

Property Option Agreement Vernon Hills Property

THIS AGREEMENT (this "Agreement") made as of the 31st day of December 2022.

BETWEEN:

Western Cobalt LLC a company existing under the laws of Utah and having an address at [Redacted] (the "**Optionor**")

AND

Blast Resources Inc. a company existing under the laws of British Columbia and having an address at [Redacted] (the "**Optionee**")

WHEREAS:

The Optionor is the beneficial and registered holder of a 100% undivided interest in certain mining claims known as the Vernon Hills Project, located in central Tooele Country Utah USA and more particularly described in Schedule A hereto (the "**Property**"). The Optionor wishes to grant the Optionee an exclusive right and option to acquire 100% of the Optionor's interest in the Property to the Optionee and the Optionee wishes to earn and acquire 100% of the Optionor's interest in the Property from the Optionor.

Now THEREFORE, for good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Optionor and Optionee agree as follows:

1. Interpretation

1.1 **Definitions.** The following terms, wherever used in this agreement, shall have the meanings set forth below:

(a) "**Acts**" means all legislation, as amended from time to time, of the jurisdiction in which the Property is located, applicable to the Property, including title to, and Mining Operations on, the Property;

(b) "**Affiliate**" shall have the meaning attributed to it in the *United States of America Business Corporations Act, R.S.C. 1985, c. C-44*, as amended; (which currently is as follows: "affiliate" means an affiliated body corporate within subsection 2. For the purposes of this Act:

(i) one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person; and

(ii) if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.)

(c) "**Commencement of Production**," means:

(i) if a mill is located on the Property, the last day of a period of 30 consecutive days in which, for not less than 20 days, the mill processed ore from the Property at the rate of at least 50% of its rated capacity; or

- (ii) if a mill is not located on the Property, the last day of a period of 15 consecutive days during which ore has been shipped from the Property for the purpose of earning revenues.
- (d) "**Confidential Information**" means the terms of this Agreement and any information regarding or relating to the Mining Operations;
- (e) "**Consideration Shares**" means the common shares of the Optionee issuable to the Optionor pursuant to section 4.1(a);
- (f) "**CSE**" means Canadian Securities Exchange;
- (g) "**Effective Date**" means the date first written above;
- (h) "**Expenditures**" means all direct costs of exploration and development of mining operations on the Property, including expenses and charges directly related to the inspection, discovery, location, delineation, sampling, assay and metallurgical work in respect of all metals and minerals on the Property.
- (i) "**Minerals**" shall mean the end products produced or derived, including all metals and minerals, from operating the Property as a mine.
- (j) "**Mining Operations**" means every kind of work done on or in respect of the Property or the Minerals derived from the Property during the subsistence of the Option by or under the direction of the Optionee including, without limiting generality of the foregoing, the work of assessment, geophysical, geochemical and geological surveys, studies and mapping, investigating, drilling, designing, examining, equipping, improving, surveying, shaft-sinking, raising, cross-cutting and drifting, searching for, digging, trucking, sampling, working and procuring minerals, ores and metals, surveying and bringing any mining claims to lease or patent, and all other work usually considered to be prospecting, exploration, development, mining and reclamation work; in paying rentals, license renewal fees, taxes and other governmental charges required to keep the Property in good standing; in procuring and paying for all insurance coverage required hereunder in purchasing or renting plant, buildings, machinery, tools, appliances, equipment or supplies and in installing, erecting, detaching and removing them; mining, milling, concentrating, rehabilitation, reclamation, and environmental protections and in the management of any work which may be done on the Property or in any other respect necessary for the due carrying out of the prospecting, exploration and development work.
- (k) "**Option**" shall have the meaning attributed to it in paragraph 3 of this Option Agreement;
- (l) "**Option Period**" shall mean the period of time running from and including the Effective Date until the date on which the Option is exercised or terminated in accordance with the terms of this Agreement; "**Property**" means the Optionor's interest in the Mining Rights of the mining claims more particularly described in Schedule "A";
- (m) "**Qualifying Expenditures**" means exploration expenditures which enable the Optionee to meet the CSE's qualifications for initial listing and include exploration expenditures related to geological and scientific surveys to advance the Property but do not include general and administrative, land maintenance, property, acquisition or payments, staking, investor or public relations, non-domestic flight expenditures or taxes;
- (n) "**Mining Laws**" means, as applicable, Title 40 of the Utah Code (Mines and Mining), the Mining Act of 1872 USA and any other statute applicable to mineral title and mineral exploration in the jurisdiction in which the Property is located.
- (o) "**Mining Rights**" means any permit, claim, license, lease, concession, tenement, mineral disposition, mineral lease or other form of title or tenure, and any other right (including the right of entry to or the right to work upon lands), whether contractual, statutory or otherwise, which among other things, allows or permits a person to explore for, develop, mine, extract, sell or otherwise dispose of, Minerals;

(p) “**Minerals**” means all ores, solutions and concentrates, and metals derived therefrom, containing precious, base or industrial minerals (including gems and uranium) which are found in, on or under the Property and may lawfully be explored for, mined and sold under the Mining Rights and other instruments of title under which the Property is held;

(q) “**Option Agreement**” or this “**Agreement**” refers to and collectively includes this agreement including Schedule “A” attached to this agreement.

(r) “**Reorganization**” shall have the meaning attributed to it in paragraph 5(c) of this Option Agreement

1.2 Headings. The headings of this Option Agreement and the attached schedule are solely for convenience of reference and do not affect interpretation of it or define, limit or construe the contents of any provision of this Option Agreement.

1.3 Number and gender. Words importing the singular number shall include the plural and vice versa, words importing the neuter, masculine or feminine gender shall include the other genders, and words importing persons shall include firms and corporations and vice versa.

1.4 Governing law. This Option Agreement and the rights and obligations and relations of the parties shall be governed by and construed in accordance with the laws of the State of Utah and the federal laws of United States of America applicable therein (but without giving consideration to any conflict of law rules). The parties agree that only the courts of Utah shall have jurisdiction to entertain any action or other legal proceedings based on any provisions of this agreement, with venue in Salt Lake County, State of Utah. Each party attorns to the jurisdiction of the Superior Court of Utah.

1.5 Currency. Unless otherwise expressly stated, all references to currency in this agreement are references to Canadian currency.

1.6 Further assurances. Each party hereto agrees from time to time, subsequent to the date hereof, to execute and deliver or cause to be executed and delivered to the others of them such instruments or further assurances as may, in the reasonable opinion of either of them, be necessary or desirable to give effect to the provisions of this Option Agreement or as may be reasonably required for registering or recording changes in ownership interests in the Property.

1.7 Construction clause. This Option Agreement has been negotiated and approved by counsel on behalf of all parties hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty will not be construed against any party hereto by reason of the authorship of any of the provisions hereof.

1.8 Non-merger. The provisions contained in this Option Agreement shall survive the Effective Date and the completion of the transactions contemplated hereby in accordance with the express terms hereof and shall not merge in any conveyance, transfer, assignment, novation agreement or other document or instrument delivered pursuant hereto or in connection herewith.

1.9 Planning Act. This Agreement is entered into subject to the express condition that it is to be effective only if provisions of the planning and subdivision control provisions of the jurisdiction in which the Property is situated (e.g. *Planning Act* (Utah)) are complied with in addition to the Mining Laws and all other environmental and federal laws of United States of America.

1.10 Schedules. The attached schedule “Schedule A” – Description of the Property” is incorporated in this Option Agreement and is deemed to be a part hereof:

1.11 **References.** Unless otherwise stated, a reference to a numbered or lettered paragraph refers to the paragraph bearing that number or letter in this Option Agreement. A reference to this agreement or in this agreement means this Option Agreement including the schedule, together with any amendments.

2. Warranties and Representations

Optionor's representations and warranties.

The Optionor represents to the Optionee that:

2.1(a) it is the beneficial and registered or recorded holder of a 100% undivided interest in the Mining Rights of the Property, free and clear of any and all royalties, liens, defects, charges or encumbrances of any nature or kind whatsoever, whether written or oral, direct or indirect;

2.1(b) the Property is in good standing, free and clear of all encumbrances;

2.1(c) all of the mining claims comprising the Property have been validly and properly located, staked, tagged and recorded in accordance with the laws of Utah and there are no disputes, threatened or now existing of which the Optionor is aware, as to title to or the staking or recording of the Property, with all required maintenance fees paid through 2021 - 2022 with all claims in good standing with marketable title;

2.1(d) it has full and undisputed power, right and authority to deal with the Property as provided for in this Option Agreement;

2.1(e) the Optionor has duly obtained all corporate authorizations for the execution, delivery and performance of this Agreement and such execution, delivery and performance and the consummation of the transactions herein contemplated will not conflict with, or accelerate the performance required by or result in any breach of any covenants or agreements contained in or constitute a default under, or result in the creation of any encumbrance, lien or charge under the provisions of its constating documents or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which it is a party or by which it is bound or to which it may be subject and will not contravene any applicable law;

2.1(f) subject to the provisions of this Option Agreement, the Optionor agrees that during the currency and good standing of the Option, the Optionee shall have quiet enjoyment of the Property; and

2.1(g) the Optionor is a non-resident for the purposes of s. 116 of the *Income Tax Act, R.S.C. 1952, c. 148*;

2.1(h) except as permitted under any laws of the jurisdiction in which the Property is located, to the best of the knowledge and belief of the Optionor, its principals or management after having made reasonable inquiry:

- (i) there has been no material spill, discharge, leak emission, ejection, escape, dumping, or any release or threatened release of any kind, of any toxic or hazardous substance or waste (as defined by any applicable law) from, on, in or under the Property, or into the environment;
- (ii) no toxic or hazardous substance or waste has been disposed of or is located on the Property as a result of the activities of the Optionor or its predecessors in interest; and

(iii) no toxic or hazardous substance or waste has been treated on or is now stored on the Property.

2.1(i) the Optionor has, within the two years prior to the Effective Date, completed a minimum of \$75,000 CDN worth of Qualifying Expenditures on the Property;

Optionee's representations and warranties.

The Optionee represents and warrants to the Optionor that:

2.2(a) 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 has been duly authorized by all necessary actions on its part.

2.2(b) 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.

2.2(c) the execution, delivery and performance of this Agreement by it do not and will not constitute a breach or violation of:

- (i) the provisions of its charter documents and by-laws;
- (ii) any contract, agreement or instrument to which it is a party or by which it is bound; or any applicable law.

3. Grant of Option to earn interest. The Optionor grants to the Optionee the sole, immediate, exclusive and irrevocable right and option with respect to its' interest in the Mining Rights of the Property, for a period of 3 years from the date of this Option Agreement, to earn up to a 100% (one hundred percent) undivided interest in the Mining Rights comprising the Property (the "Option") This right may be exercised in the manner referred to in paragraph 4.1 (a).

4.1(a) Exercise of Option. To acquire 100% (one hundred percent) interest of Optionor's interest in the Mining Rights of the Property the Optionee must:

- (i) YEAR 1 - pay to the Optionor \$50,000 USD and issue to the Optionor 100,000 shares of the Optionee on or before the 15th business day after the date the Company lists its common shares on the CSE (the "Listing Date") and incur \$100,000 CDN in Expenditures on the Property on or before the first anniversary of the Listing Date.
- (ii) YEAR 2 – issue to the Optionor 400,000 common shares of the Optionee on or before the first anniversary of the Listing Date;
- (iii) YEAR 3 – issue to the Optionor 500,000 common shares of the Optionee on or before the second anniversary of the Listing Date.
- (iv) make adequate direct Expenditures on the Property to maintain the claims comprising the Property in good standing at all times during the Option Period with respect to assessment work and or maintenance fee requirements as required by the

Mining Laws during the Option Period. During the Option Period, the Optionee must carry out, pay for, file and have approved the minimum yearly assessment work requirements necessary to keep the Property in good standing. If the minimum yearly required assessment work is not performed, applied and approved during the Option Period, the Optionee will lose all of its interest in the Mining Rights of the Property.

4.1(b) Once the Optionee has made the payments, issued the Consideration Shares and incurred the Expenditures contemplated in section 4.1(a)(i),(ii) and (iii) it will have exercised the Option in full and earned a 100% (one hundred percent) undivided interest in the Mining Rights comprising the Property.

4.1(c) This Agreement confers an option only and, except as otherwise expressly provided herein, the doing of any act or the making or incurring of any Expenditures by a party shall not be construed as obligating such party to do any further or other act or make or incur any further or other Expenditures.

4.1(d) The Optionor acknowledges and understands that the Consideration Shares will be subject to applicable hold periods under Canadian securities laws and that the Consideration Shares may not be sold until such hold periods have expired. Hold periods under applicable Canadian securities laws may be indefinite as the expiry of such hold periods may be contingent on the Optionee becoming a reporting issuer in a jurisdiction on Canada. The Optionee is not currently and may never become a reporting issuer in Canada. If the Optionor is a U.S. resident, hold periods pursuant to applicable U.S. securities laws will also be applicable. The Consideration Shares will contain legends denoting the foregoing resale restrictions as required under applicable laws. If the Optionor is a U.S. resident, it covenants and agrees that it will provide the Optionee with such representation letters or certificates as are necessary to establish that it meets the requirements for an applicable exemption from the Company's requirement to register the Consideration Shares pursuant to applicable U.S. securities laws.

5. Lapse or acceleration of Option / Adjustment of Share Issuances.

5(a) The Optionee may let the working right and Option lapse by failing to make any of the cash and/or share payments referred to in paragraph 4.1(a)(i), (ii) and (iii) and/or by failing to perform and apply adequate Expenditure for assessment work credits as required by the Mining Laws to keep the Property in good standing during the Option Period as referred to in 4.1(a)(iv). The Optionee may accelerate the exercise of the Option at any time during the Option Period by completing the applicable Option exercise requirements set out in Section 4.1(a).. Time is of the essence.

5(b) in the event that the Optionee fails to keep the Property in good standing during the Option Period in accordance with the Mining Laws, this Option Agreement will terminate and the Optionee shall forfeit any and all of its interest in the Mining Rights of the Property, unless the Optionee corrects the failure or act or omission that constitutes said failure within 60 days, provided that the Property has not lapsed into forfeiture. On a best efforts basis, the Optionor will notify the Optionee of any known deficiencies in the Optionee's compliance with assessment work requirements during the Option Period.

5(c) In the event of any capital reorganization or any reclassification of the capital of the Optionee, including any share subdivision or consolidation, or in the case of the consolidation, merger, amalgamation or other business combination of the Optionee with or into any other company (in each case, a "**Reorganization**"), the number of Consideration Shares to be issued to the Optionor under this Agreement will be adjusted such that the Optionor will receive the same proportionate number of Consideration Shares of the Company (or securities of any entity resulting from such Reorganization)

as they would be entitled to receive had the Optionor been a shareholder of the Optionee at the time of such Reorganization.

6. Obligations of the Optionee. During the Option period the Optionee shall:

6(a) hold, maintain and comply with all conditions of all permits, licenses, bonds, and other authorizations required for the conduct of preliminary exploration, advanced exploration, mining stages and rehabilitation. All permits, licenses, bonds, and other authorizations required for all exploration and mining stages, including rehabilitation and aboriginal consultation and consent will be obtained independently by the Optionee and at the expense of the Optionee.

6(b) carry out exploration on the Property in a workmanlike manner with the standard of diligence and care normally employed by duly qualified persons in the performance of comparable work and in accordance with generally accepted industry practices appropriate to the activities undertaken.

6(c) carry out all work and do such other things as may be reasonably necessary to carry out the required yearly minimum assessment work and payment of maintenance fees on the Property in accordance with the Mining Laws and any applicable environmental laws of the State of Utah and the United States of America. The Optionor shall receive a copy of all reports so prepared by the Optionee in respect of all such work.

6(d) the Optionee agrees to indemnify the Optionor against all actions, awards, costs, damages, liabilities or proceedings arising directly out of any exploration or Mining Operations that the Optionee carries out or causes to be carried out on the Property.

6(e) the Optionee cannot require the Optionor to transfer the Property or any part of it to any person other than the Optionee or its' nominees; or transfer the property in more than one part, or by more than one transfer or apportion the price between different parts of the Property.

6(f) upon complete exercise of the Option, transfer of the Property to the Optionee will include a covenant by the Optionee to perform its obligations arising from the Mining Laws and any applicable environmental legislation of United States of America in so far as the Optionor remains bound by them after the date of the transfer and to indemnify the Optionor against liability for future breaches of any of them and a declaration that the transfer does not operate to create or convey any easements other than those expressly set out in it.

7. Conditions to Option Agreement. Exercise of the Option by the Optionee is subject to the following conditions:

7(a) The Optionee performing, filing and having approved the minimum yearly work requirements as required by the Mining Laws to keep the Property in good standing at all times during the Option Period at the expense of the Optionee; and,

7(b) The Optionor having completed, within the two years prior to the Effective Date, a minimum of \$75,000 CDN worth of Qualifying Expenditures on the Property which are acceptable to the CSE and having provided the Optionee with evidence acceptable to the CSE of such Qualifying Expenditures;

The condition in section 7(a) above is for the benefit of the Optionor and may be waived, in whole or in part, by the Optionor in writing at any time. The condition in section 7(b) is for the benefit of the Optionee and may be waived in whole or in part, by the Optionee in writing at any time.

8. Property Access. The Optionee, its consultants and/or designates shall be responsible for their

own access to the Property to carry out exploration, development and Mining Operations.

9. Working right. During currency of the Option, the Optionee shall have the sole and exclusive working right to enter on and conduct Mining Operations on the Property as the Optionee in its sole discretion may decide. The Optionee shall have quiet and exclusive possession of the Property from the date of this Option Agreement and thereafter during the currency of the Option provided it is in good standing, with full power and authority to the Optionee, its servants, agents, workers or contractors, to carry on Mining Operations in searching for minerals in such manner as the Optionee in its discretion may determine, including the right to erect, bring and install on the Property all buildings, plant, machinery, equipment, tools, appliances or supplies as the Optionee, acting reasonably, shall deem necessary and proper and the right to remove therefrom reasonable quantities of rocks, ores and minerals and to transport them for the purposes of sampling, metallurgical testing and assaying subject to the Mining Laws. All Mining Operations conducted by the Optionee shall be in accordance with good exploration, development, mining and reclamation practice, and in compliance with all applicable Mining Laws.

10. Optionee conduct.

10.1 Maintenance of Property. The Optionee agrees that during currency of the Option and after exercising of the Option, the Optionee shall carry out sufficient assessment work to maintain the Property in good standing at all times and pay all taxes, assessments and other charges lawfully levied or assessed against the Property. The Optionee agrees to bear all costs of surveying and leasing the mining claims which comprise the Property .. The Optionor will promptly transmit to the Optionee any notices pertaining to the claims.

10.2 Abandonment. The Optionee may at any time, during currency of the Option, abandon the mining claims which comprise the Property. The Optionee shall give the Optionor notice in writing of any such abandonment. In the event that the mining claims comprising the Property are abandoned (including termination of this Option Agreement without the Optionee having exercised the Option), the claims must be in good standing for a period of at least ninety days from the date of the notice of abandonment.

10.3. Insurance. The Optionee shall maintain adequate comprehensive general liability insurance, as well as worker's compensation insurance, to protect the Optionee and its respective employees, agents, contractors, invitees and licensees while performing exploration and development work on the Property. The Optionor shall be listed as a named insured, with copies of all policies delivered to Optionor before entry onto the Property.

11. Indemnity.

11(a) The Optionee shall and does hereby indemnify, hold harmless, and agree to defend, and save the Optionor harmless from and against all losses, liabilities, claims, demands, damages, expenses, suits, injury or death in any way related to exploration activities and Mining Operations conducted on the Property by the Optionee.

11(c) Notwithstanding any other provision of this Option Agreement, the indemnities provided herein shall remain in full force and effect until all possible liabilities of the persons indemnified thereby are extinguished by the operation of law and will not be limited to or affected by any other indemnity obtained by such indemnified persons from any other person.

11(d) No investigation made by or on behalf of either of the parties hereto at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by the other party herein or pursuant hereto. No waiver by either of the parties hereto of any condition herein, in whole or in part, shall operate as a waiver of any other condition herein.

12. Title to the Property

12(a) Title to the Property (interest in the Mining Rights only), is presently evidenced with the U.S. Bureau of Land Management and also at the Mining Recorder's Office in Tooele County, Utah Division of Archives and Record Service, under the Optionor's name.

12(b) Title to the Property has been deduced to and investigated by (or on behalf of) the Optionee before the date of this Agreement. The Optionee is deemed to have accepted such title and is not entitled to raise any objection, enquiry or requisition thereon.

13. Title Transfer after Interest Earned

13(a) Full title to interest in the Mining Rights of the Optionor will be transferred to the Optionee when the Option has been exercised entirely and all of the cash payments and share payments have been received by the Optionor as outlined in subparagraph 4.1(a)(i), (ii) and (iii) and provided that the Property has been kept in good standing by the Optionee by performing and filing of assessment work as outlined in paragraphs 4.1(a)(iv) and 10.1.

14. **Assignment of interest.** During currency of the Option, the Optionor and Optionee shall not, except as set out herein, sell, transfer or assign this Option Agreement or their right or beneficial interest in the Property without the written consent of the other party, which shall not be unreasonably or arbitrarily withheld or delayed. The Optionee shall be permitted to assign this Option Agreement to an Affiliate on the assigning party providing a guarantee, in form satisfactory to the Optionor acting reasonably, of the obligations of that Affiliate under this Option Agreement. Any assignment shall be subject to the assignee entering into an agreement, in form and substance satisfactory to counsel for the Optionor acting reasonably, to be bound to all terms of this Option Agreement.

15. **Negative pledge.** During the Option Period, the Optionor and Optionee shall not pledge, mortgage, charge or otherwise encumber their beneficial interest in the Property or their rights under this Option Agreement.

16. Limitation of obligations of Optionee.

It is understood and agreed that:

16(a) nothing contained in this Option Agreement, nor any payment made, Mining Operations conducted or Expenditures incurred by the Optionee on or in connection with the Property or part of it, nor the doing of any act or thing by the Optionee under the terms of this Option Agreement shall obligate the Optionee to do anything else under this Option Agreement other than to make payment and incur Expenditures to the extent that it may have expressly undertaken to do so pursuant to the terms of this Option Agreement; and,

16(b) subject to the terms of this Option Agreement, the Optionee may at any time abandon the working right and Option granted to it under paragraph 3 and the Optionee may abandon the mining claims comprising the Property subject to said mining claims being in good standing for a period of ninety days from the notice of abandonment provided that all Mining Laws, environmental and all other applicable legislation of United States of America has been adhered to.

17. **Equipment.** In the event that the Optionee abandons the working right and Option granted to it under paragraph 3, all buildings, plant, equipment, machinery, tools, appliances and supplies which the Optionees may have brought on the Property, either before or during the period of the working right and option, may be removed by the Optionee at any time not later than 3 (three) months after the

abandonment of the working right and option. Any buildings, plant, equipment, machinery, tools, appliances and supplies left on the Property during the 3 (three)-month period shall be at the Optionee's sole risk and, if not removed after the 3 (three)-month period, shall become the property of the Optionor, if the Optionor elects to possess them. If the Optionor chooses to have such property or any part thereof removed and dispersed of, the Optionee shall reimburse the Optionor for its costs so incurred.

18. Information. If the Optionee abandons the working right and Option granted to it under paragraph 3, the Optionee shall upon request provide the Optionor with a copy of all non-interpretative reports, maps, plans, drill logs and surveys of all work pertaining to the Property provided that the Optionee does not warrant the accuracy of those reports, maps, plans, drill logs and surveys and shall not be liable for any inaccuracies contained in them.

19. Time. Time shall be of the essence of this Option Agreement and of every part of it and no extension or variation of this agreement shall operate as a waiver of this provision.

20. Confidentiality of information. No party to this Agreement shall, without the express written consent of the other party, disclose any of the Confidential Information to any other person or entity nor issue any press releases concerning the Confidential Information. Notwithstanding the foregoing:

- (a) if the Optionee contemplates selling or assigning its interest, it shall have the right to disclose to a prospective purchaser any part of the Confidential Information reasonably necessary to facilitate the sale or assignment of its interest if it first obtains an agreement in writing from the prospective purchaser, and furnishes a copy of such agreement to the Optionor, that the prospective purchaser shall not disclose to any person or entity any of the Confidential Information furnished to it;
- (b) the Optionee shall have the right to disclose the Confidential Information with respect to this Agreement, in strict confidence to the Optionee's attorneys or financial and mining consultants or to any stock exchange or securities regulator;
- (c) the parties acknowledge the right and privilege of the Optionee to file, register and/or to otherwise deposit a copy of this Agreement with any governmental agencies in order to give third parties notice of this Agreement, and hereby agree, each with the others, to do or cause to be done all acts or things reasonably necessary to effect such filing, registration or deposit; and
- (d) this section does not apply to any disclosure which may be required by law, securities regulatory bodies, or stock exchanges governing one or more of the parties.

21. Entire agreement. With respect to the subject-matter of this agreement, this Option Agreement:

- (a) sets forth the entire agreement between the parties and any persons who have in the past or who are now representing either of the parties; and
- (b) supersedes all prior understandings and communications between the parties or any of them, oral or written; and (c) constitutes the entire agreement between the parties.

Each party acknowledges that this Option Agreement is entered into after full investigation and that no party is relying on any statement or representation made by any other which is not embodied in this agreement. Each party acknowledges that it shall have no right to rely on any amendment, promise, modification, statement or representation made or occurring subsequent to execution of this Option Agreement unless it is in writing and executed by each of the parties.

22. Notices. All payments and communications which may be or are required to be given by either

party to the other shall (in the absence of any specific provision to the contrary) be in writing and in the case of payments delivered or sent by prepaid registered mail and, in the case of communications, delivered or sent by prepaid registered mail or by email (provided sender obtains evidence or verification of transmission receipt) to the parties, at their following respective addresses:

Optionee: Blast Resources Inc.

[Redacted]

Optionor: Western Cobalt, LLC

[Redacted]

and if any such payment or communication is sent by prepaid registered mail, it shall, subject to the following sentence, be conclusively deemed to have been received on the third business day following the mailing of it and, if delivered or faxed, it shall be conclusively deemed to have been received at the time of delivery or transmission. Notwithstanding the foregoing provisions with respect to mailing, in the event that it may be reasonably anticipated that, due to any strike, lock-out or similar event involving an interruption in postal service, any payment or communication will not be received by the addressee by no later than the third business day following the mailing of it, then the mailing of any payment or communication as mentioned shall not be an effective means of sending it but rather any payment must then be sent by delivery, and any communication by delivery or facsimile transmission. Either party may from time to time change its address by notice to the other in accordance with this paragraph.

23. Environmental and Other Obligations

23(a) The Optionee covenants with the Optionor to bear all costs of and to meet all obligations of environmental remediation and rehabilitation in respect of all of the exploration and Mining Operations conducted by the Optionee, consultants and/or its' designates on the Property.

23(b) The Optionee shall indemnify, hold harmless, defend, and save the Optionor from and against all claims, costs and expense (including reasonable legal expenses on solicitor client basis) in respect of and without limitation to any of the exploration and Mining Operations of the Optionee on the Property.

23(c) For the purpose of sub-clause 23(a), environmental remediation and rehabilitation shall be any remediation required pursuant to the Mining Laws and any other applicable legislation of the State of Utah and federal legislation of United States of America.

24. Termination. This Option Agreement may be terminated by the Optionor if the cash or share payments outlined in paragraphs 4.1(a)(i), (ii) and (iii) are not received by the Optionor, or assessment work requirements are not being met, upon giving not less than seven (7) days notice in writing to the Optionee. The Optionee may withdraw from the Option to exercise this Option Agreement and may terminate this Agreement upon giving not less than seven (7) days notice in writing to the Optionor provided that the claims comprising the Property will be in good standing for a period of ninety days from the date of the notice of termination. Upon such notice taking effect, the Option created by this Agreement and the obligations of the Optionee contained herein shall immediately terminate. If the Optionee fails to perform the minimum yearly work Expenditure required on the Property by the Mining

Laws to keep the Property in good standing at all times, its interest in the Property will cease to exist. This Agreement terminates if the Optionee fails to perform, file or have approved all assessment work required to keep the mining claims of the Property in good standing as required by the Mining Laws, unless the Optionee corrects the failure, act or omission that constitutes said failure within 30 days, provided that the claims have not lapsed into forfeiture.

25. Force Majeure. If either the Optionor or the Optionee are affected by Force Majeure they shall:

25(a) Give the other party prompt written notice of the Force Majeure with particulars of the act, event or causes constituting the Force Majeure and in so far as is known, the probable extend to which it will be unable to perform, or be delayed in performing such duty or obligation; and,

25(b) Not be required to carry out such obligation or duty so far as it is affected by the Force Majeure during but no longer than the continuance of the Force Majeure; and,

25(c) Use all possible diligence to overcome or remove the Force Majeure as quickly as possible.

25(d) The requirement that any Force Majeure will be overcome or remedied with all possible diligence, will not require a party to settle any strike or other labor dispute or any land access issue on terms contrary to its wishes not to test the validity or enforceability of any law, regulation, decree or order by way of legal proceedings.

25(e) For the purposes of this clause, "Force Majeure" means any act, event or causes beyond reasonable control of the party concerned, including, but not limited to acts of god, perils of the sea, war, sabotage, riot, storm and tempest, earthquake, landslide, explosion, fire, strike and other labor difficulties or loss or denial of access to land due to government regulation or expropriation or landowner objection, but excluding lack of finances.

26. Costs. Each party is responsible for its own professional costs incurred with respect to the preparation and execution of this Agreement.

27. Consent.

27(a) This Agreement and transfer of interest in the Mining Rights of the Property upon exercising this Option Agreement are subject to and conditional upon the Optionee obtaining all relevant consents required under mining legislation or any other state or federal statute necessary to give this Agreement, and any such transfer, effect. The parties agree to do all acts and things reasonably necessary to obtain such consent.

27(b) If such required consents are refused or not obtained within 6 months of exercising the Option, or such later date as the parties may agree but subject to the parties having used all reasonable endeavors to obtain the consents, the Optionee may terminate this Agreement by notice in writing to the Optionor and the parties shall have no further rights or obligations in respect of the transfer or under this Agreement other than those which have arisen prior to the date of such termination.

28. Area of Interest.

28(a) The "Area of Interest" shall be deemed to comprise that area of radius within 5 (five) miles of the present claim group boundaries of the Property, as of the Effective Date of this Option Agreement. Any new mining claims staked and/or acquired within the Area of Interest during the Option Period by either party will be added to schedule "A" of this Option Agreement and will be bound by all of the terms outlined herein.

29. Additional acquisition.

If at any time during the Option Period the Optionor or Optionee stakes directly or indirectly, any mining claim, license, lease, grant, concession, permit, patent or other mineral property located wholly or partially within the Area of Interest referred to in paragraph 28(a) they shall immediately give notice to the other party of that staking, the cost of it and all details in possession with respect to the nature of the Property and the known mineralization. Any additional mining claims staked within or partially within the Area of Interest after the date of this Agreement will be added to this Option Agreement, by way of an amendment to Schedule "A" of this Agreement. All costs of staking and registering additional mining claims will be borne by the Optionee.

30. Benefit of successors.

This Option Agreement shall enure to the benefit of and be binding on the parties and their respective heirs, executors, administrators, successors and assigns.

(THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK)

IN WITNESS WHEREOF the parties have signed and sealed this agreement.

Signed, sealed and delivered on this 31st day of December, 2022.

(Executed for an on behalf of the Optionor:) [Signature Redacted] [Redacted]
Western Cobalt, LLC

(Executed for an on behalf of the Optionees:) [Signature Redacted] [Redacted]
Blast Resources Inc.

Schedule “A”
Description of the Property

The mining claims known as the Vernon Hills Project, located in central Tooele Country Utah USA. Total of 10 mining claims (VH7-VH16).

Serial Number	File Number									State	Location	Disposition
UT101557083	UT101557083	UMC444079	UMC444079	26	0080S	0050W	026	NE	TOOELE	UT	1/14/2019	ACTIVE
								NW	TOOELE	UT	1/14/2019	ACTIVE
Admin State: UT												
Claim Name: VERNON HILLS 8												
Serial Number	Lead File Number	Legacy Serial Number	Legacy Lead File Number	Meridian	Township	Range	Section	Quadrant	County	Geo State	Date of Location	Case Disposition
UT101557084	UT101557084	UMC444080	UMC444079	26	0080S	0050W	025	NW	TOOELE	UT	1/14/2019	ACTIVE
							026	NE	TOOELE	UT	1/14/2019	ACTIVE
Admin State: UT												
Claim Name: VERNON HILLS 9												
Serial Number	Lead File Number	Legacy Serial Number	Legacy Lead File Number	Meridian	Township	Range	Section	Quadrant	County	Geo State	Date of Location	Case Disposition
UT101557085	UT101557085	UMC444081	UMC444079	26	0080S	0050W	023	SE	TOOELE	UT	1/14/2019	ACTIVE
								SW	TOOELE	UT	1/14/2019	ACTIVE
							026	NE	TOOELE	UT	1/14/2019	ACTIVE
								NW	TOOELE	UT	1/14/2019	ACTIVE
Admin State	Distinct Cases Found											
UT	10											

NO WARRANTY IS MADE BY BLM FOR USE
 OF THE DATA FOR PURPOSES
 NOT INTENDED BY BLM