

**ROVER METALS CORP.,  
SILVER RANGE RESOURCES LTD.,  
AND  
PANARC RESOURCES LTD.**

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**AMENDMENT NO. 3 TO THE OPTION AGREEMENT**

**for the**

**UP TOWN GOLD GROUP OF MINERAL CLAIMS**

**Northwest Territories Land Act (Mining Regulations)**

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September 5<sup>th</sup>, 2018

jc  
CD

## AMENDMENT NO. 3

THIS THIRD AMENDMENT TO THE OPTION AGREEMENT ("the Agreement") is dated effective September 5th, 2018

AMONG:

**ROVER METALS CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionee")

AND:

**SILVER RANGE RESOURCES LTD.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionor")

AND:

**PANARC RESOURCES LTD.**, a corporation duly incorporated under the laws of the Yukon Territory  
(the "Panarc")

### RECITALS

WHEREAS:

- A. The Optionee and Optionor wish to amend section 5.4 of the original Option Agreement (as found in in Exhibit A) between Rover Metals Corp. and Silver Range Resources Ltd. and Panarc Resources Ltd.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of Rover Metals Corp. and Silver Range Resources Ltd., the Optionee and Optionor hereto covenant and agree as follows:

1. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Option Agreement.
2. **Amendments.**
  - 2.1 The parties agree to amend Section 5.2(a)(ii) by deleting: "by the second anniversary of the Agreement (September 9, 2018)"

And inserting:

"by February 28, 2020"



2.2 The parties agree to amend Section 5.2(a)(iii) by deleting: “by the third anniversary of the Agreement (September 9, 2019)

And inserting:

“by September 9<sup>th</sup>, 2020

2.3 The parties agree to amend Section 5.2(b)(iv) by deleting: “an additional \$90,000 by the second anniversary of this Agreement (September 9<sup>th</sup>, 2018)”

And inserting:

“an additional \$45,000 by the second anniversary of this Agreement (September 9<sup>th</sup>, 2018)”

2.4 The parties agree to amend Section 5.2(b)(v) by deleting: “an additional \$120,000 by the third anniversary of this Agreement (September 9<sup>th</sup>, 2019)”

And inserting:

“an additional \$45,000 (cash and/or shares at the option of the Optionee) by April 30, 2019; and (vi) an additional \$120,000 by February 28, 2020”

2.5 The parties agree to amend Section 5.4 by deleting: “2,500,000 common shares of the Optionee on a fully diluted basis, on or before December 31, 2019.”

And inserting:

“The lessor of (a) four-point-five percent (4.5%) of the outstanding common shares of the Optionee on a fully diluted basis and (b) 2,500,000 common shares of the Optionee, on or before September 30, 2020.”

3. **No Other Changes.** Except as set forth in this Agreement, the Option Agreement shall remain in full force and effect without any further changes or modifications.
4. **Governing Law.** This Agreement will be construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada as applicable therein.
5. **Headings.** The headings are for convenience only, do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions.
6. **Further Assurances.** Each party will execute and deliver such further agreements and other documents and do such further acts and things as the other party reasonably requests to evidence, carry out or give full force and effect to the intent of this Agreement.
7. **Counterparts.** This Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or electronically transmitted and each such counterpart will be deemed to be an original and such counterparts together will constitute one and the same instrument.

**IN WITNESS WHEREOF** this Agreement has been executed by or on behalf of the parties the day and year first above written.

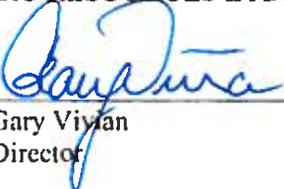
**ROVER METALS CORP.**

Per:   
\_\_\_\_\_   
Judson Culter  
CEO

**SILVER RANGE RESOURCES LTD.**

Per:   
\_\_\_\_\_   
Mike Power  
CEO

**PANARC RESOURCES LTD.**

Per:   
\_\_\_\_\_   
Gary Vivian  
Director

**EXHIBIT A**  
**OPTION AGREEMENT**

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to be 'J.B.' or similar initials.

**ROVER METALS CORP.,  
SILVER RANGE RESOURCES LTD.**

**AND**

**PANARC RESOURCES LTD.**

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**OPTION AGREEMENT**

**for the**

**UP TOWN GOLD GROUP OF MINERAL CLAIMS**

**Northwest Territories**

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September 9, 2016

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SCHEDULE "A" – PROPERTY

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SCHEDULE "C" – SUMMARY OF JOINT VENTURE AGREEMENT

# OPTION AGREEMENT

THIS Option Agreement (the "Agreement") is dated effective September 9th, 2016

**AMONG:**

**ROVER METALS CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia (the "**Optionee**")

**AND:**

**SILVER RANGE RESOURCES LTD.**, a corporation duly incorporated under the laws of the Province of British Columbia

(the "**Optionor**")

**AND:**

**PANARC RESOURCES LTD.**, a corporation duly incorporated under the laws of the Yukon Territory

(the "**Panarc**")

**WHEREAS:**

- A. The Optionor is the sole legal and beneficial owner of six (6) mineral claims staked pursuant to the requirements of the Northwest Territories Land Act (Mining Regulations), Northwest (the "Property"), as more particularly described in Schedule "A" hereto;
- B. The Optionor has agreed to grant an exclusive staged options to the Optionee to acquire up to a Seventy-five Percent (75%) interest in the Property, and subsequently, up to a One Hundred Percent (100%) interest in the Property, subject to the Royalty Interest.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the sum of \$1.00 now paid by the Optionee to the Optionor and for other good and valuable consideration, the parties agree as follows:

## **1. DEFINITIONS**

- 1.1 In this Agreement, except as otherwise expressly provided or as the context otherwise requires:

- (a) "**Affiliate**" means an entity or person that Controls, is Controlled by, or is under the common Control with a party.
- (b) "**Area of Common Interest**" means that area as defined in Section 20.1.
- (c) "**Control**" used as a verb means, when used with respect to an entity, the ability, directly or indirectly through one or more intermediaries to direct or cause the direction of the management and policies of such entities through (i) the legal or beneficial ownership of voting securities or membership interest; (ii) the right to appoint managers, directors or corporate management; (iii) contracts; (iv) operating agreements; (v) voting trusts; or otherwise; and, when used with respect to a person, means the actual or legal ability to control the actions of another, through family relationship, agency, contract or otherwise; and "control" used as a noun means an interest which gives the holder the ability to exercise any of the foregoing powers.
- (d) "**Disposing Party**" has the meaning assigned to it in Section 14.5.
- (e) "**Effective Date**" means the date of this Agreement.
- (f) "**Expenditures**" means all paid-up costs, expenses, obligations and liabilities of whatever kind or nature spent or incurred directly or indirectly by the Optionee including, without limiting the generality of the foregoing, monies expended in connection with:
  - (i) maintaining the Property in good standing and fulfilling any of the requirements of any title documents, permits or applicable mining laws in the Northwest Territories with respect to the Property, including the costs of any discussions or negotiations with governmental authorities in connection therewith,
  - (ii) mobilization and de-mobilization of work crews, supplies, facilities and equipment to and from the Property, including all transportation,

insurance, customs brokerage and import and export taxes, fees and charges and all other governmental levies in connection therewith,

- (iii) implementing and carrying out any program of surface or underground prospecting, exploring or mapping or of geological, geophysical or geochemical surveying,
  - (iv) trenching or other surface or near surface sampling,
  - (v) reverse circulation, diamond or other drilling,
  - (vi) drifting, raising or other underground work,
  - (vii) assaying and metallurgical testing,
  - (viii) carrying out environmental studies and preparing environmental impact assessment reports,
  - (ix) carrying out all required restoration and reclamation of the Property required as a result of activities thereon hereunder,
  - (x) preparing and making submissions to government agencies with respect to substitute or successor title to any of the Property and test and production permits,
  - (xi) acquiring, constructing and transporting facilities, and
  - (xii) fees, wages, salaries, traveling expenses and fringe benefits (whether or not required by law) of all persons engaged in work with respect to and for the benefit of the Property and the food, lodging and other reasonable needs of such persons;
- (g) **"First Option"** means the sole and exclusive right and option to acquire up to a Seventy-five Percent (75%) undivided interest in the Property, free and clear of all charges, encumbrances and claims, save and except the Royalty Interest, as set out in Section 5.1 of this Agreement.
- (h) **"Joint Venture Agreement"** has the meaning ascribed to it in Section 11.2

- (i) "**Options**" means the First Option and the Second Option, collectively.
- (j) "**Option Period**" means the period during the term of this Agreement from the date hereof to and including the date of exercise of the Second Option.
- (k) "**Property**" means the mineral claims set out in **Schedule "A"** to this Agreement, all of which are located in the Northwest Territories, and all mining leases and other mining interests derived from any such claims, and a reference herein to a mineral claim comprised in the Property includes any mineral leases or other interests into which such mineral claim may have been converted. Property also includes any mineral interests that become part of the Property by operation of the Area of Common Interest provided for herein.
- (l) "**Property Rights**" means and includes the ownership rights of the Optionor and the rights of the Optionor under the Royalty Interest, together with all licences, permits, easements, rights-of-way, certificates and other approvals obtained either before or after the date of this Agreement and necessary for the development of the Property, or for the purpose of placing the Property into production or continuing production therefrom.
- (m) "**Purchase Agreement**" has the meaning ascribed to it in Section 2.1(c).
- (n) "**Royalty Interest**" means the two percent (2%) net smelter returns royalty, buyable down to one percent (1%) for One Million Canadian dollars (\$1,000,000.00), with advance royalty payments of Fifty Thousand Canadian dollars (\$50,000.00) per annum commencing on the 5<sup>th</sup> anniversary of the Effective Date of this Agreement, relating to all of the mineral claims forming the Property, which shall be payable by the Optionee to the Optionor upon exercise of the Option in accordance with the terms of the Agreement.

- (o) "**Royalty Agreement**" means the agreement that outlines the calculation of the Royalty Interest as provided for in Schedule B to this Agreement.
  - (p) "**Second Option**" means the sole and exclusive right and option, subject to the terms of this Agreement, to acquire up to a Twenty-five Percent (25%) undivided interest in the Property, free and clear of all charges, encumbrances and claims, save and except the Royalty Interest.
  - (q) "**Shares**" means fully paid and non-assessable common shares in the capital of the Optionee.
- 1.2 The headings are for convenience only and are not intended as a guide to interpretation of this Agreement or any portion thereof.
- 1.3 The word "**including**", when following any general statement or term, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term to refer to all other items or matters that could reasonably fall within its broadest possible scope.
- 1.4 All accounting terms not otherwise defined herein have the meanings assigned to them, and all calculations to be made hereunder are to be made, in accordance with Canadian generally accepted accounting principles applied on a consistent basis.
- 1.5 In this Agreement, except as otherwise specified, all references to currency means the Canadian dollar.
- 1.6 A reference to a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulations.
- 1.7 A reference to an entity includes any successor to that entity.

- 1.8 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.
- 1.9 A reference to "**acceptance**", "**approval**", "**authorization**" or "**consent**" means written approval, authorization or consent.

**2. REPRESENTATIONS AND WARRANTIES OF THE OPTIONOR**

2.1 The Optionor represents and warrants to the Optionee that:

- (a) it is extraterritorially registered in the Northwest Territories and is legally entitled to hold the Property and all mineral claims comprised therein, and all Property Rights held by it;
- (b) it is and, at the time of each transfer to the Optionee of an interest in the mineral claims comprising the Property, it will be the sole beneficial owner of all of the claims comprising the Property, free and clear of all liens, charges and claims of others and no taxes or rentals are due in respect of any thereof;
- (c) pursuant to the terms of a June 14, 2016 property purchase agreement, Panarc sold one hundred percent (100%) of its interest in and to the Property to the Optionor (the "Purchase Agreement");
- (d) the claims comprising the Property have been duly and validly located and recorded pursuant to the Northwest Territories Land Act (Mining Regulations), and are in good standing in the office of the Mining Recorder on the Effective Date hereof and until the dates set opposite the respective names thereof in Schedule "A";
- (e) Panarc is the recorded holder of the mineral claims comprising the Property and holds legal title to such claims as bare trustee for Silver Range;

- (f) there is no adverse claim or challenge against or to the ownership of or title to the Property, nor to the knowledge of the Optionor after due inquiry is any of the foregoing pending or threatened nor is there any basis therefor, and there are no outstanding agreements or options to acquire or purchase the Property or any portion thereof or any interest therein, and no person has any royalty or other interest whatsoever in production from any of the Property;
- (g) there is no outstanding directive or order or similar notice issued by any regulatory agency, including agencies responsible for environmental matters, affecting the Property or the Optionor nor to the knowledge of the Optionor after due inquiry is there any basis therefor or any reason to believe that such an order, directive or similar notice is pending;
- (h) all work carried out on the Property by or under the Optionor's direction has been done in full compliance with all applicable laws and regulations and it has no reason to believe that all prior work carried out on the Property by third parties has not been done in full compliance with all applicable laws and regulations;
- (i) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transaction herein contemplated will not conflict with 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 under the provisions of, the Articles or the constating documents of the Optionor or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to which the Optionor is a party or by which it is bound or to which it may be subject;
- (j) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of the Optionor, enforceable against it in accordance with the Agreement's terms;

- (k) no proceedings are pending for, and the Optionor is unaware of any basis for the institution of any proceedings leading to, the dissolution or winding-up of the Optionor or the placing of the Optionor in bankruptcy or subject to any other laws governing the affairs of insolvent persons;
- (l) the Property is not the whole or substantially the whole of the undertaking of the Optionor;
- (m) it is not aware of any material fact (as defined in the British Columbia Securities Act) or circumstance which has not been disclosed to the Optionee in writing which should be disclosed in order to prevent the representations and warranties in this section from being false or misleading; and
- (n) it is a resident of Canada for the purposes of the Income Tax Act (Canada).

2.2 The representations and warranties contained in Section 2.1 are provided for the exclusive benefit of the Optionee, and a breach of any one or more thereof may be waived by the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 2.1 will survive the execution hereof.

### 3. **REPRESENTATIONS AND WARRANTIES OF PANARC**

3.1 Panarc represents and warrants to the Optionor and the Optionee that:

- (a) pursuant to the terms of the Purchase Agreement, Panarc sold one hundred percent (100%) of its interest in and to the Property to the Optionor;
- (b) the sale of the Property as contemplated in the Purchase Agreement was completed on June 14, 2016;

- (c) the Purchase Agreement is a valid and binding agreement and is enforceable by each of the Optionor and Panarc;
- (d) recorded title to the claims comprising the Property are currently registered in the name of Panarc for administrative convenience only; and
- (e) Panarc holds recorded title to the claims comprising the Property in trust for the Optionor and other than being the recorded title holder, has no direct or indirect legal or beneficial interest of any kind or nature in the Property.

3.2 The representations and warranties contained in Section 3.1 are provided for the benefit of the Optionor and the Optionee and a breach of any one or more thereof may be jointly waived by the Optionor and the Optionee in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 3.1 will survive the execution hereof.

#### 4. **REPRESENTATIONS AND WARRANTIES OF THE OPTIONEE**

4.1 The Optionee represents and warrants to the Optionor that:

- (a) it has been duly incorporated and validly exists as a corporation in good standing under the laws of British Columbia and is or will be lawfully qualified to do business and to hold mineral claims in the Northwest Territories title to the Property claims and real property in the Province of British Columbia;
- (b) it has duly obtained all corporate authorizations for the execution of this Agreement and for the performance of this Agreement by it, and the consummation of the transaction herein contemplated will not conflict with 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 under the provisions of, the Articles or the constating documents of the Optionee or any shareholders' or directors' resolution, indenture, agreement or other instrument whatsoever to

which the Optionee is a party or by which it is bound or to which it may be subject;

- (c) it has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of the Optionee, enforceable against it in accordance with the Agreement's terms; and
- (d) it is a resident of Canada for the purposes of the Income Tax Act (Canada).

4.2 The representations and warranties contained in Section 4.1 are provided for the exclusive benefit of the Optionor and a breach of any one or more thereof may be waived by the Optionor in whole or in part at any time without prejudice to its rights in respect of any other breach of the same or any other representation or warranty; and the representations and warranties contained in Section 4.1 will survive the execution hereof.

## 5. **ACQUISITION OF OPTIONS**

5.1 The Optionor hereby grants to the Optionee the First Option, subject to the terms of this Agreement.

5.2 This Agreement and the First Option will terminate if before the expiry of the relevant time period, the Optionee has failed to complete all of the following:

- (a) incur Expenditures on the Property of:
  - (i) \$350,000.00 by the first anniversary of the Agreement (September 9<sup>th</sup>, 2017);
  - (ii) \$500,000.00 (\$850,000.00 cumulative total) by the second anniversary of the Agreement (September 9<sup>th</sup>, 2018); and
  - (iii) \$750,000.00 (\$1,600,000.00 cumulative total) by the third anniversary of the Agreement (September 9<sup>th</sup>, 2019).

- (b) pay the amounts and issue common shares from its treasury to the Optionor as set out below:
  - (i) Seven-point-five Percent (7.5%) of the outstanding common shares of the Optionee on a fully diluted basis, upon execution of this Agreement (the Effective Date);
  - (ii) \$30,000.00 by March 9<sup>th</sup>, 2017;
  - (iii) an additional \$60,000.00 by the first anniversary of this Agreement (September 9<sup>th</sup>, 2017);
  - (iv) an additional \$90,000.00 by the second anniversary of this Agreement (September 9<sup>th</sup>, 2018); and
  - (v) an additional \$120,000.00 by the third anniversary of this Agreement (September 9<sup>th</sup>, 2019).

5.3 Upon the full exercise of the First Option, the Optionor shall be deemed to have granted to the Optionee, the Second Option, subject to the terms of this Agreement.

5.4 The Optionee may fully exercise the Second Option by issuing to the Optionor, Four-point-five Percent (4.5%) of the outstanding common shares of the Optionee on a fully diluted basis, on or before December 31, 2019.

## 6. **EXERCISE OF OPTIONS**

6.1 If the Optionee has completed the Expenditures, made the cash payments and issued and delivered the Shares in the amounts and within the time periods required by Section 5.2 hereof, the Optionee shall have exercised the First Option and shall thereby have earned a Seventy-five Percent (75%) beneficial interest in the Property, subject only to the Royalty Interest. The Optionee shall immediately after it has satisfied its obligations under Section 5.2, confirm the exercise of the Option by delivering a notice to the Optionor.

6.2 If the Optionee has delivered the Shares in the amounts and within the time period required by Section 5.4 hereof, the Optionee shall have exercised the Second Option and

shall thereby have earned the remaining Twenty-five Percent (25%) beneficial interest in the Property, subject only to the Royalty Interest.

**7. RIGHT OF ENTRY**

7.1 Throughout the Option Period, the directors and officers of the Optionee and its servants, agents and independent contractors, shall have the sole and exclusive right in respect of the Property to:

- (a) enter thereon;
- (b) have exclusive and quiet possession thereof;
- (c) do such prospecting, exploration, development and/or other mining work thereon and thereunder as the Optionee in its sole discretion may determine advisable;
- (d) bring upon and erect upon the Property buildings, plant, machinery and equipment as the Optionee may deem advisable; and
- (e) remove therefrom and dispose of reasonable quantities of ores, minerals and metals for the purpose of obtaining assays or making other tests.

**8. TRANSFER OF PROPERTY**

8.1 At the request of the Optionee at any time following the execution of this Agreement, the Optionor and Panarc will deliver to the Optionee duly executed transfers of the Property in favour of the Optionee for the Seventy-five Percent (75%) interest in the Property to be acquired by the Optionee, and subsequently, if applicable, the remaining Twenty-five percent (25%) interest in the Property.

8.2 The Optionee will be entitled to record all transfers contemplated hereby at its own cost with the appropriate government office to effect legal transfer of recorded ownership

interest in the Property into the name of the Optionee who will hold the Property subject to the terms of this Agreement, it being understood that the transfer of recorded ownership in the Property to the Optionee before the exercise of the Option is for administrative convenience only.

- 8.3 A memorandum of this Agreement, shall, upon the written request of any party, be recorded in the office of any governmental agency so requested, in order to give notice to third parties of the respective interests of the parties in the Property and this Agreement. Each party hereby covenants and agrees with the requesting party to execute such documents as may be necessary to perfect such recording.
- 8.4 If the Optionee fails to fully exercise the First Option or the Second Option as applicable, the Optionee will deliver to the Optionor, a duly executed transfer of the Property in favour of the Optionor for a Seventy-five Percent (75%) interest in the Property or for a One Hundred Percent (100%) interest in the Property, as applicable. All costs associated with recording the transfers contemplated under this Section 8.4 with the appropriate government office to effect legal transfer of ownership interest in the Property into the name of the Optionor shall be borne by the Optionee.

## **9. OBLIGATIONS OF THE OPTIONEE DURING OPTION PERIOD**

- 9.1 During the Option Period the Optionee will:
- (a) pay such costs as are required to maintain in good standing those mineral claims comprising the Property that are in good standing on the date hereof by the doing and filing for credit all assessment eligible expenditures completed on the Property or the making of payments in lieu thereof, by the payment of taxes and rentals and the performance of all other actions which may be necessary in that regard and in order to keep such mineral claims free and clear of all liens and other charges arising from the exploration activities undertaken hereunder, except those at the time contested in good faith by the Optionee;

- (b) permit the directors, officers, employees and designated consultants of the Optionor, at their own risk and cost, reasonable access to the Property and to all technical records, other factual and engineering data and all financial records relating to the Property which is in the possession of the Optionor at all reasonable times subject always to Section 17;
- (c) deliver to the Optionor on or before September 9<sup>th</sup> in each year, a report describing the results of work done in the last completed calendar year, together with reasonable details of Expenditures made; all information and data concerning or derived from the exploration and development shall be kept confidential except as permitted under Section 17 of this Agreement;
- (d) do all work on the Property in a good and workmanlike fashion and in accordance with all applicable laws, regulations, orders and ordinances of any governmental authority;
- (e) indemnify and save the Optionor harmless in respect of any and all costs, claims, liabilities and expenses arising out of the Optionee's activities on the Property and, without limiting the generality of the foregoing will, during the currency of this Agreement, carry not less than \$3,000,000 in third party liability insurance in respect of its operations on the Property for the benefit of the Optionee and the Optionor as their interests appear; provided that the Optionee will incur no obligation thereunder in respect of claims arising or damages suffered after termination of the Option if upon termination of the Option any workings or improvements to the Property made by the Optionee are left in a safe condition;
- (f) deliver to the Optionor forthwith after receipt by the Optionee material data and results, assay results for samples taken from the Property, together with reports showing the location from which the samples were taken and the type of samples; and

- (g) meet with the Optionor as and where reasonably requested by the Optionor to discuss and review the status of exploration and Expenditures, provided that such meetings do not reasonably interfere with the activities of the Optionee hereunder.

## 10. **TERMINATION OF OPTIONS**

10.1 If the First Option is terminated otherwise than upon the exercise thereof pursuant to the terms hereof, the Optionee will:

- (a) ensure the commitment to pay Thirty Thousand dollars (\$30,000.00) by March 9<sup>th</sup>, 2017, pursuant to Section 5.2(b)(ii) above, is paid as a condition of release of this Agreement;
- (b) ensure that those mineral claims comprised in the Property that are in good standing on the date hereof and any other mineral claims comprised in the Property that arise because of this Agreement after the date hereof are left in good standing for a period of at least one (1) year from the date of termination;
- (c) deliver at no cost to the Optionor within 30 days of such termination all copies of all reports, maps, assay results and other relevant technical data compiled by or in the possession of the Optionee with respect to the Property and not theretofore furnished to the Optionor; and
- (d) comply with applicable laws and regulations regarding reclamation for activities carried out on the Property.

10.2 Notwithstanding termination of the First Option, the Optionee will have the right, within a period of 365 days following the end of the Option Period, to remove from the Property all buildings, plant, equipment, machinery, tools, appliances and supplies which have been brought upon the Property by or on behalf of the Optionee, and any such property not removed within such 365-day period will thereafter become the property of the

Optionor, should the Optionor agree to accept ownership; subject to terms of applicable land use regulations.

## **11. JOINT VENTURE**

11.1 The parties will, upon the exercise of the First Option and termination of the Second Option, be deemed to have formed a joint venture for the purposes of the continued exploration and exploitation of the Property.

11.2 The parties shall use their reasonable commercial efforts to negotiate, settle upon, execute and deliver a joint venture agreement in respect of the Property (the "Joint Venture Agreement") , within 60 days of the deemed formation of a joint venture pursuant to Section 11.1. The Joint Venture Agreement shall include substantially similar terms to those set out in Schedule "C" to this Agreement and contain the usual representations, warranties, conditions, covenants, indemnities, transfer rights and such other terms as are customary in transactions creating similar arrangements between mining companies in Canada.

11.3 In the event the parties cannot reach an agreement on the terms of the Joint Venture Agreement within the 60 days as set out in Section 11.2, such terms shall be set by an arbitrator appointed pursuant to the terms of this Agreement.

## **12. ROYALTY INTEREST**

12.1 If the First Option is exercised and a joint venture created, or the First Option and the Second Option are both exercised, the Optionee covenants to and with the Optionor to perform its obligations with respect to the payment of the Royalty Interest as provided for in this Agreement.

12.2 If the First Option is exercised, the Optionee covenants to and with the Optionor to sign, deliver, and administer the Royalty Agreement and any other documents required or necessary, pursuant to the requirements of this Agreement.

**13. POWER TO CHARGE PROPERTY**

13.1 During the Option Period, the Optionor shall not grant a mortgage, charge or lien against its interest in the Property. At no time, during the Option Period or otherwise shall Panarc grant a mortgage, charge or lien against title to the Property, whether in its own name or in the name of the Optionor or Optionee, as trustee.

**14. RESTRICTION ON ASSIGNMENT**

14.1 Prior to the exercise or termination of the Second Option, the Optionee shall not sell, assign, transfer, convey or otherwise dispose of its rights and interests in or with respect to this Agreement, the Royalty Agreement, or the Property.

14.2 Following the formation of the joint venture pursuant to Section 11.1 of this Agreement, any sale, assignment, transfer, conveyance or other disposition of a party's rights or interests in the joint venture or the Property shall be governed in accordance with the terms and conditions of the Joint Venture Agreement.

14.3 Following the formation of the joint venture pursuant to Section 11.1 of this Agreement, any sale, assignment, transfer, conveyance or other disposition of a party's rights, interests or obligations in or to the Royalty Interest shall be governed in accordance with the terms and conditions of the Royalty Agreement.

14.4 Either of the Optionor or the Optionee shall have the right without restriction under this Part 14 to assign, transfer, convey or otherwise dispose of all its rights and interests to an Affiliate.

14.5 Any assignment, transfer or conveyance by the Optionor at any time or by the Optionee following the exercise of the Second Option (the "Disposing Party") of its rights and interests in or with respect to this Agreement or the Property, shall be void unless the assignee has first agreed in writing with the non-disposing party to observe and be bound by all of the provisions of this Agreement in the place and stead of the Disposing Party.

Upon such assignment, transfer or conveyance, the Disposing Party shall be relieved and discharged from all of its obligations under this Agreement.

**15. SURRENDER AND ACQUISITION OF PROPERTY INTERESTS BEFORE TERMINATION OF AGREEMENT**

15.1 The Optionee may at any time, elect to abandon any one or more of the mineral claims comprised in the Property by giving notice to the Optionor of such intention.

15.2 For a period of 60 days after the date of delivery of such notice the Optionor may elect to have any or all of the mineral claims in respect of which such notice has been given transferred to it by delivery of a request therefore to the Optionee, whereupon the Optionee will deliver to the Optionor executed transfers in registerable form transferring such mineral claims to the Optionor.

15.3 Any claims transferred to the Optionor pursuant to Section 15.2 of this Agreement, shall be in good standing under the Northwest Territories Land Act (Mining Regulations) for at least two years from the date of transfer.

15.4 If the Optionor fails to make request for the transfer of any mineral claims as aforesaid within such 60-day period, the Optionee may then abandon such mineral claims without further notice to the Optionor.

15.5 Upon any such transfer or abandonment the mineral claims so transferred or abandoned will for all purposes of this Agreement cease to form part of the Property.

**16. FORCE MAJEURE**

16.1 If the Optionee is at any time either during the Option Period prevented or delayed in complying with any provisions of this Agreement by reason of aboriginal land claims, strikes, walk-outs, labour shortages, power shortages, fuel shortages, fires, wars, acts of terrorism, acts of God, governmental regulations restricting normal operations, shipping

delays or any other reason or reasons beyond the control of the Optionee, other than lack of funds, the time limited for the performance by the Optionee of its obligations hereunder will be extended by a period of time equal in length to the period of each such prevention or delay, provided however that nothing herein will discharge the Optionee from its obligations under Section 9.1(a).

- 16.2 The Optionee will within 14 days give notice to the Optionor of each event of force majeure under Section 16.1 and upon cessation of such event will furnish the Optionor with notice to that effect together with particulars of the number of days by which the obligations of the Optionee hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

**17. CONFIDENTIAL INFORMATION**

- 17.1 No information furnished in respect of the activities carried out on the Property or derived in respect thereof, or related to the sale of product derived from the Property, will be disclosed or published by a party hereto without the written consent of the other party hereto, but such consent in respect of the reporting of factual data will not be unreasonably withheld, and will not be withheld in respect of information required to be publicly disclosed pursuant to applicable securities or corporation laws. This provision shall apply for the term of this Agreement and for a period of three years thereafter. This provision shall not apply to information which becomes part of the public domain provided that it does not become part of the public domain by the actions of a party hereto.
- 17.2 Nothing in this Part 17 shall prevent a party from disclosing information to a third party for purposes of corporate reorganization, financing, review of materials, data and results by a consultant and like matters provided that such third party agrees to be bound by these provisions of confidentiality.
- 17.3 In the event a party is required pursuant to applicable securities or corporate laws to publicly disclose information by way of a news release or similar disclosure, it shall

provide one business day's notice to the other party who shall have the right, acting reasonably, to make changes to the proposed dissemination of information. The party disclosing information must act reasonably and take into account such comments prior to the issuance of such information.

**18. ARBITRATION**

- 18.1 All questions or matters in dispute with respect to the accounting of monies expended by the Optionee as provided herein, or with respect to the calculation of or amounts taken into account in the determination of Expenditures will be submitted to arbitration pursuant to the terms hereof.
- 18.2 It will be a condition precedent to the right of any party to submit any matter to arbitration pursuant to the provisions hereof, that any party intending to refer any matter to arbitration will have given not less than 30 days' prior written notice of its intention to do so to the other party together with particulars of the matter in dispute.
- 18.3 On the expiration of such 30 days, the party who gave such notice may proceed to refer the dispute to arbitration as provided in Section 18.4.
- 18.4 The party desiring arbitration will appoint one arbitrator, and will notify the other party of such appointment, and the other party will, within 14 days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, will, within 14 days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator to act with them and be chairman of the arbitration herein provided for.
- 18.5 If the other party fails to appoint an arbitrator within 14 days after receiving notice of the appointment of the first arbitrator, or if the two arbitrators appointed by the parties fail to agree on the appointment of the chairman, a second arbitrator and the chairman will be appointed under the provision of the *Arbitration Act* (British Columbia).

- 18.6 Except as specifically otherwise provided in Section 18.4 the arbitration herein provided for will be conducted in accordance with *Arbitration Act* (British Columbia).
- 18.7 The chairman will fix a time and place in Vancouver, British Columbia, for the purpose of hearing the evidence and representations of the parties, and he will preside over the arbitration and determine all questions of procedure not provided for under the *Arbitration Act* (British Columbia) or this Section.
- 18.8 After hearing any evidence and representations that the parties may submit, the arbitrators will make an award and reduce the same to writing, and deliver one copy thereof to each of the parties.
- 18.9 The expense of the arbitration will be paid as specified in the award.
- 18.10 The parties agree that the award of a majority of the arbitrators will be final and binding upon each of them.

## **19. DEFAULT AND TERMINATION**

- 19.1 Save and except for matters to be completed in accordance with Section 5, if at any time during the Option Period the Optionee fails to perform any other obligation required to be performed hereunder or is in breach of a warranty given herein, which failure or breach materially interferes with the implementation of this Agreement, the Optionor may terminate this Agreement but only if:
- (a) it first gives to the Optionee a notice of default containing particulars of the obligation which the Optionee has not performed, or the warranty breached; and
  - (b) the Optionee has not, within 14 days after delivery of such notice of default, cured such default or begun proceedings to cure such default by appropriate payment or performance (the Optionee hereby agreeing that should it so begin to cure any default it will prosecute the same to completion without undue delay).

19.2 If the Optionee fails to comply with the provisions of Section 19.1(b) the Optionor may thereafter terminate this Agreement, and the provisions of Section 10 will then be applicable.

**20. AREA OF COMMON INTEREST**

20.1 The Area of Common Interest shall be deemed to comprise that area which is included within three (3) kilometers of the outermost boundary of the Property as at the date of execution of this Agreement. Nothing in this Agreement shall cause the Area of Common Interest to be expanded.

20.2 If at any time during the subsistence of this Agreement any party or an affiliate of any party (in this Section only called in each case the "**Acquiring Party**") stakes or otherwise acquires, directly or indirectly, any right to or interest in any mining claim, license, lease, grant, concession, permit, patent, or other mineral property located wholly or partly within the Area of Common Interest referred to in Section 20.1, the Acquiring Party shall forthwith give notice to the other party of that staking or acquisition, the total cost thereof and all details in the possession of that party with respect to the details of the acquisition, the nature of the property and the known mineralization.

20.3 The other party may, within 30 days of receipt of the Acquiring Party's notice, elect, by notice to the Acquiring Party, to require that the mineral properties and the right or interest acquired be included in and thereafter form part of the Property for all purposes of this Agreement.

20.4 If the election aforesaid is made, the Optionee shall reimburse the Acquiring Party (if the Acquiring Party is the Optionor) for the cost of acquisition. If the Acquiring Party is the Optionee it shall not be entitled to reimbursement of its costs of acquisition however all costs of acquisition shall be deemed to be part of the exploration and development expenses to be incurred by the Optionee to earn an interest in the Property.

- 20.5 If the other party does not make the election aforesaid within that period of 30 days, the right or interest acquired shall not form part of the Property and the Acquiring Party shall be solely entitled thereto.
- 20.6 The Optionee shall be entitled, at any time and from time to time, to surrender all or any part of the Property or to permit the same to lapse, but only upon first giving 60 days' notice of its intention to do so to the Optionor. In this latter event, the Optionor shall be entitled to receive from the Optionee, on request prior to the date of the surrender or lapse, a quit claim of any interest held by the Optionee therein of that portion of the Property intended for surrender or lapse, together with copies of all plans, assay maps, diamond drill records and factual engineering data in the Optionee's possession and relevant thereto. Any part of the Property so acquired shall cease to be subject to this Agreement.

## 21. **NOTICES**

- 21.1 Each notice, demand or other communication required or permitted to be given under this Agreement will be in writing and will be sent by prepaid registered mail deposited in a post office in Canada addressed to the party entitled to receive the same, or delivered to such party, at the address for such party specified or by facsimile, in each case addressed as applicable as follows:

- (a) If to the Optionee at:

Rover Metals Corp.  
Suite 4301 – 4038 Pritchard Drive North  
West Kelowna, BC V4T 3E4  
604 999 7240

Attention: R. Judson Culter  
Email: judson@culter.ca

(b) If to the Optionor at:

Silver Range Resources Ltd.  
Suite 1016 – 510 West Hastings Street  
Vancouver, BC V6B 1L8

Attention: Michael Power, President  
Email: mpower@silverrangeresources.com

or to such other address as is specified by the particular party by notice to the others.

21.2 The date of receipt of such notice, demand or other communication will be the date of delivery thereof if delivered or the date of sending it by facsimile, or, if given by registered mail as aforesaid, will be deemed conclusively to be the third day after the same will have been so mailed except in the case of interruption of postal services for any reason whatever, in which case the date of receipt will be the date on which the notice, demand or other communication is actually received by the addressee.

21.3 Either party may at any time and from time to time, notify the other party in writing of a change of address and the new address to which notice will be given to it thereafter until further change.

## **22. GENERAL**

22.1 This Agreement will supersede and replace any other agreement or arrangement, whether oral or written, heretofore existing between the parties in respect of the subject matter of this Agreement.

22.2 No consent or waiver expressed or implied by either party in respect of any breach or default by the other in the performance of such other of its obligations hereunder will be deemed or construed to be a consent to or a waiver of any other breach or default.

22.3 The parties will promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance which may be reasonably necessary or advisable to carry out fully the intent of this Agreement or to record

wherever appropriate the respective interests from time to time of the parties in the Property.

- 22.4 This Agreement and any other writing delivered pursuant hereto may be executed in any number of counterparts with the same effect as if all parties to this Agreement or such other writing had signed the same document and all counterparts will be construed together and will constitute one and the same instrument.
- 22.5 This Agreement will be governed and construed according to the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereby attorn to the jurisdiction of the Courts of British Columbia in respect of all matters arising hereunder.
- 22.6 This Agreement will endure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 22.7 This is an option only and except as specifically provided otherwise, nothing herein contained will be construed as creating a partnership arrangement between the parties herein or be construed as obligating the Optionee to do any acts or make any payments hereunder except as otherwise set forth, and any act or acts or payment or payments as may be made hereunder will not be construed as obligating the Optionee to do any further act or make any further payment or payments.
- 22.8 Time shall be of the essence of this Agreement.
- 22.9 This Agreement may be executed in any number of counterparts and all such counterparts, taken together, shall be deemed to constitute one and the same instrument. This Agreement may be signed and accepted by facsimile or electronic signature by e-mail.

IN WITNESS WHEREOF the corporate seals of the Optionor and the Optionee have been hereunto affixed in the presence of their duly authorized officers in that behalf.

**ROVER METALS CORP.**

Per:   
\_\_\_\_\_  
R. Judson Culter  
Chief Executive Officer

**SILVER RANGE RESOURCES LTD.**

Per: \_\_\_\_\_  
Ian J. Talbot  
Chief Operating Officer

**PANARCRESOURCES LTD.**

Per: \_\_\_\_\_  
Gary Vivian  
Director

**IN WITNESS WHEREOF** the corporate seals of the Optionor and the Optionee have been hereunto affixed in the presence of their duly authorized officers in that behalf.

**ROVER METALS CORP.**

Per: \_\_\_\_\_  
R. Judson Culter  
Chief Executive Officer

**SILVER RANGE RESOURCES LTD.**

Per:   
\_\_\_\_\_  
Ian J. Talbot  
Chief Operating Officer

**PANARCRESOURCES LTD.**

Per: \_\_\_\_\_  
Gary Vivian  
Director

**IN WITNESS WHEREOF** the corporate seals of the Optionor and the Optionee have been hereunto affixed in the presence of their duly authorized officers in that behalf.

**ROVER METALS CORP.**

Per: \_\_\_\_\_  
R. Judson Culter  
Chief Executive Officer

**SILVER RANGE RESOURCES LTD.**

Per: \_\_\_\_\_  
Ian J. Talbot  
Chief Operating Officer

**PANARCRESOURCES LTD.**

Per:  \_\_\_\_\_  
Gary Vivian  
Director

**SCHEDULE "A"**  
**PROPERTY**

<b>Project Name</b>	<b>Ownership</b>	<b>Tenure No</b>	<b>NSR</b>	<b>Tenure name</b>	<b>Expiry Date</b>	<b>Mining District</b>	<b>Area (ha)</b>
Up Town Gold	100%	K15961	2% Silver Range	UTG 1	December 15, 2020	NWT	1,045.1
Up Town Gold	100%	K15962	2% Silver Range	UTG 2	December 15, 2021	NWT	1,045.1
Up Town Gold	100%	K15963	2% Silver Range	UTG 3	December 15, 2021	NWT	212.1
Up Town Gold	100%	K15964	2% Silver Range	UTG 4	December 15, 2020	NWT	180.2
Up Town Gold	100%	K15965	2% Silver Range	UTG 5	December 15, 2020	NWT	376.3
Up Town Gold	100%	K15966	2% Silver Range	UTG 6	December 15, 2020	NWT	408.5

**Total: 3.267.30**

**SCHEDULE "B"**  
**ROYALTY AGREEMENT**

**THIS AGREEMENT** is made as of the \_\_\_\_ day of \_\_\_\_\_.

**BETWEEN:**

**ROVER METALS CORP.**, a corporation duly incorporated under the laws of British Columbia and having offices at Suite 4301 – 4038 Pritchard Drive North, West Kelowna, British Columbia, V4T 3E4

(**"Rover"**)

**AND:**

**SILVER RANGE RESOURCES LTD.**, a corporation existing under the laws of British Columbia and having offices at Suite 1016 – 510 West Hastings Street, Vancouver, British Columbia, V6B 1L8

(**"Silver Range"**)

**WHEREAS:**

- A. Pursuant to an option agreement made as of September 9, 2016, Rover has granted Silver Range a net smelter royalty interest in mineral products produced from the Property (as defined herein);
- B. The Parties wish to enter into this Agreement which sets out the terms of such net smelter royalty interest.

**NOW, THEREFORE, THIS AGREEMENT WITNESSES THAT** in consideration of the good and valuable consideration contained herein (the receipt and sufficiency of which is hereby acknowledged) the Parties agree as follows:

**ARTICLE 1**  
**DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

For the purposes of this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms have the respective meanings set out below and grammatical variations of such terms have corresponding meanings:

- (a) **"Advanced Royalty Payment"** means an annual payment of \$50,000 to Silver Range commencing on September 9, 2021 and made in accordance with Section 2.3(b) hereof;
- (b) **"Affiliate"** means an affiliated body corporate within the meaning of the following:
  - (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.

For purposes of this definition, a body corporate is controlled by a person or by two or more bodies corporate if:

- (i) securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate, are held, other than by way of security only, by or for the benefit of that person or by or for the benefit of those bodies corporate; or
- (ii) the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.

For the purposes of this definition, a body corporate is a subsidiary of another body corporate if:

- (i) it is controlled by (A) that other body corporate, (B) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate, or (C) two or more bodies corporate each of which is controlled by that other body corporate; or
  - (ii) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate;
- (c) **“Agreement”** means this Royalty Agreement and all attached schedules and all amendments made hereto by written agreement between the Parties;
  - (d) **“Applicable Accounting Standards”** means International Financial Reporting Standards as issued and amended from time to time by the International Accounting Standards Board and interpretations thereof published by the International Financial Reporting Interpretations Committee;
  - (e) **“Arm’s Length Third Party”** means any Person who deals at arm’s length with Rover and its Affiliates;
  - (f) **“Calculation Date”** means the last day of the Fiscal Year in which Commencement of Commercial Production on the Property or any part thereof takes place and the last day of each Fiscal Year thereafter;
  - (g) **“Calculation Period”** means the Initial Calculation Period or any twelve (12) month period following the expiration of, and ending on an anniversary of the last day of, the Initial Calculation Period;
  - (h) **“Commencement of Commercial Production”** means, in respect of any Mine, the achievement for the first time of Commercial Production from such Mine;
  - (i) **“Commercial Production”** means, in respect of any Mine, the mining, milling and/or treating of ores, minerals and mineral resources from such Mine by or at the direction of Rover or its Affiliates, with a view to selling those ores, minerals and mineral resources; provided however that the mining, milling and/or treating of ores, minerals and mineral resources from such Mine for the primary purpose of testing shall not be, and shall not be deemed to be, Commercial Production;

- (j) **“Facilities”** means all mines, wells and plants including all pits, shafts, haulage ways and other underground workings, and all buildings, plants and other structures, fixtures and improvements, mobile equipment, stores of a capital and consumable nature, and all other property, infrastructure, utilities, housing, airport, rail-loading and roads, whether fixed or moveable, as the same may exist at any time, in or on the Property or outside the Property if they materially relate to the Property;
- (k) **“Fiscal Year”** means the fiscal period not exceeding one calendar year for which the books and records of Rover are drawn up for annual financial statement purposes to the extent such books and records relate to the Property and the operations on, in or relating to the Property;
- (l) **“Gross Revenue”** means at any Calculation Date the accumulated aggregate to that date from the preceding Calculation Date of all revenues received by Rover:
  - (i) from or in connection with the sale or other disposition of Products from the Property or any part thereof and/or marketing of any Products;
  - (ii) from or in connection with the mining of tailings on the Property or any part thereof; and
  - (iii) any insurance proceeds received by Rover that compensate Rover for the loss of production from a Mine on the Property or any amount received by Rover in respect of the expropriation or forcible taking of any portion of the Property;

Notwithstanding the foregoing, Rover shall have the right to market and sell or refrain from selling Products from the Property in any manner it may elect, including the right to engage in forward sales, futures trading or commodity options trading, and other price hedging, price protection, and speculative arrangements (**“Trading Activities”**) which may involve the possible physical delivery of Products. Silver Range shall not be entitled to participate in the proceeds or be obligated to share in any losses generated by Rover’s marketing or sales practices or its Trading Activities, and no such profits or losses shall be included in Gross Revenue; rather, for Products from the Property with respect to which Rover has engaged in Trading Activities, Gross Revenue shall be determined by using the price of the applicable refined metal or other Product on the day on which the refined metal or other Product is delivered to or credited to, whichever occurs first, Rover’s account by the smelter, refinery or other Purchaser. The price for the applicable Product shall be determined from a source generally accepted in the industry as accurately reflecting the price for such Product on the day and at the place of such delivery or credit to Rover’s account;

- (m) **“Initial Calculation Period”** means the period commencing on Commencement of Commercial Production; and to and including the last day of the Fiscal Year in which Commencement of Commercial Production occurs;
- (n) **“Interim Royalty Payment”** has the meaning ascribed thereto in Section 2.3(a);
- (o) **“Joint Venture”** means the joint venture established between Rover and Silver Range in accordance with the terms and conditions of the Option Agreement;
- (p) **“Mine”** means the workings established and assets acquired, obtained or constructed in order to bring any of the Property or any portion thereof into (and to maintain) Commercial Production, including any Facilities related thereto;

- (q) **“Option Agreement”** means that property option agreement dated September 9, 2016 between Rover and Silver Range;
- (r) **“Property”** means the mining claims comprising the Up Town Gold property, as described in Appendix A attached hereto, and all accessions and successions thereto, including any amendments, abandonments and relocations thereof;
- (s) **“Net Smelter Returns”** means at any Calculation Date or for any Calculation Period, Gross Revenue less Permissible Deductions at such Calculation Date or for such Calculation Period;
- (t) **“Net Smelter Royalty”** has the meaning ascribed thereto in Section 2.1;
- (u) **“Parties”** means Rover and Silver Range and **“Party”** means any of them, or any particular such party, as the context requires;
- (v) **“Permissible Deductions”** means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are paid in each Calculation Period:
  - (i) sales charges levied by any sales agent on the sale of Products from the Property;
  - (ii) all costs, charges and expenses for weighing, sampling, determining moisture content and packaging Products, transportation costs for Products from the Property to the place of beneficiation, processing or treatment (other than milling) and thence to the place of delivery of such Products to a purchaser thereof, including shipping, freight, handling, demurrage, delay and forwarding expenses;
  - (iii) all costs, expenses and charges of any nature whatsoever that are either paid or incurred by Rover in connection with refinement or beneficiation (other than milling) of Products after leaving the Property, including all weighing, sampling, assaying and representation costs, provisional settlement fees, metal losses, any umpire charges, and any penalties charged by the processor, refinery or smelter;
  - (iv) all insurance costs on Products from the Property; and
  - (v) all severance or similar taxes based on mineral production from the Property and payable to any governmental authority, all production royalties and other payments based on mineral production from the Property and payable to any governmental authority, and all fees based on the quantity or volume of materials moved at the Property payable to any governmental authority;

provided that where a cost or expense otherwise constituting a Permissible Deduction is incurred by Rover in a transaction with a non-Arm’s Length Third Party, such cost or expense may be deducted, but only as to the lesser of the actual cost incurred by Rover or the fair market value thereof, calculated at the time of such transaction and under all the circumstances thereof;

- (w) **“Products”** means any and all marketable metal or mineral bearing material in whatever form or state that is mined, extracted, removed, produced or otherwise recovered from the Property, including any such material derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Property, and including ore and any other products resulting from the further milling, processing or other beneficiation of Products, including concentrates or doré bars;

- (x) “**Royalty Interest**” has the meaning ascribed thereto in Section 4.1;
- (y) “**Royalty Percentage**” has the meaning ascribed thereto in Section 2.2;
- (z) “**Security Interest**” has the meaning ascribed thereto in Section 4.2(b);
- (aa) “**Transferee**” has the meaning ascribed thereto in Section 4.2(a); and
- (bb) “**Year-End Statement**” means a statement setting forth in reasonable detail a summary of the determination of the Net Smelter Royalty payable to Silver Range as at the Calculation Date for the relevant Calculation Period and, in reasonable detail, any adjustments and a reconciliation with the Interim Royalty Payments for such period made in accordance with Section 2.3.

## **1.2 Rules of Interpretation**

- (a) The following rules of interpretation shall apply in this Agreement unless something in the subject matter or context is inconsistent therewith:
  - (i) the singular includes the plural and vice-versa;
  - (ii) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
  - (iii) the headings in this Agreement form no part of this Agreement and are deemed to have been inserted for convenience only;
  - (iv) all references in this Agreement shall be read with such changes in number and gender that the context may require;
  - (v) references to “Articles”, “Sections” and “Recitals” refer to Articles, Sections and Recitals of this Agreement;
  - (vi) the use of the word “including” or “includes” followed by a specific example or examples shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific example or examples;
  - (vii) the rule of construction that, in the event of ambiguity, the contract shall be interpreted against the Party responsible for the drafting or preparation of the Agreement, shall not apply;
  - (viii) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular section or other subdivision;
  - (ix) any reference to a statute is a reference to the applicable statute and to any regulations made pursuant thereto and includes all amendments made thereto and in force, from time to time, and any statute or regulation that has the effect of supplementing or superseding such statute or regulation;
  - (x) all accounting terms not defined in this Agreement have those meanings generally ascribed to them in accordance with the Applicable Accounting Standards;

- (xi) all calculation and computations relating to the Net Smelter Return Royalty shall be carried out in accordance with the Applicable Accounting Standards; and
  - (xii) the words “written” or “in writing” include printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception including telex, telegraph or telecopy.
- (b) In this Agreement, unless something in the subject matter or context is inconsistent therewith, a “day” shall refer to a calendar day and in calculating all time periods the first (1st) day of a period is not included and the last day is included and references to a “business day” shall refer to days other than Saturday and Sunday on which banks are ordinarily open for business in Vancouver, British Columbia, but if a period ends on a day on which the banks are not open for business in Vancouver, British Columbia, the period will be deemed to expire on the next calendar day on which banks are open for business in Vancouver, British Columbia.
- (c) All calculations contemplated hereby, and all inclusions in Net Smelter Returns, Net Smelter Royalty and Interim Royalty Payments, and any other items or costs required to be included in any of such calculations, are to be without duplication.

## **ARTICLE 2**

### **NET SMELTER ROYALTY**

#### **2.1 Net Smelter Royalty**

- (a) Subject to the terms and conditions contained herein, Rover agrees and covenants with Silver Range to pay to Silver Range a royalty in dollars equal to the Royalty Percentage (calculated pursuant to Section 2.2) of Net Smelter Returns as at any Calculation Date (the “**Net Smelter Royalty**”).
- (b) The Net Smelter Royalty payments made pursuant to Section 2.1(a) shall be net of all royalty payments previously made to Silver Range pursuant to Section 2.3(a).
- (c) If Silver Range disposes of all or any portion of its joint venture interest in the Property, the party acquiring such interest shall assume the obligation of making that portion of all subsequent Net Smelter Royalty payments to Silver Range in proportion to the interest in the joint venture Property acquired from Silver Range.
- (d) For greater certainty, Rover shall be required to make all Net Smelter Royalty payments to Silver Range:
- (i) for as long as Silver Range holds a twenty-five percent (25%) joint venture interest in the Property, or holds a less than twenty-five percent (25%) joint venture interest in the Property through the operation of the dilution provisions contained in the formal joint venture agreement; or
  - (ii) upon acquiring a one hundred percent (100%) interest in the Property pursuant to the terms and conditions of the Option Agreement.

#### **2.2 Royalty Percentage**

The percentage of Net Smelter Returns payable to Silver Range as at any Calculation Date (the “**Royalty Percentage**”) pursuant to Section 2.1 shall be equal to two percent (2%).

## 2.3 Payment

- (a) Notwithstanding that the Net Smelter Royalty payable hereunder is based on the calculation of Net Smelter Returns as at any Calculation Date, Rover shall within 45 days after the last day of March, June, September and December, in each and every Calculation Period, pay an amount on account of the estimated Net Smelter Royalty with respect to the three months ending on the last day of such month. The amount payable on account of the estimated Net Smelter Royalty shall be equal to one quarter of the estimated total royalty obligation for the relevant Calculation Period (the “**Interim Royalty Payment**”). All such Interim Royalty Payments in a Calculation Period shall be considered to have been made on an interim basis subject to verification, and adjustment, if applicable, pursuant to the terms hereof. Within 120 days after each Calculation Date, Rover shall forward to Silver Range a Year-End Statement. If such Year-End Statement discloses any discrepancy between the Net Smelter Royalty calculated therein for that Calculation Period and the Interim Royalty Payments paid to Silver Range for such Calculation Period, a cheque for any such discrepancy which is in Silver Range’s favour shall be included with such statement. If any such discrepancy is in Rover’s favour, Rover shall be entitled to reduce the next Interim Royalty Payments until the amount of the overpayment is fully recouped. Any such final payments shall be considered final and in full satisfaction of the obligations of Rover in respect of a given Calculation Period after the elapse of a period of 90 days from the receipt of the relevant Year-End Statement if such payment or determination is not disputed by Silver Range by notice to Rover given within such 90-day period.
- (b) Commencing on September 9, 2021, Rover shall make the Advance Royalty Payment to Silver Range in the amount of \$50,000. The Advanced Royalty Payments shall continue to be made on each subsequent September 9 until such time as a Mine on the Property is brought into Commercial Production.
- (c) Net Smelter Royalty payments and Advanced Royalty Payments which are payable hereunder shall be paid by Rover by cheque payable to or to the order of Silver Range or by wire transfer in accordance with instructions given by Silver Range to Rover at least five Business Days in advance of any payment date. The date of placing such payment in the mail by Rover, or the date the wire transfer process is initiated, shall be the date of such payment. Payments by Rover in accordance herewith shall fully discharge Rover’s obligations with respect to such payment, and Rover shall have no duty to otherwise apportion or allocate any payment due to Silver Range or its successors or assigns.

## 2.4 Operations, Assaying, Sampling, and Commingling

- (a) Rover shall have exclusive control of all operations on or for the benefit of the Property, and any and all equipment, supplies, machinery and other assets purchased or otherwise acquired or under its control in connection with such operations. Rover may carry out such operations on the Property as it may, in its sole discretion, determine to be warranted. The timing, nature, manner and extent of exploration, development, mining or processing operations on or for the benefit of the Property, if any, shall be within the sole discretion of Rover, and there shall be no implied or express covenant to begin or continue any such operations, Silver Range hereby acknowledging that the other consideration it received under the Option Agreement was sufficient for the assets it conveyed to Rover thereunder. If Rover, at any time and from time to time after commencing operations, desires to shut down, suspend or cease operations for any reason, it shall have the right to do so in its sole discretion. Rover may use and employ such methods of exploration, development, mining, processing or marketing as it may desire or find most profitable. Rover shall not be required to mine, preserve, or protect in its mining operations any Products which cannot be mined or shipped at a reasonable profit to Rover. Any decision as to the time, manner

and form in which ores or other Products are to be sold shall be made by Rover in its sole discretion.

- (b) All determinations with respect to: (i) whether ore will be beneficiated, processed or milled by Rover or sold in a raw state; (ii) the methods of beneficiating, processing or milling any such ore; (iii) the constituents to be recovered therefrom; and (iv) the purchasers to whom any ore, minerals or mineral substances may be sold, shall be made by Rover in its sole discretion.
- (c) The mineral content of all ore mined and removed from the Property (excluding ore leached in place) and the quantities of constituents recovered by Rover shall be determined by Rover, or with respect to such ore which is sold, by the mill or smelter to which the ore is sold, in accordance with standard sampling and analysis procedures, and shall be weighted average based on the total amount of ore from the Property crushed and sampled, or the constituents recovered, during an entire calendar quarter. Upon reasonable advance notice to Rover, Silver Range shall have the right to have representatives present at the time samples are taken for the purpose of confirming that the sampling and analysis procedure is standard and acceptable according to accepted engineering practices.
- (d) Rover shall have the right to mix or commingle, either underground, at the surface or at processing plants or other treatment facilities, any material containing Products mined or extracted from the Property with ores or material derived from other lands or properties, provided that the commingling is accomplished only after such ores and materials have been fairly and accurately weighed and sampled. An accurate record of the weight or volume, along with the results of the sampling of such Products which are so commingled, shall be kept for a period of two years and made available to Silver Range at all reasonable times.
- (e) Any ore, mine waters, leachates, pregnant liquors, pregnant slurries and other products or compounds or metals or minerals mined from the Property shall be the property of Rover, subject to the Net Smelter Royalty as provided herein. The Net Smelter Royalty provided for herein shall be payable on metals, ores or minerals recovered prior to the time waste rock, spoil, tailings or other mine waste and residue are first disposed of as such, and payable on metals, ores or minerals recovered through the subsequent reprocessing of such waste rock, spoil, tailings or other mine wastes and residues.

## **2.5 Books, Records and Auditors**

Rover shall maintain or cause to be maintained full and complete books and records with respect to all matters relating to the calculation and payment of the Net Smelter Royalty pursuant to this Article 2, including the determination of the Permissible Deductions and including the records described in Section 2.4, in accordance with good bookkeeping practices and good mining practice and otherwise in accordance with Applicable Accounting Standards. Subject to the permissible audit period described in Section 2.3(a), Silver Range shall have the right to have reviewed any audited Year End Statement as well as all of Rover's pertinent working papers in connection with such Year End Statement by a reputable and experienced independent auditor on reasonable notice to Rover. Any such audit shall be conducted upon reasonable advance written notice by Silver Range to Rover, during regular business hours, and in such a manner so as to not interfere with Rover's conduct of its normal business activities. If Silver Range's auditors reasonably conclude, in writing (with a copy of such conclusions to be provided to Rover by Silver Range), that they are not justified in relying on such Year End Statement or working papers, Silver Range's auditors shall be provided with full access to all of the books and records of Rover for the purpose of such review; provided, however, that Silver Range's auditors enter into a confidentiality and non-disclosure agreement in form and substance satisfactory to Rover, acting reasonably. In the event

that a discrepancy in the Net Smelter Royalty payable to Silver Range is determined pursuant to such audit for any Calculation Period:

- (a) whereby the amount paid to Silver Range as the Net Smelter Royalty is less than the amount that should have been paid to Silver Range as the Net Smelter Royalty for such period, Rover shall promptly pay the amount of such discrepancy to Silver Range, and all costs associated with such audit (but only to the extent the underpayment is determined to be greater than five percent of the amount owed) shall be borne by Rover; or
- (b) whereby the amount paid to Silver Range as the Net Smelter Royalty is more than the amount that should have been paid to Silver Range as the Net Smelter Royalty for such period, Rover shall be entitled to reduce any subsequent Interim Royalty Payments until the amount of the overpayment is fully recouped, and all costs associated with such audit shall be borne by Silver Range.

## **2.6 Rover's Right of Repurchase**

In consideration of the covenants and agreements of the parties herein contained, Silver Range hereby grants to and in favour of Rover the right, which right shall be exercisable by Rover at its discretion for the term of this Agreement by Rover delivering written notice to Silver Range to such effect, to buy down one percent (1%) of the Royalty Percentage for a buy down price of one (1) million dollars (\$1,000,000), with the result that, after the date of effect of such buy down, the Royalty Percentage shall be calculated and payable at the rate of one percent (1%) of Net Smelter Returns. No Advanced Royalty Payments made pursuant to Section 2.3(b) hereof shall not be deductible from the one (1) million dollar (\$1,000,000) payment required to buy down the Royalty Percentage, as set out above.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

### **3.1 Silver Range's Representations and Warranties**

As of the date of this Agreement, Silver Range represents and warrants to Rover that:

- (a) it is a body corporate duly incorporated or continued, organized and validly subsisting under the applicable laws of its incorporating or continued jurisdiction;
- (b) it has full power and authority to carry on its business and to enter into this Agreement;
- (c) neither the execution and delivery of this Agreement nor the consummation of the transactions hereby contemplated conflict with, result in the breach of or accelerate the performance required by any agreement to which it is a party;
- (d) the execution and delivery of this Agreement does not violate or result in the breach of the applicable laws of any jurisdiction applicable to Silver Range or pertaining thereto or of its constating documents;
- (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder; and
- (f) this Agreement constitutes a legal, valid and binding obligation of Silver Range enforceable against it in accordance with its terms (provided that no representation or warranty is made as to the availability of equitable remedies for the enforcement of this Agreement).

### **3.2 Rover's Representations and Warranties**

As of the date of this Agreement, Rover represents and warrants to Silver Range that:

- (a) it is a body corporate duly incorporated or continued, organized and validly subsisting under the applicable laws of its incorporating or continued jurisdiction;
- (b) it has the full power and authority to carry on its business and to enter into this Agreement;
- (c) neither the execution and delivery of this Agreement nor the consummation of the transactions hereby contemplated conflict with, result in the breach of or accelerate the performance required by any agreement to which it is a party;
- (d) the execution and delivery of this Agreement does not violate or result in the breach of the applicable laws of any jurisdiction applicable to Rover or pertaining thereto or of its constating documents;
- (e) all corporate authorizations have been obtained for the execution of this Agreement and for the performance of its obligations hereunder; and
- (f) this Agreement constitutes a legal, valid and binding obligation of Rover enforceable against it in accordance with its terms (provided that no representation or warranty is made as to the availability of equitable remedies for the enforcement of this Agreement).

## **ARTICLE 4 TRANSFER OF ROYALTY**

### **4.1 General**

Silver Range may transfer all or any part of its right, title and interest in the Net Smelter Royalty (the "**Royalty Interest**") only to the extent permitted in this Article 4.

### **4.2 Transfers**

Silver Range may, without the consent of Rover, but subject to the other terms of this Agreement:

- (a) Transfer all or any part of its Royalty Interest to a transferee (the "**Transferee**"), provided that Silver Range and the Transferee first enter into an agreement with Rover, in form and content satisfactory to Rover (acting reasonably) which provides that the Transferee shall be bound by and have the benefit of the provisions of this Agreement; or
- (b) Encumber or permit an Encumbrance over (a "**Security Interest**") its Royalty Interest; provided that the proposed Security Interest holder first enters into an agreement with Rover in a form approved by Rover (which approval is not to be unreasonably withheld) covenanting that the proposed Security Interest holder and any assignee appointed by it will be bound by the provisions of this Agreement as if the proposed Security Interest holder were the party granting such Security Interest.

## **ARTICLE 5 TERMINATION**

### **5.1 Termination**

This Agreement shall terminate and the parties shall be released from all obligations hereunder upon, subject to Section 5.2, Rover abandoning at any time, for any reason whatsoever, all of its interest in the Property.

### **5.2 Restaking**

- (a) Rover shall not abandon or surrender, or allow to lapse or expire, the Property, or any part thereof, for the purpose of permitting an Affiliate of Rover to restake or otherwise acquire any portion of the Property. In the event that Rover or an Affiliate of Rover restakes or otherwise acquires any abandoned or expired part of the Property within a period of two (2) years from the date such Property were abandoned or allowed to lapse or expire, this Agreement shall include such restaked or reacquired part of the Property and shall, if terminated pursuant to Section 5.1, be reinstated.
- (b) Rover shall have no obligation to maintain any of the claims comprising the Property. Rover shall have no liability to Silver Range or Silver Range's successors or assigns if any of such claims are forfeited or abandoned due to challenges by third parties or applicable governmental authorities. If Rover decides to abandon, forfeit, terminate or not renew any of the claims comprising the Property, Rover shall first give Silver Range the right to acquire such Property at no additional cost, by providing written notice to Silver Range of Rover's intention. Within thirty (30) days of its receipt of such notice, Silver Range shall notify Rover if Silver Range desires to acquire those Property. If Silver Range timely provides such notice, Rover shall then convey such Property to Silver Range by quitclaim deed, without any representations or warranties of any kind regarding title to those Property, environmental conditions or environmental liabilities at or affecting those Property, or otherwise.

## **ARTICLE 6 MISCELLANEOUS**

### **6.1 Nature of Royalty**

The Parties agree that Silver Range's right to receive the Net Smelter Royalty is a direct real property interest in the Property and that the Net Smelter Royalty will run with the Property, and every interest therein and any renewal or extension thereof and accordingly shall be binding upon and represent a liability of any successors or assigns of the Property or any portion thereof or interest therein.

### **6.2 Public Reporting**

If Silver Range at any time wishes to make, whether voluntarily or under requirement by Applicable Law, public disclosure of information pertaining to the Royalty or the Property or this Agreement and the exploration, development and production activities on the Property, such disclosure must be in compliance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, as amended from time to time ("**NI 43-101**"), including any Technical Report (as defined in NI 43-101) with respect to the Property, and the following provisions shall apply:

- (a) neither Rover nor its Affiliates shall have any obligation to Silver Range to prepare or provide any information in connection therewith other than information provided pursuant to this

Agreement, or to provide or prepare the Technical Report or any part thereof, or to provide or make available a Qualified Person (as defined in NI 43-101) to Silver Range;

- (b) Silver Range shall not designate either Rover or any Affiliate of Rover or any of their respective associates, employees or consultants, or any Qualified Person of Rover or its Affiliates, as the Qualified Person of Silver Range;
- (c) Silver Range shall be responsible for the cost of preparing the Technical Report; and
- (d) Rover and its Affiliates shall be entitled to access to all pertinent information related to that portion of the Technical Report pertaining to the Property and shall be afforded a reasonable opportunity to review and comment on that portion of the Technical Report prior to the filing of the Technical Report with applicable regulatory authorities.

#### **6.4 Further Assurances**

The Parties shall execute such further and other documents and do such further and other things as may be reasonably necessary or convenient to carry out and give effect to the intent of this Agreement.

#### **6.5 Amendments and Waivers**

No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by all of the Parties. No waiver of any breach of any provision of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived.

#### **6.6 Assignment**

Rover may assign this Agreement to any Person to whom it has transferred all or any portion of its interest in the Property without the prior written consent of Silver Range or of any party to which the rights of Silver Range are transferred pursuant to Article 4, provided that, prior to the completion of such transfer, such Person agrees in writing to be bound by the terms hereof and to assume and be responsible for all of the covenants, obligations and liabilities of Rover under this Agreement with respect to that portion of the Property such Person has acquired.

#### **6.7 Notices**

- (a) Any notice, direction or other instrument required or permitted to be given under this Agreement shall be in writing and may be given by the delivery of the same or by mailing the same by prepaid registered or certified mail or by sending the same by telegram, telex, telecommunication, facsimile or other similar form of communication, in each case addressed as follows:

To Rover

Rover Metals Corp.  
Suite 4301 – 4038 Pritchard Drive North  
West Kelowna, British Columbia V4T 3E4  
Canada

Attention: Judson Culter, Director  
e-mail: [Judson@culter.ca](mailto:Judson@culter.ca)

To Silver Range

Silver Range Resources Ltd.  
Suite 1016 - 510 West Hastings Street  
Vancouver, British Columbia V6B 1L8  
Canada

Attention: Michael Power, President  
e-mail: [mike@paladin-geoscience.com](mailto:mike@paladin-geoscience.com)

- (b) Any notice, direction or other instrument shall:
  - (i) if delivered, be deemed to have been given and received on the day it was delivered; and
  - (ii) if sent by telecommunication, facsimile or other similar form of communication, be deemed to have been given and received on the business day following the day it was so sent.
- (c) A Party may at any time give to the other Party notice in writing of any change of address of the Party giving such notice and from and after the giving of such notice the address or addresses therein specified shall be deemed to be the address of such Party for the purposes of giving notice hereunder.

**6.8 Equitable Remedies**

The Parties acknowledge and agree that a breach by either Party of any of the binding covenants contained in this Agreement could cause the other Party to incur irreparable injury, for which the other Party would not have an adequate remedy in damages. Accordingly, each Party agrees that in the event of any such breach, the non-breaching Party shall be entitled to specific performance of such covenants and preliminary and permanent injunctive and other equitable relief in addition to any other remedy to which the non-breaching Party may be entitled at law or in equity.

**6.9 Currency**

All dollar figures referred to in this Agreement are Canadian dollars unless specifically noted otherwise.

**6.10 Benefit of the Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective heirs, executors, successors and permitted assigns.

**6.11 Severability**

If any provision of this Agreement is or becomes illegal, invalid or unenforceable, in whole or in part, in any jurisdiction:

- (a) the remaining provisions shall nevertheless be and remain valid and subsisting in that jurisdiction and the said remaining provisions shall be construed as if this Agreement had been executed without the illegal, invalid or unenforceable portion; and
- (b) that provision shall nevertheless be and remain valid and subsisting in other jurisdictions.

**6.12 Governing Law and Attornment**

This Agreement is governed by the law in force in the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia. The Parties irrevocably submit to the exclusive jurisdiction of the courts exercising jurisdiction in the Province of British Columbia and any court that may hear appeals from any of those courts for any proceeding in connection with the Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

**6.13 Counterpart and Facsimile Execution**

This Agreement may be executed in any number of counterparts and all such counterparts, taken together, shall be deemed to constitute one and the same instrument. This Agreement may be signed and accepted by facsimile or electronic signature by e-mail or other permanent form of record.

**IN WITNESS WHEREOF** the Parties have executed this Agreement under the hand of their duly authorized representatives as of the date first herein written above.

**ROVER METALS CORP.**

By:

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Authorized Signing Representative

Name: ▲

Title: ▲

**SILVER RANGE RESOURCES LTD.**

By:

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Authorized Signing Representative

Name: ▲

Title: ▲

APPENDIX A – TO ROYALTY AGREEMENT  
DESCRIPTION OF PROPERTY

The Property consists of the following mineral claims located in the Northwest Territories:

<b>Project Name</b>	<b>Ownership</b>	<b>Tenure No</b>	<b>NSR</b>	<b>Tenure Name</b>	<b>Expiry Date</b>	<b>Mining District</b>	<b>Area (ha)</b>
Up Town Gold	100%	K15961	2% Silver Range	UTG 1	December 15, 2020	NWT	1,045.1
Up Town Gold	100%	K15962	2% Silver Range	UTG 2	December 15, 2021	NWT	1,045.1
Up Town Gold	100%	K15963	2% Silver Range	UTG 3	December 15, 2021	NWT	212.1
Up Town Gold	100%	K15964	2% Silver Range	UTG 4	December 15, 2020	NWT	180.2
Up Town Gold	100%	K15965	2% Silver Range	UTG 5	December 15, 2020	NWT	376.3
Up Town Gold	100%	K15966	2% Silver Range	UTG 6	December 15, 2020	NWT	408.5
						<b>Total:</b>	<b>3.267.30</b>

**SCHEDULE "C"**  
**SUMMARY OF JOINT VENTURE AGREEMENT**

1. The words and terms as defined in the Agreement to which this Schedule "C" is attached shall have the same meaning for the purposes of this Schedule "C" unless otherwise specifically indicated.
2. Each party shall contribute to all costs and take its share of ores, minerals or products derived from the Property in proportion to its undivided percentage interest (the "**Interest**") in the Property from time to time.
3. Initial Expenditures under the Joint Venture shall be agreed to in writing by the parties (the "**Joint Venture Expenditures**"). Each party will contribute its share of the Joint Venture Expenditures in proportion to its interest in the Joint Venture as determined in accordance with Sections 9 and 10 below. The Joint Venture Expenditures shall be advanced to the Operator by each party in accordance with staged work program budgets as approved by the Management Committee.
4. All operations on and in connection with a Property shall be managed by a committee (the "**Management Committee**") consisting of one (1) representative of each of the parties. A party's representative on the Management Committee shall have such number of votes equal to such party's Interest at the time of the vote. All decisions of the Management Committee shall be made by a simple majority of the votes cast. In the case of a tied vote, no party shall have a casting vote.
5. All disputes between the parties, including tied votes of the Management Committee, that remain unresolved after a period of thirty (30) days shall be referred to and finally resolved by arbitration under the *Arbitration Act* (British Columbia).
6. The Optionee shall be the initial joint venture operator and shall remain as the operator for as long as its Interest is equal to or exceeds fifty percent (50%) (the "**Operator**"). If the Interest of the Optionee becomes less than fifty percent (50%), the party with the greatest Interest shall become the Operator, unless otherwise unanimously agreed by the parties.
7. All operations on and in connection with a Property shall be carried out exclusively by the Operator and the Operator shall have the right to retain such subcontractors as it sees fit. The Operator shall be entitled to charge a management fee equal to ten percent (10%) on general exploration expenditures and ten percent (10%) on helicopter, drilling and airborne survey expenditures. The Operator shall only be entitled to charge a management fee of five percent (5%) on actual costs incurred by contractors. No management fee shall be paid in regard to profit or mark-up charged by contractors. Any management fee payable upon the commencement of commercial production from a mine on the Property shall be determined in accordance with accepted mining industry standards.
8. All Joint Venture operations shall be carried out by each and all Operators in accordance with health, safety, environment and community relations standards as approved in advance by the Management Committee.

9. The respective Interests of each party shall be determined at the time the Joint Venture Agreement is entered into and the deemed exploration expenditures of each Party shall be calculated on the basis of actual Expenditures incurred by the Optionee and the retained carried Interest in the Property of the Optionor.
10. A party shall elect whether or not to contribute to each annual work program and budget. If a party elects not to contribute to a budget, its Interest shall be reduced, such that a party's Interest at any time shall be calculated by dividing the subject party's deemed and actual Expenditures by the deemed and actual Expenditures of all of the parties, and multiplying the resulting fraction by 100 (standard straight line dilution provision).
11. Upon exercise of the First Option and the termination of the Second Option, the deemed Expenditures of each of the Optionee and the Optionor will be \$1,600,000 and \$533,333, respectively.
12. If a party elects to contribute to a work program and budget and then fails to pay an invoice in a timely manner, that party (the "**Defaulting Party**") shall be deemed to have elected not to contribute to the budget pursuant to the provisions contained in paragraph 10 of this Schedule "C". The non-defaulting party shall be entitled to complete the original work program or a revised work program and the Defaulting Party's Interest shall be reduced accordingly.
13. The Operator shall be entitled to include in each budget, in addition the amounts to be actually expended, the reasonably estimated cost of satisfying continuing obligations relating to environmental protection, rehabilitation, reclamation and decommissioning.
14. If at any time a party's Interest is reduced to below ten percent (10%), it shall be deemed to have conveyed its interest proportionately to the other party in consideration of the right to receive a one percent (1%) net smelter royalty on commercial production from a mine on the Property.
15. At the time the joint venture is deemed to have been established in accordance with the terms and conditions of the Agreement, the Optionor shall have retained the Royalty Interest. The Royalty Interest shall be paid to the Optionor in accordance with the terms and conditions of the Royalty Agreement.
16. In the event that the Management Committee elects not to carry out a work program in any given year, each party shall be obligated to contribute its proportionate share of the funds required to keep a Property in good standing under any applicable laws in force at that time ("**Maintenance Funds**"). If a party fails to provide Maintenance Funds within sixty (60) days of receipt of notice from the Operator that Maintenance Funds are required (the "**Non-Contributing Party**"), it shall be deemed to have conveyed its Interest proportionately to the other party in consideration of the payment of \$10. Upon such deemed conveyance, the conveying party ceases to hold any interest in the Property. Within sixty (60) days of such deemed conveyance, the Non-Contributing Party shall deliver applicable title documentation to the other party.
17. Any transfer, sale or other disposition of a party's interests in the Joint Venture shall be subject to a right of first refusal in favour of the other joint venture member.

**ROVER METALS CORP.,**  
**SILVER RANGE RESOURCES LTD.,**  
**AND**  
**PANARC RESOURCES LTD.**

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**AMENDMENT NO. 1 TO THE OPTION AGREEMENT**

**for the**

**UP TOWN GOLD GROUP OF MINERAL CLAIMS**

**Northwest Territories Land Act (Mining Regulations)**

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August 15<sup>th</sup>, 2017

*MW*

## AMENDMENT NO. 1

THIS FIRST AMENDMENT TO THE OPTION AGREEMENT ("the Agreement") is dated effective August 15th, 2017

AMONG:

**ROVER METALS CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionee")

AND:

**SILVER RANGE RESOURCES LTD.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionor")

AND:

**PANARC RESOURCES LTD.**, a corporation duly incorporated under the laws of the Yukon Territory  
(the "Panarc")

### RECITALS

WHEREAS:

- A. The Optionee and Optionor wish to amend section 5.2 (b)(iii) of the original Option Agreement (as found in in **Exhibit A**) between Rover Metals Corp. and Silver Range Resources Ltd. and Panarc Resources Ltd.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of Rover Metals Corp. and Silver Range Resources Ltd., the Optionee and Optionor hereto covenant and agree as follows:

- 1. Definitions.** All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Option Agreement.
- 2. Amendments.**
  - 2.1 The parties agree to amend Section 5.2(b)(iii) by deleting: "by the first anniversary of this Agreement (September 9, 2017)"

And inserting:

"within five working days after receipt of the final assays from the \$350,000 in Expenditures on the Property as required to be completed by September 9, 2017 under Section 5.2(a)(i) of the Option Agreement. Aurora Geosciences Ltd. is to be directed to provide notice to the Optionor when the final assays have been delivered to the Optionee."

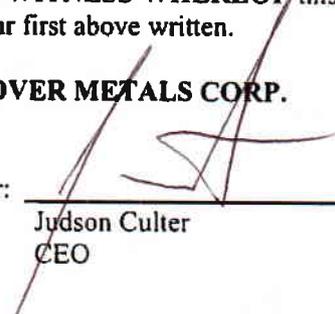


3. **No Other Changes.** Except as set forth in this Agreement, the Option Agreement shall remain in full force and effect without any further changes or modifications.
4. **Governing Law.** This Agreement will be construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada as applicable therein.
5. **Headings.** The headings are for convenience only, do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions.
6. **Further Assurances.** Each party will execute and deliver such further agreements and other documents and do such further acts and things as the other party reasonably requests to evidence, carry out or give full force and effect to the intent of this Agreement.
7. **Counterparts.** This Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or electronically transmitted and each such counterpart will be deemed to be an original and such counterparts together will constitute one and the same instrument.

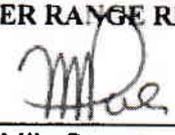


**IN WITNESS WHEREOF** this Agreement has been executed by or on behalf of the parties the day and year first above written.

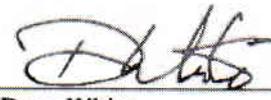
**ROVER METALS CORP.**

Per:   
\_\_\_\_\_  
Judson Culter  
CEO

**SILVER RANGE RESOURCES LTD.**

Per:   
\_\_\_\_\_  
Mike Power  
CEO

**PANARC RESOURCES LTD.**

Per:   
\_\_\_\_\_  
Dave White  
Director



**EXHIBIT A**  
**OPTION AGREEMENT**

**ROVER METALS CORP.,  
SILVER RANGE RESOURCES LTD.,  
AND  
PANARC RESOURCES LTD.**

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**AMENDMENT NO. 2 TO THE OPTION AGREEMENT**

**for the**

**UP TOWN GOLD GROUP OF MINERAL CLAIMS**

**Northwest Territories Land Act (Mining Regulations)**

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April 6<sup>th</sup>, 2018



## AMENDMENT NO. 2

THIS SECOND AMENDMENT TO THE OPTION AGREEMENT ("the Agreement") is dated effective April 6th, 2018

**AMONG:**

**ROVER METALS CORP.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionee")

**AND:**

**SILVER RANGE RESOURCES LTD.**, a corporation duly incorporated under the laws of the Province of British Columbia  
(the "Optionor")

**AND:**

**PANARC RESOURCES LTD.**, a corporation duly incorporated under the laws of the Yukon Territory  
(the "Panarc")

### RECITALS

**WHEREAS:**

- A. The Optionee and Optionor wish to amend section 5.4 of the original Option Agreement (as found in in Exhibit A) between Rover Metals Corp. and Silver Range Resources Ltd. and Panarc Resources Ltd.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of Rover Metals Corp. and Silver Range Resources Ltd., the Optionee and Optionor hereto covenant and agree as follows:

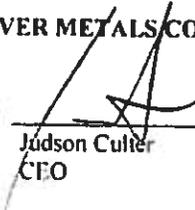
1. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Option Agreement
2. **Amendments.**
  - 2.1 The parties agree to amend Section 5.4 by deleting: "Four-point-five Percent (4.5%) of the outstanding common shares of the Optionee on a fully diluted basis, on or before December 31, 2019."And inserting:  
"2,500,000 common shares of the Optionee on a fully diluted basis, on or before December 31, 2019."
3. **No Other Changes.** Except as set forth in this Agreement, the Option Agreement shall remain in full force and effect without any further changes or modifications.

4. **Governing Law.** This Agreement will be construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada as applicable therein.
5. **Headings.** The headings are for convenience only, do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any of its provisions.
6. **Further Assurances.** Each party will execute and deliver such further agreements and other documents and do such further acts and things as the other party reasonably requests to evidence, carry out or give full force and effect to the intent of this Agreement.
7. **Counterparts.** This Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or electronically transmitted and each such counterpart will be deemed to be an original and such counterparts together will constitute one and the same instrument.



**IN WITNESS WHEREOF** this Agreement has been executed by or on behalf of the parties the day and year first above written.

**ROVER METALS CORP.**

Per:   
\_\_\_\_\_  
Judson Culter  
CEO

**SILVER RANGE RESOURCES LTD.**

Per:   
\_\_\_\_\_  
Mike Power  
CEO

**PANARC RESOURCES LTD.**

Per:   
\_\_\_\_\_  
Gary Vivian  
Director