

OPTION AGREEMENT

This Option Agreement (this “**Agreement**”), dated as of June 6, 2017, is entered into between Quadro Resources Ltd. (“**Quadro**”), a corporation incorporated under the laws of the Province of British Columbia, Benton Resources Inc. (“**Benton**”), a corporation incorporated under the laws of the Province of British Columbia, and Metals Creek Resources Corp. (“**Metals Creek**”, together with Benton, the “**Optioners**”), a corporation incorporated under the laws of the Province of Ontario.

Whereas the Optioners own those certain mineral claims situated in Newfoundland, Canada generally known to as the Staghorn Property and as more particularly described in Schedule A, attached hereto (the “**Staghorn Property**”);

And whereas the Optioners hold an option to develop those certain mineral claims situated in Newfoundland, Canada generally known as the **Rose Property** and as more particularly described in Schedule “A”, attached hereto (the “**Rose Property**”, and together with the Staghorn Property, the “**Properties**”; the current option related thereto referred to herein as the “**Original Rose Option**”);

The Optioners have rights to the Rose Property pursuant to an option agreement with Shawn Rose dated April 9, 2017 (the “**Original Rose Option**”);

And whereas Quadro proposes to acquire the Staghorn Property and the Original Rose Option from the Optioners (the “**Transaction**”), subject to the terms and conditions set forth herein;

Now therefore, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Transfer of the Staghorn Property and the Original Rose Option

Subject to the terms and conditions set forth herein, the Optioners shall transfer, sell, assign, convey and deliver to Quadro, at the election of Quadro (the “**Option**”), all their respective rights and title to the Original Rose Option, in accordance with the Assignment and Amendment Agreement (as defined herein), and the Staghorn Property, free and clear of all royalties, liens, charges, encumbrances and adverse claims, other than the following (the “**Royalties**”):

- (a) a new royalty to be granted to Benton and Metals Creek (the “**BEX/MEK Royalty**”) on the Staghorn Property;
- (b) the existing royalty held by Ed Northcott and Gilbert Lushman (the “**Northcott/Lushman Royalty**”) on the Staghorn Property;
- (c) the existing royalty pursuant to the Original Rose Option on the Rose Property held by Shawn Rose (the “**Rose Royalty**”); and



- (d) new royalties to be granted to Benton and Metals Creek in relation to both of the Northcott/Lushman Royalty and the Rose Royalty,

all of which are further described in Section 7 below and in **Schedule B**, attached hereto.

2. Exercise of Option & Closing

- (a) Subject to satisfaction of the conditions precedent contained in Section 5 herein, the Option may be exercised by Quadro, on the third business day after the date on which the TSX Venture Exchange (the “**TSXV**”) accepts this Agreement for filing or consents to the completion of the Transaction, as the case may be, by issuing 4,000,000 common shares (the “**Option Shares**”) of Quadro from treasury to each of Benton and Metals Creek.
- (b) The deemed issue price of the Option Shares will be equal to the Discounted Market Price (as such term is defined in the policies of the TSXV) on the date of the public announcement of this Agreement by joint press release of the parties.
- (c) The Transaction will be completed on the Effective Date (the “**Closing**”). Closing will take place at the offices of Quadro’s solicitors commencing at 10:00 a.m. (Vancouver time) on the Effective Date.

3. Representations and Warranties

- (a) The representations and warranties of Quadro to and in favour of the Optionors are as set out in **Schedule F**, attached hereto
- (b) The representations and warranties of each of the Optionors, made severally and not jointly, to and in favour of Quadro, are as set out in **Schedule G**, attached hereto.

4. Covenants

- (a) Quadro will use diligent and reasonable commercial efforts to obtain all required TSXV approvals (“**TSXV Approval**”) for the Transaction, subject to receipt of required information and documentation from the Optionors for filing with the TSXV in support of Quadro’s application thereto.
- (b) Quadro will not grant any incentive stock options on or prior to Closing.
- (c) Unless otherwise required by applicable law or the requirements of the TSXV, neither Quadro nor the Optionors shall make any public announcements regarding this Agreement or the Transaction without the prior written consent of the other parties (which consent shall not be unreasonably withheld or delayed).

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- (d) Following the Closing, each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to this Agreement and the Transaction.

5. Conditions to Closing

- (a) The following are conditions precedent to be completed by Quadro prior to Closing, failing which the Optionors shall be under no obligation to complete the Transaction:
 - (i) Quadro has completed a 2:1 consolidation of its common shares (the “**Consolidation**”);
 - (ii) Quadro has paid and satisfied (by shares for debt) all of its current payables and liabilities, except for payables in the amount of \$55,000 owed to three creditors which are to be paid and satisfied in cash (the “**Payables Settlements**”);
 - (iii) Quadro has completed a private placement, or multiple private placements, resulting, subject to (ii) above, in a minimum of \$1,000,000 cash on its balance sheet, net of liabilities (the “**Financing**”);
 - (iv) Quadro shall have delivered payment in full for the total cost of the production and completion of the 43-101 (as defined herein) to the Optioner(s) that incurs such cost; and
 - (v) the representations and warranties contained in **Schedule G**, attached hereto, are true and complete as of the Effective Date.
- (b) The following are conditions precedent to be completed by the Optioners prior to Closing, failing which Quadro shall be under no obligation to complete the Transaction:
 - (i) the Optioners have provided Quadro with a Form 43-101F1 Technical Report (the “**43-101**”) with respect to the Staghorn Property, produced in accordance with requirements of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*; and
 - (ii) the representations and warranties contained in **Schedule F**, attached hereto, are true and complete as of the Effective Date.
- (c) The following are conditions precedent failing which neither the Optionors nor Quadro will be obligated to complete the Transaction:

- (i) the TSXV Approval is granted on or before July 15, 2017 (the “**Outside Date**”);
- (ii) Quadro, Benton, Metals Creek and Shawn Rose enter into an assignment and amendment agreement (the “**Assignment and Amendment Agreement**”) with Shawn Rose in the form attached hereto as **Schedule E**; and
- (iii) all necessary consents are obtained from all other regulatory authorities and other third parties necessary to complete the Transaction.

6. Indemnification

The indemnification rights and obligations of each of the parties to this Agreement are attached hereto as **Schedule H**.

7. Royalties Acknowledgement

- (a) Quadro acknowledges and accepts that the following areas of interest and royalties exist or will exist on the Properties on and after the Effective Date, and which are further outlined in **Schedule B**, attached hereto:
 - (i) the BEX/MEK Royalty, more specifically described as the area outlined in dotted black representing a 3 kilometer area of interest that is subject to a 3% NSR (such NSR defined in accordance with **Schedule C**, attached hereto) in favour of Benton and Metals Creek, 2% of which can be purchased by Quadro at any time after the Effective Date on written notice and delivery to Benton and Metals Creek of \$2 million;
 - (ii) the Northcott/Lushman Royalty, more specifically described as the area outlined in the solid orange line representing a 3 kilometer area of interest that is subject to: (i) a 2% NSR (such NSR defined in accordance with **Schedule C**, attached hereto) in favour of Ed Northcott and Gilbert Lushman, 1% of which can be purchased by Quadro at any time after the Effective Date on written notice and delivery to Ed Northcott and Gilbert Lushman of \$1 million; and (ii) a 1% NSR (such NSR defined in accordance with **Schedule C**, attached hereto) in favour of Benton and Metals Creek; and
 - (iii) the Rose Royalty, more specifically described as the area outlined in solid purple representing a 1 kilometer area of interest outlined in dotted purple that is subject to: (i) a 2% NSR (such NSR defined in accordance with **Schedule C**, attached hereto) in favour of Shawn Rose, 1% of which can be purchased by Quadro at any time after the Effective Date on written notice and delivery to Shawn Rose of \$1 million; and (ii) a 1% NSR (such NSR defined in

accordance with **Schedule C**, attached hereto) in favour of Benton and Metals Creek.

- (b) Quadro acknowledges and accepts that on and after the Effective Date, the Rose Property will be comprised of claims consisting of license number 024897M and license number 023351M that are subject to an option agreement between Benton and Metals Creek, acting together, and Shawn Rose, attached hereto as **Schedule D** (the “**Rose Option Agreement**”) and that in order to exercise the Option, Quadro will be required to enter into the Assignment and Amendment Agreement, pursuant to which Quadro will assume the obligations of Benton and Metals Creek under the Rose Option Agreement including the requirements to make annual cash payments and share issuances to Shawn Rose.

8. Termination

- (a) This Agreement may be terminated at any time before the Closing:
 - (i) by the mutual written consent of the Optioners and Quadro;
 - (ii) by the Optioners by joint written notice to Quadro if the Optioners are not then in material breach of any provision of this Agreement;
 - A. and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Quadro under this Agreement that would give rise to the failure of any of the conditions specified in Section 5, and such breach, inaccuracy or failure has not been cured by Quadro within 10 days of Quadro's receipt of written notice of such breach from the Optioners; or
 - B. it becomes apparent that any of conditions contained in Section 5 herein will not be fulfilled by the Outside Date.
 - (iii) by Quadro by written notice to both Benton and Metals Creek if Quadro is not then in material breach of any provision of this Agreement;
 - A. and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Optioners under this Agreement that would give rise to the failure of any of the conditions specified in Section 5, and such breach, inaccuracy or failure has not been cured by the Optioners within 10 days of the Optioner's receipt of written notice of such breach from Quadro; or

B. it becomes apparent that any of conditions contained in Section 5 herein will not be fulfilled by the Outside Date.

- (b) In the event of the termination of this Agreement in accordance with this Section 8:
- (i) Quadro shall assign the Original Rose Option to Benton and Metals Creek on the same terms and conditions as such Original Rose Option; and,
 - (ii) this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of any party hereto except as set forth in Section 9 and that nothing herein shall relieve any party hereto from liability for any willful breach of any provision hereof.

9. **Miscellaneous** – headings, severability, entire agreement, amendment and modification,

- (a) Each party to this Agreement is solely responsible for obtaining such tax and legal advice as that party considers appropriate in connection with this Agreement and the Transaction.
- (b) All costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.
- (c) The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.
- (d) If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
- (e) This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.
- (f) This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a

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similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

- (g) Quadro and the Optionors will perform or cause to be performed all such acts and deeds as may be required to give full force and effect to the terms and provisions set out herein and to cooperate with each other and each other's counsel and other professional advisors in the preparation, execution and delivery of any and all documents or instruments necessary to give full force and effect to the terms and provisions set out herein and in any Definitive Agreement and any other documents required to give effect hereto.
- (h) This Agreement may be signed in one or more counterparts, originally or by facsimile, all such counterparts taken together will form one and the same agreement.
- (i) This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and, where the context so permits, their respective successors and permitted assigns. No amendment or waiver of any provision of this Agreement shall be binding on a party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.
- (j) This Agreement and all matters relating hereto and thereto, shall be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein without reference to conflicts of laws, and Quadro and the Optionors each hereby irrevocably attorn to the exclusive jurisdiction of the courts of British Columbia, Vancouver Registry, in respect of all such matters and any and all actions or proceedings relating thereto, waives any objection that such party might otherwise be entitled to assert to the jurisdiction of such courts and agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.
- (k) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by fax or by e mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:
 - (i) if to Quadro:

PO Box 48838
Bentall Centre Station
Vancouver, BC V7X 1A8

Attention: Barry Coughlan, President & CEO
E-mail: barryc@talcap.com

(ii) if to Benton:

684 Squire St.
Thunder Bay, ON P7B 4A8

Attention: Steve Stares, President & CEO
E-mail: sstares@bentonresources.ca

(iii) if to Metals Creek:

945 Cobalt Cres.
Thunder Bay, ON P7B 5Z4

Attention: Alexander Stares, President & CEO
E-mail: astares@metalscreek.com

[Signature Page Follows]

In witness whereof, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

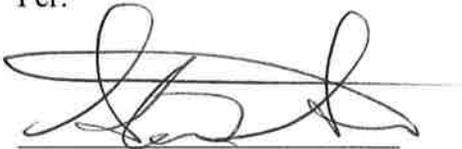
Quadro Resources Ltd.

Per:

Barry Coughlan

Benton Resources Inc.

Per:



Steve Stares

Metals Creek Resources Corp.

Per:

Alexander Stares

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[Signature Page to the Staghorn / Rose Option Agreement]

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SCHEDULE A

LIST OF MINERAL CLAIMS COMPRISING PROPERTIES

SCHEDULE B
MAP SHOWING CLAIMS AND AREA OF INTEREST

SCHEDULE C
NSR DEFINITION

SCHEDULE D
ROSE OPTION AGREEMENT

SCHEDULE E
ASSIGNMENT AND AMENDMENT AGREEMENT

SCHEDULE F

REPRESENTATIONS AND WARRANTIES OF QUADRO

Quadro represents and warrants to the Optionors as follows:

- (a) Quadro is a corporation duly organized and validly existing under the laws of British Columbia and:
 - (i) is a “reporting issuer” within the meaning of the securities laws of the Provinces of British Columbia and Alberta and is not in material default of its continuous disclosure obligations under any applicable securities laws;
 - (ii) is in good standing with respect to the filing of annual returns with the Registrar under the Business Corporations Act (British Columbia); and
 - (iii) its common shares are listed on the NEX Board of the TSXV;
- (b) as of the date hereof:
 - (i) 7,108,000 common shares in the capital of Quadro are issued and outstanding;
 - (ii) Quadro has no options, warrants or other convertible securities issued or outstanding which entitle the holder to purchase shares or any other securities of Quadro, except as publicly disclosed or as may hereafter be granted in accordance with the requirements of the TSXV;
 - (iii) Quadro does not have debts exceeding \$300,000.00 in the aggregate;
- (c) the common shares of Quadro issuable pursuant to the Transaction will, upon their issuance, be validly issued and outstanding, fully paid and non-assessable common shares of Quadro and will form part of a class of shares that is listed and posted for trading on the TSXV;
- (d) Quadro has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder;
- (e) neither the execution and delivery of this Agreement nor the consummation of the Transaction will conflict with, result in a breach of or accelerate the performance required by any agreement to which Quadro is a party;

- (f) there are no undisclosed actions, suits or proceedings pending or, to the knowledge of Quadro, threatened against Quadro, at law or in equity, or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign (each a “**Governmental Authority**”), and Quadro is not aware of any existing grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success;
- (g) no regulatory authority having jurisdiction has issued any order preventing or suspending trading of any currently outstanding securities of Quadro;
- (h) the audited consolidated financial statements of Quadro for its most recently completed financial year have been prepared in accordance with Canadian generally accepted accounting principles and IFRS, are true, correct and complete in all material respects and present fairly the financial condition of Quadro as at that date, and the quarterly consolidated financial statements of Quadro for all subsequent periods have been prepared in accordance with Canadian generally accepted accounting principles, are true, correct and complete in all material respects and present fairly the financial condition of Quadro as at their respective dates of issue;
- (i) Quadro is not subject to any cease trade or other order of any applicable stock exchange or securities regulatory authority and, to the knowledge of Quadro, no investigation or other proceedings involving Quadro which may operate to prevent or restrict trading of any securities of Quadro are currently in progress or pending before any applicable stock exchange or securities regulatory authority;
- (j) Quadro does not have any material liability or obligation, whether accrued, absolute, contingent or otherwise, not reflected in its latest publicly-disclosed financial statements;
- (k) there is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of Quadro, threatened against Quadro before any court, regulatory or administrative agency or tribunal.

SCHEDULE G

REPRESENTATIONS AND WARRANTIES OF BENTON, METALS CREEK AND THE OPTIONORS

Benton hereby represent and warrant to Quadro as follows:

- (a) Benton is a corporation duly organized and validly existing under the laws of British Columbia and:
 - (i) is a “reporting issuer” within the meaning of the securities laws of the Provinces of British Columbia and Alberta and is not in material default of its continuous disclosure obligations under any applicable securities laws;
 - (ii) is in good standing with respect to the filing of annual returns with the Registrar under the Business Corporations Act (British Columbia);
 - (iii) its common shares are listed on the TSXV; and

Metals Creek hereby represent and warrant to Quadro as follows:

- (b) Metals Creek is a corporation duly organized and validly existing under the laws of Ontario and:
 - (i) is a “reporting issuer” within the meaning of the securities laws of the Provinces of British Columbia, Alberta and Ontario and is not in material default of its continuous disclosure obligations under any applicable securities laws;
 - (ii) is in good standing with respect to the filing of annual returns with the Registrar under the Business Corporations Act (Ontario); and
 - (iii) its common shares are listed on the TSXV;

Benton and Metals Creek represent and warrant to Quadro as follows:

- (c) each Optionor has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder;
- (d) neither the execution and delivery of this Agreement nor the consummation of the Transaction will conflict with, result in a breach of or accelerate the performance required by any agreement to which the Optionor is a party;
- (e) there are no undisclosed actions, suits or proceedings, pending or, to the knowledge of the Optionors, threatened against the Optionors, at law or in

equity, or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign (“**Governmental Authority**”), and the Optionors are not aware of any existing grounds on which any such action, suit or proceeding might be commenced;

- (f) except for license 024897M and 023351M the Optionors are collectively the beneficial owners of the licenses referred to in Schedule A and those such licenses that are not in the name of either of Benton or Metals Creek are held in trust for Benton or Metals Creek and are free and clear of any and all liens, charges, encumbrances and claims of others except those disclosed in writing by the Optionors to Quadro prior to the execution and delivery of this Agreement;
- (g) to the best of the Optionors’ knowledge and belief:
 - (i) the claims comprising the Properties have been properly staked or located and recorded in compliance with applicable laws;
 - (ii) no person other than the Optionors and other than Shawn Rose in the case of the Rose Property has any material interest in the Properties or any right to acquire any such interest;
 - (iii) the claims comprising the Properties are in good standing under applicable law;
- (h) the Optionors:
 - (i) understand and agree that the shares (the “**Securities**”) issuable pursuant to the exercise of the Option are subject to resale restrictions under Canadian securities laws and that they will comply with all relevant laws concerning any resale of shares and will consult with their legal advisors with respect to complying with all restrictions applying to such resale;
 - (ii) understand and agree that the certificates representing the Securities will be endorsed with the following legends:

"Unless permitted under securities legislation, the holder of this security shall not trade this security before **[four months and one day after the Closing Date]**."

“Without prior written approval of the Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a

Canadian resident until [**four months and one day after the Closing Date**]”; and

- (iii) understand and agree that there may be material tax consequences to the Optionors in connection with the acquisition, disposition or exercise of any of the Securities, and that Quadro gives no opinion and makes no representation with respect to such tax consequences;

SCHEDULE H

INDEMNITIES

- (a) Subject to the limitations and other provisions of this Agreement, the representations and warranties, covenants and agreements of the parties contained herein shall survive the Closing and shall remain in full force and effect until the date that is 24 months from the Effective Date, unless explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable law, whichever is sooner.
- (b) Subject to the other terms and conditions of this **Schedule H**, the Optioners shall severally and not jointly indemnify and defend Quadro against, and shall hold them harmless from and against, and shall pay and reimburse each of them for, any and all actual out-of-pocket losses, damages, liabilities, costs or expenses, including reasonable legal fees (“**Losses**”) incurred or sustained by, or imposed upon, Quadro based upon, arising out of, with respect to or by reason of:
- (i) any inaccuracy in or breach of any of the representations or warranties of the Optioners contained in this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Effective Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or
 - (ii) any breach or non-fulfilment of any covenant, agreement or obligation to be performed by the Optioners under this Agreement.
- (c) Subject to the other terms and conditions of this **Schedule H**, Quadro shall indemnify and defend the Optioners against, and shall hold them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Optioners based upon, arising out of, with respect to or by reason of:
- (i) any inaccuracy in or breach of any of the representations or warranties of Quadro contained in this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Effective Date (except for representations and warranties that expressly

relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or

- (ii) any breach or non-fulfilment of any covenant, agreement or obligation to be performed by Quadro under this Agreement.
- (d) The indemnification provided for in Sections (b) and (c) above shall be subject to the following limitations:
- (i) The Optioners shall not be liable to Quadro for indemnification under Section (b) above until the aggregate amount of all Losses in respect of indemnification under **Schedule H** that exceeds an amount equal to 10% of the aggregate deemed value of the Option Shares issued to the Optioners as of the Effective Date (the "**Basket**"), in which event the Optioners shall be required to pay or be liable for all such Losses from the first dollar. The aggregate amount of all Losses for which the Optioners shall be liable under **Schedule H** shall not exceed an amount equal to the total aggregate deemed value of the Option Shares issued to the Optioners as of the Effective Date (the "**Cap**"). Each of Benton and Metals Creek shall be severally liable for 50% of the total Losses calculated in accordance with this Section.
 - (ii) Notwithstanding the foregoing,
 - A. Benton shall be solely responsible for Losses based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in Section (a) of **Schedule G**; and
 - B. Metals Creek shall be solely responsible for Losses based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in Section (b) of **Schedule G**.
 - (iii) Quadro shall not be liable to the Optioners for indemnification under Section (c) above until the aggregate amount of all Losses in respect of indemnification under **Schedule H** exceeds the Basket, in which event Quadro shall be required to pay or be liable for all such Losses from the first dollar. The aggregate amount of all Losses for which Quadro shall be liable under **Schedule H** shall not exceed the Cap.