

**ASSIGNMENT AGREEMENT DATED FOR REFERENCE APRIL 4, 2022**

**(THE “ASSIGNMENT AGREEMENT”)**

**AMONG:**

**USHA RESOURCES LTD.**, a company duly incorporated pursuant to the laws of British Columbia and having its business address at 1575 Kamloops Street, Vancouver, BC V5K 3W1, (**“USHA”**)

**AND**

**FORMATION METALS INC.**, a company duly incorporated pursuant to the laws of British Columbia and having its registered and records office at Suite 400 – 1681 Chestnut Street, Vancouver, BC V6J 4M6 (**“Formation”**)

**AND**

**EMERALD LAKE DEVELOPMENT CORPORATION**, a company duly existing under the laws of Ontario and having an office address at 1997 Remo Drive, Bright's Grove, Ontario, N0N 1C0 (**“ELD”**)

**BACKGROUND INFORMATION:**

A. Formation is a wholly-owned subsidiary of USHA. USHA and Formation plan to enter into a Plan of Arrangement Agreement (the **“Plan of Arrangement”**).

B. Pursuant to the Plan of Arrangement, USHA wishes to transfer the following assets to Formation:

85% interest in Mineral Property No. 1  
PIN 56037 - 0104 LT Interest/Estate Fee Simple  
Description PCL 3810 SEC RAINY RIVER; W 1/2 LT 9 CON 1 DOBIE EXCEPT SLT5913; S/T  
A14512; CHAPPLE  
Address DISTRICT OF RAINY RIVER (**“Property 1”**)

85% interest in Mineral Property No. 2  
PIN 56037 - 0214 LT Interest/Estate Fee Simple  
Description EAST 1/2 LOT 9 CONCESSION 1 DOBIE EXCEPT SURFACE RIGHTS ONLY PART 1  
48R4511; SUBJECT TO AN EASEMENT OVER PART 12 48R996 AS IN A14511;  
TOWNSHIP OF CHAPPLE  
Address DISTRICT OF RAINY RIVER (**“Property 2”**)

PROPERTY OPTION AGREEMENT BETWEEN EMERALD LAKE DEVELOPMENT CORPORATION AND USHA RESOURCES LTD. DATED MARCH 7, 2019 AS AMENDED (**“Property Option Agreement”**)

C. The Plan of Arrangement will result in USHA transferring to Formation Property 1, Property 2, and assigning the Property Option Agreement. The Property Option Agreement contains the Net Smelter Royalty Agreement between USHA and ELD (the **“Net Smelter Royalty Agreement”**). Pursuant to section 8 of the Net Smelter Royalty Agreement, in order to transfer Property 1 and Property 2 from USHA to Formation, Formation has to agree with ELD in writing to be bound by the terms of the Net Smelter Royalty Agreement. By entering into this Assignment Agreement, Formation wishes to confirm its

agreement to be bound by the terms of the Property Option Agreement and the Net Smelter Royalty Agreement.

**For good and valuable consideration, the parties agree that:**

1. Subject to receiving the approval of the Plan of Arrangement by USHA’s directors and shareholders, the approval by the Supreme Court of British Columbia and the acceptance by the TSX Venture Exchange, USHA will transfer and assign Property 1, Property 2, the Property Option Agreement and the Net Smelter Royalty Agreement to Formation (the “**Assignment**”).
2. Subject to the completion of the Assignment, Formation agrees to comply with all terms of the Property Option Agreement and the Net Smelter Royalty Agreement.
3. ELD irrevocably consents to the transfer and assignment of Property 1, Property 2, the Property Option Agreement and the Net Smelter Royalty Agreement from USHA to Formation.
4. USHA, Formation and ELD agree to execute such further documents and perform such filings as may be required to implement the Assignment.
5. This Assignment Agreement will be governed by the laws of the Province of British Columbia and may be executed in counterparts and exchanged by the parties by email in a portable document format.

IN WITNESS WHEREOF the parties hereto have duly executed this Assignment Agreement as of the date first written above.

<b>USHA RESOURCES LTD.</b>  Per: <u>“Deepak Varshney”</u> Deepak Varshney, Director, CEO Authorized Signatory	<b>EMERALD LAKE DEVELOPMENT CORPORATION</b>  Signature: <u>“Jerry Beaulac”</u>  Name of Authorized Signatory: <u>Jerry Beaulac</u>
<b>FORMATION METALS INC.</b>  Per: <u>“Deepak Varshney”</u> Deepak Varshney, Director Authorized Signatory	Position of Authorized Signatory: <u>President and CEO</u>