Sale Proceeds**” means actual proceeds received from any mint, smelter, refinery or other purchaser from the sale of minerals, concentrates, metals (including bullion) or products derived from the any metals on the Property and sold.

## 2. GRANT OF OPTION

2.1 For \$10.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Property Owner hereby grants to Pan Pacific the sole and exclusive right and option (the “**Option**”) to acquire an undivided 100% interest, subject to the Royalty, in and to the Property Owner’s right, title and interest in and to the Property in accordance with the terms of this Agreement.

2.2 In the event that Pan Pacific or Subco fail to complete a Liquidity Event within 18-months of the grant of this Option, this Agreement will become null and void. The Property Owner would retain 100% interest in the Property.

## 3. CONSIDERATION

3.1 In consideration of the grant of the Option, Pan Pacific will:

- (a) Pay \$10,000 (CDN.) upon signing of this Agreement;
- (b) Within 60 days of signing this Agreement, pay an additional \$40,000 (CDN.) to the Property Owner. An additional \$20,000 (CDN.) payment will be made to the Property Owner if the Liquidity Event is not completed within eight (8) months of the date of this Agreement;
- (c) within 60 days of executing this Agreement, issue 100,000 Common Shares to the Property Owner, which Common Shares will be subject to such hold periods that are prescribed by the securities laws of the Province of Alberta; and
- (d) Within 12 months of executing this Agreement, Pan Pacific or Subco shall complete a minimum of \$100,000 (CDN.) of Expenditures and obtain an independent technical report that meets the requirements of National Instrument 43-101 or any successor instrument and that recommends further exploration on the Property with a budget for the first phase of exploration at least \$100,000 (CDN.) in Expenditures.

- 3.2 In order to maintain in force the Option granted to Pan Pacific hereunder and to exercise the Option by Subco after the assignment of the Option to Subco under section 12, Subco shall issue the following Common Shares and incur the following Expenditures on the Property:
- (i) Upon completion of listing, issue 400,000 Common Shares of Subco to the Property Owner and pay \$20,000 (CDN.) to the Property Owner;
  - (ii) within 12 months of completion of listing, issue 250,000 Common Shares to the Property Owner and pay \$20,000 (CDN.) to the Property Owner. Subco shall, at its sole discretion, pay to the Property Owner, an additional cash payment of an additional \$20,000 (CDN.), payable in cash or the issuance of Common Shares, or a combination thereof at the sole discretion of Subco;
  - (iii) within 24 months of completion of the Liquidity Event, issue 250,000 Common Shares to the Property Owner, complete a minimum of \$150,000 (CDN.) of Expenditures on the Property, and pay an additional \$30,000 (CDN.) to the Property Owner. In addition, Subco shall pay the Property Owner an additional \$20,000 (CDN.), payable in cash or the issuance of Common Shares, or a combination thereof at the sole discretion of Subco;
  - (iv) within 36 months of completion of the Liquidity Event, issue 300,000 Common Shares to the Property Owner, complete a minimum of \$300,000 (CDN.) of Expenditures on the Property, and pay an additional \$60,000 (CDN.) to the Property Owner; and
  - (v) within 48 months of completion of the Liquidity Event, issue 400,000 Common Shares to the Property Owner, complete a minimum of \$400,000 (CDN.) of Expenditures on the Property, and pay an additional \$70,000 (CDN.) to the Property Owner.
- 3.3 Pan Pacific or Subco agree to deliver to the Property Owner 60 days following the time limit set forth for the incurring of the applicable Expenditures, a certificate stating the amount of Expenditures incurred and funded. The certificate shall be *prima facie* evidence of such Expenditures having been incurred and funded. The Property Owner shall have 30 calendar days following receipt of such certificate to request an audit of the Expenditures represented on such certificate, which audit shall be conducted at the sole cost and expense of the Property Owner. Should the Property Owner so request (which request shall be made in writing within the aforesaid 30 day period), Pan Pacific or Subco shall make available to the Property Owner, during normal business hours, all documents and records in support of the disputed certificate. The Property Owner shall have 10 calendar days to review such documents and records, commencing with the date the same were first made available. Pan Pacific or Subco and the Property Owner shall have 15 calendar days following the conclusion of the Property Owner's review to negotiate in good faith an amicable resolution of any portion of the Expenditures that the Property Owner continues to dispute. Failure of the Parties to mutually agree upon a resolution shall entitle either Party to submit such dispute to arbitration in accordance with section 15.12.
- 3.4 Pan Pacific and Subco acknowledge and agree that the Option may not be partially exercised, all of the Expenditures, cash payments and issuances of Common Shares are required to be made in order for the Option to be exercised and Pan Pacific or Subco will not be entitled to any refund of any cash payment, Expenditures previously made or Common Shares issued if Pan Pacific or Subco fails to exercise the Option or if Pan Pacific or Subco elects not to exercise the Option.
- 4. EXERCISE OF OPTION**
- 4.1 The Parties agree that once Pan Pacific and Subco have completed all of the obligations set forth in sections 3.1 and 3.2, all within the prescribed periods, Pan Pacific or Subco will have the right, by giving the Exercise Notice (as defined below) to the Property Owner, to become the owner of a 100% interest in the Property subject to the Royalty.
- 5. ACCELERATION OF THE OPTION**
- 5.1 Provided that Subco has met its obligations as set forth in sections 3.2 above, Subco may accelerate the Expenditures payable under section 3.2 on the Property such that, once the Expenditures have been paid, Subco will have acquired the Option, subject to Subco notifying the Property Owner that it has satisfied all the necessary conditions to acquire the Option (the "**Exercise Notice**").
- 5.2 Upon receipt of the Exercise Notice from Subco, 100% of the Property Owner's right, title and interest in and to the Property will immediately vest in Subco, subject to the Royalty.

## 6. OPERATORSHIP

- 6.1 The Parties agree that once the Option is assigned to Subco, Subco will be the operator and as such will have the responsibility to execute the work programs on the Property during the Option Period and as operator, Subco shall be responsible in its sole discretion for carrying out and administering exploration, development and mining work on the Property. As operator, Subco shall have the sole, exclusive and immediate right to enter upon, explore and develop the Property and to have quiet and exclusive possession of the Property with sole power and authority to Subco and its respective agents to sample, extract, diamond drill, prospect, explore and develop the Property in such manner as Subco in its sole discretion may determine, including without limitation, the right to erect, bring and install thereon all buildings, machinery, equipment and supplies as Subco shall deem necessary and proper and to remove therefrom reasonable quantities of ores, minerals or metals for assay and testing purposes. Notwithstanding the foregoing, it is understood and agreed that all rights of access granted to Subco hereunder and work to be conducted by Subco hereunder shall be subject to Applicable Law.
- 6.2 During the Option Period, Subco shall be directly responsible for maintaining the Property in good standing and performing any and all obligations required by law. In that respect, Subco covenants to do, record and/or pay annually or in advance, assessment work for the Property and to pay such mining fees and rents as may be required to keep the Property in good standing. The Property Owner shall co-operate with Subco as reasonably necessary in facilitating the making of payments and the provision of information, including without limitation, the forwarding to Subco of all notices received by the Property Owner with respect to assessment work, taxes, fees and rents.
- 6.3 Pan Pacific covenants and agrees that during the Option Period, Pan Pacific or Subco shall conduct all operations on the Property in a good, workmanlike and efficient manner, in accordance with: (i) sound mining and other applicable industry standards and practices prevailing in Canada; (ii) all Applicable Laws; and (iii) the terms and provisions of any and all licences, permits and other contracts relating to the Property.
- 6.4 Pan Pacific covenants and agrees that during the Option Period, Pan Pacific or Subco, shall maintain adequate insurance coverage in accordance with normal industry standards and practice, protecting the Parties from third party claims and Pan Pacific or Subco shall cause its agents to obtain and maintain similar adequate insurance.
- 6.5 Pan Pacific covenants and agrees that during the Option Period, Pan Pacific or Subco, shall pay or cause to be paid all workers or wage earners employed by Pan Pacific or Subco on the Property and for all material purchased by Pan Pacific or Subco in connection with its work on the Property which might give rise to a lien or privilege thereon. Pan Pacific covenants and agrees that should any such lien or privilege be recorded against the Property in consequence of any work done thereon by or for Pan Pacific or Subco, on this fact becoming known to Pan Pacific or Subco, Pan Pacific or Subco shall forthwith take active proceedings to have such lien or privilege removed and shall have the same removed with all reasonable dispatch, provided however that Pan Pacific or Subco may contest any claim of lien or privilege.
- 6.6 Pan Pacific covenants and agrees that during the Option Period, Pan Pacific or Subco, shall provide the Property Owner; (i) annual reports within 30 days of each anniversary of the Approval Date indicating any results obtained or received by Pan Pacific or Subco in connection with exploration and development work on the Property and the compilation and interpretation thereof as well as a breakdown of the Expenditures incurred in carrying out such work and conclusions of tonnages of ore and waste rock; and (ii) timely current reports and information and forthwith upon the occurrence of any material results or other events, notice in reasonable detail, supported by copies of relevant data, of such material results or events. It is understood and agreed that the Property Owner shall be entitled to reasonable use of all information regarding the Property which is generated or derived as a result of the Expenditures.
- 6.7 During the Option Period, Pan Pacific or Subco shall permit the Property Owner and its Representatives at their own sole risk and expense, access to the Property at all times and to all information obtained, results produced, samples, core and data collected and records, maps, sections and reports prepared by Pan Pacific or Subco in connection with any work done on or with respect to the Property provided that reasonable notice is given and that such access shall not unduly interfere with or disrupt the activities of Pan Pacific or Subco.

## 7. TERMINATION

- 7.1 Pan Pacific or Subco shall have the right, at its sole discretion, not to pay the consideration to the Property Owner referred to in section 3.2 if Pan Pacific or Subco determines, in its sole discretion, after assessing the results of the \$100,000 (CDN.) Expenditures referred to in section 3.1. Pan Pacific or Subco shall provide written termination notice ("**Termination Notice**") to the Property Owner 30 days before the expiration of the one-year anniversary of the Approval Date that Pan Pacific or Subco will not proceed with the expenditures referred to in section 3.2. Upon receipt of the Termination Notice from Pan Pacific or Subco, 100% of Pan Pacific or Subco's right, title and interest in and to the Property will immediately expire.



- 7.2 Upon termination of the Option, Pan Pacific or Subco shall ensure that all duties and fees and payments due and payable at the time of such termination in respect of the Property have been paid commencing as at the Approval Date up to and including the date of termination of the Option.
- 7.3 Upon termination of the Option, Pan Pacific or Subco shall deliver to the Property Owner all maps, reports, results of surveys, diamond drill records, information, and other pertinent exploration reports produced by Pan Pacific or Subco regarding the Property, as well as all data, drill core, drill logs and airborne geophysics produced in connection with the Property.
- 7.4 Upon termination of the Option, all buildings, plant, equipment, machinery, tools, appliances and supplies which may have been brought upon the Property by or on behalf of Pan Pacific or Subco, as operator, shall be removed by Pacific or Subco at any time not later than 12 months after termination of the Option unless arrangements on terms satisfactory to the Property Owner are made between Pan Pacific or Subco and the Property Owner and if not so removed, such buildings, plant, equipment, machinery, tools, appliances and supplies shall become the property of the Property Owner.
- 7.5 Upon termination of the Option and this Agreement, Pan Pacific or Subco shall perform any rehabilitation, reclamation or pollution control on the Property which is required solely as a result of Pan Pacific's or Subco's activities.
- 7.6 If:
- (a) Pan Pacific or Subco fails to make any of the payments, incur the Expenditures or issue the shares necessary to exercise the Option as contemplated herein, and such failure persists for more than 15 days following the due date for such payment, Expenditures or issuance; or
  - (b) the Liquidity Event has not occurred by September 30, 2021,
- then the Property Owner will have the right to terminate this Agreement immediately by giving notice.

## 8. TITLE

The Property Owner will transfer or cause to transfer all registered title to the Property to Pan Pacific's or Subco or their respective agents or nominees immediately upon receipt of the Exercise Notice. The Property Owner will do all such things and execute all such documents, or letters or notifications, or cause to do all such things and execute all such documents, or letters or notifications, as are necessary to transfer all legal title to the Property to Pan Pacific or Subco or their respective agents or nominees.

## 9. REPRESENTATIONS AND WARRANTIES

- 9.1 **Mutual Representations and Warranties of the Parties.** Pan Pacific and the Property Owner hereby represent and warrant to each other as follows:
- (a) **Due Authorization.** It has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement have been duly authorized by all necessary action on its part.
  - (b) **Enforceability of Obligations.** This Agreement has been duly executed and delivered by it and constitutes a valid and binding obligation of it enforceable against it in accordance with its terms, subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunction are only available in the discretion of the court from which they are sought.
  - (c) **No Conflict.** The execution, delivery and performance of this Agreement by it do not and will not constitute a breach or violation of the provisions of its constating documents or any contract, agreement or instrument to which it is a party or by which it is bound or any Applicable Law.

9.2 **Representations and Warranties of the Property Owner.** The Property Owner represents and warrants to Pan Pacific that:

- (a) **Title.** The Property Owner is the legal owner of 100% of the interests in the Property, free and clear of any Encumbrances and has good and valid title to the Property, with the exception of certain net smelter royalties on some of the claims.
- (b) **Proper Staking:** The Property has been located in accordance with the *Mining Act* (British Columbia) and all other applicable laws, and in accordance with industry standards and in a good workmanlike manner and are not in conflict with any prior surface rights.
- (c) **Recording.** The Property has been filed, accepted and recorded as map claims under the Ministry of Energy, Mines, and Petroleum in accordance with the *Mining Act* (British Columbia) and all other applicable laws.
- (d) **Expenditures.** It is understood that the Property Owner has completed Expenditures over the preceding two-year period that have been registered with the Ministry of Energy, Mines, and Petroleum of British Columbia.
- (e) **Liabilities and Agreements.** The Property Owner has no liabilities or material agreements regarding the Property.
- (f) **Filings.** The Property Owner has made all required payments and filings under applicable tax legislation relating to the Property and no administrative proceedings, litigation or arbitration is in process, threatened or pending in relation to such taxes.
- (g) **Approvals and consents.** No approvals are required under the laws of any applicable jurisdiction or any third parties for the direct or indirect acquisition of an interest in the Property by Pan Pacific.
- (h) **Information.** All information made available in writing to Pan Pacific regarding the Property and the Property Owner is or will be at the time of delivery true and accurate.
- (i) **Claims.** The Fire Mountain Property is properly and accurately described in Schedule “A” attached hereto.
- (j) **Environmental Laws.** To the best of the Property Owner’s knowledge, all past and current operations on and relating to the Property have been or are being carried on in compliance with all applicable federal, provincial and municipal laws, including Environmental Laws.
- (k) **Spills.** To the best of the Property Owner’s knowledge, there have been no material spills, discharges, leaks, emissions, ejections, escapes, dumpings or other releases of any kind of any toxic or hazardous substances in, on or under the Property or the environment surrounding it.
- (l) **Zoning.** The Property Owner is not aware of any restriction on the zoning of the Property or any proposed change to such zoning which would hinder or prohibit the intended use for exploration and mining activity.
- (m) **Other Agreements.** The operation of the Property is not subject to any written or verbal operating, management, maintenance or other agreement, will not be bound to assume any such contract.

10. **Representations and Warranties of Pan Pacific.** Pan Pacific represents and warrants to the Property Owner that:

- (a) **Incorporation.** Pan Pacific is duly incorporated under the laws of its jurisdiction of incorporation and is validly existing and not in default under such laws; and has the requisite corporate power to own and operate its properties and assets and to carry on its business as presently conducted.
- (b) **Liabilities.** Pan Pacific has no liabilities or material agreements which would prevent it from executing this Agreement.
- (c) **Consent and approvals.** Except for CSE approval relating to the issuance of Common Shares by Subco under section 3.2 herein (and any third party consents imposed by them) and any required filings with the ASC, no approvals are required under the laws of any applicable jurisdiction or from any third parties for the exercise of the Option and acquisition of the Property by Pan Pacific.

- (d) **Information.** All information made available in writing to the Property Owner is or will be at the time of delivery true and accurate, to the best of the knowledge of Pan Pacific.
- (e) **Good Standing.** Pan Pacific will maintain the property claims described in Schedule “A” (the “**Claims**”) in good standing until completion of the Liquidity Event. Subsequent to completion of the Liquidity Event, Pan Pacific shall maintain the Claims in good standing until transfer of the Property as set out in this Agreement.
- (f) **Costs and expenses.** All administrative costs related to the Property, including but not limited to taxes and annual payments will be borne by Pan Pacific until completion of the Liquidity Event. Subsequent to completion of the Liquidity Event, Pan Pacific shall be responsible for payment of all administrative costs related to the Property, including but not limited to taxes and annual payments until Pan Pacific has exercised the Option and acquired the Property as set out in this Agreement.

## 11. ROYALTY

- 11.1 The Property Owner and Pan Pacific acknowledge that the completion of the obligations as outlined in sections 3.1 and 3.2 of this Agreement will result in Pan Pacific or Subco holding a 100% equitable and beneficial interest in the Property, subject to the Property Owner Royalty.
- 11.2 If and when the Option has been exercised, Pan Pacific acknowledges that on the commencement of Commercial Production, the Property will be subject to the Royalty in favour of the Property Owner, as described in Schedule “B”.
- 11.3 Pan Pacific may elect to purchase from the Property Owner at any time up to 1% (50%) of the Royalty upon the payment to the Property Owner of \$1,000,000 (CDN.).

## 12. ASSIGNMENT

Pan Pacific shall have the right to assign this Agreement and the Option to Subco and the Property Owners agree to such assignment and shall execute any required agreements to implement the assignment. This Agreement, if assigned, will remain in full force and effect with the underlying benefits and the 2.0% Royalty remaining to the benefit of the Property Owner, subject to any purchase of the Royalty under section 11.3 in accordance with the terms and conditions of this Agreement, unless terminated in accordance with section 7.

## 13. AREA OF COMMON INTEREST AND ANTI-DILUTION PROVISION

- 13.1 The Parties agree to the establishment of an area of common interest which covers all land within 1 kilometer of the boundary of the Property. In the event that Pan Pacific or Subco stakes any mining claims within the 1 kilometer boundary, the Property will be subject to the Royalty.
- 13.2 In the event that the Property Owner would stake any, directly or indirectly, mining permits in the area of common interest, the Property Owner must first offer the acquired mining permits to Pan Pacific or Subco at staking cost plus 10%. The Property Owner will deliver to Pan Pacific or Subco notice (the “**Permit Notice**”) of such offer. The Permit Notice will specify the consideration to be paid under the acquisition, together with all other terms and conditions of the acquisition. For a period of 30 days following the date of delivery to Pan Pacific or Subco of the Permit Notice, Pan Pacific or Subco will have the exclusive right to purchase the acquired mining permits for the same consideration and on the same terms and conditions specified in the Permit Notice by giving notice to the Property Owner. If Pan Pacific or Subco does not give notice to the Property Owner within such 30 day period, the Property Owner would be free to keep the acquired mining permits and ultimately sell them to a third party.
- 13.3 In the event that Pan Pacific or Subco would acquire, directly or indirectly, mining permits in the area of common interest, the acquired mining permits would fall under the terms of the Agreement.
- 13.4 The Parties acknowledge and agree that if the number of Common Shares issued by Subco under section 3.2 represents less than 3% of the outstanding Subco Common Shares upon completion of the Liquidity Event, then Subco shall issue that number of additional Subco Common Shares to the Property owners such that the Property owners own 3% of the outstanding Subco Common Shares on the completion of the Liquidity Event, subject to the approval of the CSE.

#### 14. RIGHTS OF PAN PACIFIC AND SUBCO

- 14.1 The Property Owner hereby acknowledges and agrees that, upon execution of this Agreement, Pan Pacific or Subco is entitled to:
- (a) conduct such prospecting, exploration and development and other mining exploration work as Pan Pacific or Subco in its sole discretion may determine advisable;
  - (b) bring upon and/or erect upon the Property, or any portion thereof, such facilities as Pan Pacific or Subco may deem advisable; and
  - (c) remove and dispose of reasonable quantities of ores, mineral and metals for the purposes of obtaining assays or making other tests.

Despite the generality of the foregoing, for the duration this Agreement, Pan Pacific or Subco will keep the Property free and clear of all charges, encumbrances and claims, excepting the Royalty described herein and any government royalty.

#### 15. GENERAL TERMS

- 15.1 **Expenses.** Each Party will be responsible for all legal and other expenses incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement.
- 15.2 **Announcements.** The Parties acknowledge that they may be required to make a public announcement regarding the arrangements contemplated by this Agreement upon execution thereof. If such disclosure is required, the Parties will consult regarding the wording and issuance of public disclosure.
- 15.3 **Confidentiality.** Each Party will and will cause each of its Representatives to hold in strictest confidence and not use in any manner, other than as contemplated by this Agreement, any Confidential Information of the other Parties during the term of this Agreement. Notwithstanding the foregoing, each Party may disclose Confidential Information to its Representatives or to any third party, provided that it procures that the Representative or proposed third party will be bound by the confidentiality undertakings set out in this Agreement.
- 15.4 **Indemnification.** The Property Owner will indemnify and save harmless Pan Pacific and Subco from and against all suits, claims, demands, losses and expenses arising out of operations conducted upon the Property by the Property Owner or its contractors prior to the date of this Agreement. Each Party will indemnify and hold the other Parties harmless in respect of any claim, demand, action, cause of action, damage, loss, cost, liability or expense which may be made or brought against any other Party or which such Party may suffer or incur directly or indirectly as a result of, in respect of or arising out of the first Party concurring from any incorrectness in or breach of any representation or warranty contained in this Agreement.
- 15.5 **No Pledge.** Neither Party can pledge or otherwise encumber its interest in the Property without the written consent of the other Party hereto, including royalties or any other financing instrument.

*[THIS SECTION INTENTIONALLY BLANK]*

- 15.6 **Notices.** Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement will be in writing and will be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

**If to Pan Pacific:**

<b>Mailing Address:</b>	<b>Pan Pacific Resource Investments Ltd.</b> Suite 1150, 707 – 7 Avenue SW Calgary, Alberta T2P 3H6
<b>Contact Person(s):</b>	Dr. Elena Clarici, President and Chief Executive Officer and/or Mr. Derek A. Wood, Director
<b>E-Mail Address(s):</b>	<a href="mailto:elena@prismdiversified.com">elena@prismdiversified.com</a> <a href="mailto:dwood@conduitir.com">dwood@conduitir.com</a>
<b>Phone Number(s):</b>	Dr. Elena Clarici: +44 777 44 00 369 Mr. Derek A. Wood: (403) 200-3569

**If to the Property Owner:**

<b>Mailing Address:</b>	<b>Torr Resources Corp.</b> 25 Ridge Road Canmore, Alberta T1W 1G5
<b>Contact Person:</b>	Mr. Malcolm S. Dorsey, President and Director
<b>E-Mail Address:</b>	<a href="mailto:malcolm@torresources.com">malcolm@torresources.com</a>
<b>Phone Number:</b>	Mr. Malcolm Dorsey: 236-982-4300

Any such communication so given or made will be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day in the place the communication is received and the communication is so delivered, faxed or sent before 4:30 p.m. on such day in the place the communications is received. Otherwise, such communication will be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail will be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication will be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner will be deemed to have been given or made and to have been received only upon actual receipt.

- 15.7 **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written.
- 15.8 **Waiver.** A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by any Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).
- 15.9 **Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.
- 15.10 **Further Assurances.** Each Party will promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and matters in connection with this Agreement that the other Party may reasonably require, for the purposes of giving effect to this Agreement.
- 15.11 **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

- 15.12 **Arbitration.** If there is any disagreement, dispute or controversy (a “**Dispute**”) between the Parties with respect to any matter arising under this Agreement or the construction hereof, then the dispute will be determined by arbitration in accordance with following procedures:
- (a) the Parties to the dispute will appoint a single mutually acceptable arbitrator. If the Parties cannot agree upon a single arbitrator, then the Party on one side of the dispute will name an arbitrator, and give notice thereof to the Party on the other side of the Dispute;
  - (b) the Party on the other side of the dispute will within 14 days of the receipt of notice, name an arbitrator; and
  - (c) the two arbitrators so named will, within seven days of the naming of the later of them, name a third arbitrator.
- If the Party on either side of the Dispute fails to name its arbitrator within the allotted time, then the arbitrator named may make a determination of the Dispute. Except as expressly provided in this paragraph, the arbitration will be conducted in Calgary, Alberta, in English pursuant to all applicable arbitration legislation in force in Alberta and the decision of the arbitrator will be final and binding on the Parties. The decision will be made within 30 days following the naming of the latest of them, will be based exclusively on the advancement of the exploration, development and production work on the Property and not on the financial circumstances of the Parties. The costs of arbitration will be borne equally by the Parties to the dispute unless otherwise determined by the arbitrator(s) in the award.
- 15.13 **Successors and Assigns.** This Agreement will ensure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.
- 15.14 **Termination of Agreement.** This is an option agreement only and Pan Pacific or Subco will not be obligated to make any further payments in respect of this Agreement. Should Pan Pacific or Subco wish to terminate this Agreement at any time it will give notice to the Property Owner and this Agreement will be deemed to have been terminated upon receipt of such written notice (the “**Termination Notice**”) by the Property Owner. In such event, the Property will be returned to the Property Owner within 30 days from receipt of the Termination Notice and Pan Pacific or Subco will have with no additional commitments hereunder.
- 15.15 **Regulatory Approval.** With the exception of the payment referred to in Section 3.1 of this Agreement, this Agreement and the transaction contemplated herein is subject to acceptance for filing by the CSE in accordance with CSE policies and the Parties agree to negotiate in good faith to amend this Agreement in order to obtain acceptance for filing by the CSE, if so required.
- 15.16 **Liquidity Event.** With the exception of the payments referred to in Section 3.1 of this Agreement, closing of the transaction contemplated herein shall be subject to closing the Liquidity Event on or before closing the transaction.
- 15.17 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed form or email form and the Parties adopt any signatures received by a receiving fax machine or email as original signatures of the Parties; provided, however, that any Party providing its signature in such manner will promptly forward to the other Parties an original of the signed copy of this Agreement which was so faxed or emailed.
- 15.18 **Language.** The contract arising out of this Agreement and all documents relating thereto, have been or will be drafted in English only by common accord among the Parties. *Les soussignés reconnaissent par les présentes qu'ils ont exigé que le contrat résultant de cette convention ainsi que tous les documents y afférant soient rédigés en langue anglaise seulement.*
- 15.19 **Force Majeure.** If either Party is rendered unable in whole or in part, by Force Majeure, to perform or comply with any obligation of this Agreement, upon giving notice and full particulars to the other Party, such obligation will be suspended during the continuance of the inability so caused and such Party will be relieved of liability for failure to perform the same during such period.
- 15.20 **Currency.** All references in this Agreement to monetary amounts are expressed in the currency of Canada.
- 15.21 Except to the extent various by this Agreement, the Parties acknowledge and agree that Royalty continues in full force and effect in accordance with its terms and is tied to the land during the option agreement duration and after the option agreement period should Pan Pacific or Subco exercise the option and earn 100% interest.

**16. EFFECTIVE DATE**

16.1 The effective date of this Agreement will be the 13th day of November, 2020.

**IN WITNESS WHEREOF** the Parties have executed this Agreement.

**PAN PACIFIC RESOURCE INVESTMENTS LTD.**

Per: (Signed) "Elena Clarici"  
**ELENA CLARICI**, President, CEO and Director

**TORR RESOURCES CORP.**

Per: (Signed) "Malcolm Dorsey"  
**MALCOLM S. DORSEY**, President and Director

**SCHEDULE "A"**

**LIST OF CLAIMS**

<b>TITLE NUMBER</b>	<b>CLAIM NUMBER</b>
<b>1076153</b>	<b>INFERNO</b>
<b>1076151</b>	<b>RED MOUNTAIN</b>
<b>1058394</b>	<b>INFERNO SOUTH</b>



## SCHEDULE "B"

### NET SMELTER RETURNS ROYALTY

#### NSR Calculation

1. For the purposes of this Agreement, the term "Net Smelter Returns" shall mean all monies realized and actually received by Pan Pacific Resource Investments Ltd. or its subsidiaries on the sale of any ores or minerals mined or extracted from 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 the Province of British Columbia, if applicable;
  - (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 Property Owner hereunder shall be paid within 30 days after receipt of the said actual proceeds by Pan Pacific Resource Investments Ltd. or its subsidiaries, while the Property is in Commercial Production.
3. Within 90 days after the end of each fiscal year of Pan Pacific Resource Investments Ltd. or its subsidiaries 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 Property Owner who shall have 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 Property Owner 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 Pan Pacific Resource Investments Ltd. or its subsidiaries 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" 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 30 consecutive days.

**FIRST AMENDMENT TO THE PROPERTY OPTION AGREEMENT**

This First Amendment to the Property Option Agreement is made and entered into effective as of May 2, 2022 (the "**Agreement**").

**BETWEEN:**

**CASCADE COPPER CORP.,**

a corporation organized under the laws of the Province of Alberta,  
with its head office located in Calgary, Alberta ("**Cascade**")

**-AND-**

**TORR RESOURCES CORP.,**

a corporation organized under the laws of the Province of Alberta,  
with its head office located in Canmore, Alberta (the "**Property Owner**")

**WHEREAS:**

- A. The Property Owner and Cascade are parties to an assignment agreement dated May 2, 2022 (the "**Assignment Agreement**"), a copy of which is attached hereto as Schedule "A", whereby Cascade acquired by way of assignment of an option from the Property Owner to acquire 100% of the Property Owners legal and beneficial ownership of all mineral interests in and to certain mineral claims known as the Fire Mountain Property consisting of 3 claims (the "**Claims**") totaling 3769.84 hectares, located in the New Westminster Mining District of southwest British Columbia, and registered with the Ministry of Energy, Mines, and Petroleum of British Columbia, as more particularly described in the Option Agreement attached as Schedule "A" to the Assignment Agreement;
- B. Pursuant to the Option Agreement, if Cascade failed to complete a Liquidity Event within eighteen months (18) from the grant of the option (being May 13, 2022), the Option Agreement will become null and void;
- C. The Property Owner and Cascade desire to amend the Option Agreement to extend the Liquidity Event to December 30, 2022, in accordance with the terms and conditions set forth herein.

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the respective covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties covenant and agree as follows:

1. Unless otherwise defined herein, words and expressions defined in the Option Agreement shall have the respective meanings attributed thereto when used herein.
2. Article 2.2 is deleted in its entirety and replaced with the following text:

"In the event that Cascade fails to complete a Liquidity Event by December 30, 2022, or such other date as the parties may agree to in writing, this Agreement will become null and void. The Property Owner would retain 100% interest in the Property "

3. Article 3.2 is deleted in its entirety and replaced with the following text:

"In order to maintain in force, the Option granted to it, and exercise the Option, Cascade Copper Corp. must issue the following Cash payments and Common Shares and incur the following Expenditures:"

- (i). "Upon completion of listing, issue 200,000 Common Shares of Cascade and pay \$20,000 (CDN) to the Property Owner".
- (ii). "Within 15 months of completion of listing, issue 200,000 Common Shares and pay \$20,000 (CDN) to the Property Owner, and complete \$75,000 (CDN) of Expenditures on the Property".
- (iii). "Within 24 months of completion of listing, issue 100,000 Common Shares and pay \$25,000 (CDN) to the Property Owner, and complete \$100,000 (CDN) of Expenditures on the Property".
- (iv). "Within 36 months of completion of listing, issue 100,000 Common Shares and pay \$30,000 (CDN) to the Property Owner, and complete \$100,000 (CDN) of Expenditures on the Property".

- (v). "Within 48 months of completion of listing, issue 250,000 Common Shares and pay \$40,000 (CDN) to the Property Owner, and complete \$100,000 (CDN) of Expenditures on the Property".
4. Article 7.6 (b) is deleted in its entirety and replaced with the following text:
- (vi). "The Liquidity Event has not occurred by December 30, 2022, then the Property Owner will have the right to terminate this Agreement immediately by giving notice".
5. All other terms and conditions set forth in the Option Agreement shall remain the same and unamended and in full force and effect.

**IN WITNESS WHEREOF**, the Property Owner and the Cascade have caused this Agreement to be executed as of the date first written above.

**CASCADE COPPER CORP.**

Per: (Signed) "Elena Clarici"  
Elena Clarici, Director

**TORR RESOURCES CORP.**

Per: (Signed) "Malcolm Dorsey"  
Malcolm Dorsey, President/CEO