

EXPLORATION, EARN-IN AND OPTION AGREEMENT

THIS AGREEMENT made and entered into effective as of the 20th day of September, 2024 (the “**Effective Date**”).

B E T W E E N:

APOLLO SILVER CORP.,
a corporation existing under the laws of the
Province of British Columbia

(“**Apollo**”).

- and -

MAG SILVER CORP.,
a corporation existing under the laws of the
Province of British Columbia

(“**MAG**”).

- and -

MINERA POZO SECO, S.A. de C.V.,
a corporation existing under the laws of Mexico

(“**MPS**”).

WHEREAS Minera Pozo Seco, S.A. de C.V. (“**MPS**”) is the sole registered and beneficial owner of the Properties (as defined herein) including the Mining Concessions (as defined herein) more particularly described in Schedule A attached hereto and the Additional Property Rights (as defined herein) more particularly described in Schedule B attached hereto;

AND WHEREAS MPS is (except for one share that is owned Los Lagartos S.A. de C.V., who holds such share for the benefit of MAG, in order to comply with the minimum legal requirement of having two shareholders in a Mexican corporation) an indirect, wholly-owned subsidiary of 0890887 B.C. Limited (“**089 Limited**”) and 089 Limited is a wholly-owned subsidiary of MAG;

AND WHEREAS Apollo wishes to acquire an option to obtain an indirect interest in the Properties;

AND WHEREAS MAG wishes to grant to Apollo the exclusive right and option to acquire all the issued and outstanding shares of 089 Limited (the “**089 Limited Shares**”);

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises, the mutual covenants herein set forth and the sum of ten dollars (\$10.00) of lawful money of Canada now paid by Apollo to each of MAG and MPS (the receipt of which is hereby acknowledged), the parties hereto do hereby mutually covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 **Definitions**

The following terms used herein shall have the meanings set out below:

“**089 Limited**” has the meaning ascribed to it on the first page of this Agreement;

“**089 Limited Shares**” has the meaning ascribed to it on the first page of this Agreement;

“**089 Subsidiaries**” means, together, DSUB 0890887 COOPERATIEF U.A, a company incorporated in the Netherlands and STPF B.V, a corporation existing under the laws of the Netherlands;

“**Additional Property Rights**” means, in each case, other than the Mining Concessions, exploration permits, exploration rights, surface rights, water rights and other rights relating to minerals or to access minerals, and other forms of mineral title, under the laws of Mexico, whether contractual, statutory or otherwise as set out in Schedule B attached hereto and any other such permits, rights or title acquired after the Effective Date within the Area of Interest by Apollo, MPS or their respective Affiliates that are deemed to be Additional Property Rights under Section 4.6;

“**Affiliate**” means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person;

“**Agreement**” means this Exploration, Earn-In and Option Agreement, together with all Schedules and Exhibits to it, in each case as the same may be modified or amended from time to time;

“**Apollo**” has the meaning ascribed to it on the first page of this Agreement;

“**Apollo Indemnified Parties**” has the meaning ascribed to it in Section 4.7(b);

“**Apollo Shares**” means common shares in the capital of Apollo.

“**Applicable Claim**” has the meaning ascribed to it in Section 1.5(a);

“**Area of Interest**” means all of the lands that lie within 10 kilometres of the exterior boundaries of the Mining Concessions set out in Schedule A, which for greater certainty shall include the areas covered by the Mining Concessions;

“**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in the Province of British Columbia, Canada or Mexico City, Mexico on which commercial banks in Vancouver, British Columbia and Mexico City, Mexico, as the case may be, are open for business;

“**Cascabel**” means Minera Cascabel, S.A. de C.V. and any Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with Minera Cascabel, S.A. de C.V.;

“**CFPOA**” has the meaning ascribed to it in Section 22 of Schedule C;

“**Claims**” includes claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions, information or other similar processes, assessments or reassessments, judgments, debts, liabilities, penalties, fines, expenses, costs, injuries, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“**Confidential Information**” means all Technical Data, and any other information concerning any matters affecting or relating to the Project, including information regarding plans, budgets, processes, results of exploration, development and mining and other data, except to the extent that such information has already been publicly disclosed by a Party as permitted herein;

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the legal or beneficial ownership of either more than 50% of the securities or interests or sufficient securities or interests to elect a majority of the directors, trustees or other governing body of such Person, by contract or otherwise, and the terms “**Controlled**” and “**Controlling**” shall have meanings correlative to the foregoing;

“**Deadline**” has the meaning ascribed to it in Section 3.5(a);

“**Disclosure Letter**” means the disclosure letter dated as of the date of this Agreement delivered by MPS and MAG to Apollo;

“**Due Date**” has the meaning ascribed to it in Section 4.4(b);

“**Effective Date**” has the meaning ascribed to it on the first page of this Agreement;

“**Encumbrance**” means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, covenant, condition, lease, license, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, right-of-way, right-of-entry, any matter capable of registration against title, option, assignment, right of first offer or refusal or similar right, right of pre-emption, restriction on voting (in the case of any voting or equity interest), privilege or any other encumbrance or charge or title defect of any nature whatsoever, regardless of form, whether or not registered or registrable and whether or not consensual or arising by any Legal Requirement;

“**Environmental Laws**” means Laws aimed at reclamation, restoration or closure of the Properties, prevention and abatement of pollution, protection of the environment, protection of natural resources and wildlife (including endangered species), ensuring public and occupational health and safety (including from exposure to Hazardous Substances), protection of cultural or historic resources, releases or threatened releases of Hazardous Substances, and all other Laws relating to the manufacturing, processing,

distribution, use, treatment, management, storage, disposal, handling, remediation, control or transport of Hazardous Substances;

“Environmental Orders” means Orders issued, filed or imposed by any Governmental Authority pursuant to any Environmental Laws and includes restrictions with respect to operations or land use (e.g., certificates of property use) and Orders requiring investigation, assessment, monitoring, managing, controlling, treatment, removal, excavation, mitigation, closure, rehabilitation or remediation of any site or Hazardous Substance, or requiring that any Release or any other activity be reduced, modified, managed, controlled, stopped or eliminated or requiring any form of payment or co-operation be provided to any Governmental Authority;

“Exchange” means the TSX Venture Exchange, upon which the Apollo Shares are currently listed and quoted for trading;

“Exchange Approval” means approval by the Exchange of the transactions contemplated in this Agreement (including the grant of the Option and issuance of the Exercise Consideration Shares), as evidenced through the issuance of a final public bulletin;

“Exercise Consideration Shares” has the meaning ascribed to it in Section 3.3(b).

“Exercise Notice” has the meaning ascribed to it in Section 3.3;

“Exploration Program” means a written list and description of exploration work to be conducted on the Properties, setting out in reasonable detail:

- (a) an outline of the exploration work proposed to be undertaken and conducted on the Properties, specifically stating the period of time during which the exploration work contemplated is to be done and performed; and
- (b) the identity and credentials of the Person or Persons undertaking such exploration work, if not Apollo;

“FCPA” has the meaning ascribed to it in Section 22 of Schedule C;

“Governmental Authority” means any: (a) federal, national, state, provincial, municipal, borough, foreign, international, multinational government or jurisdiction (and any political subdivision of any thereof); (b) any governmental or quasi-governmental authority (including any agency, branch, department, board, commission, court, tribunal, bureau, registry or instrumentality or other entity exercising governmental or quasi-governmental powers); (c) any other body exercising or purporting to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority, including any stock exchange or self-regulatory organization; and (d) any official of (a), (b) or (c) while such official is acting in his or her official capacity;

“Governmental Authorization” means any order, directive, notice, permit, license, variance, franchise, approval, finding of suitability, certificate, consent, right, quota, derivative, ratification, grant, registration, recognition order, permission, clearance, privilege, confirmation, endorsement, waiver, exemption, exemption relief order, no-action relief order, certification, transfer, qualification, other authorization or similar right

issued, granted, given or otherwise made available by or under the authority of any Governmental Authority, including under any agreement with any Governmental Authority, or pursuant to any Legal Requirement, as amended, modified, codified, replaced or re-enacted, in whole or in part, from time to time;

“Hazardous Substances” means any substance, material or waste defined, regulated, judicially considered, listed, identified or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or toxic substances, wastes, radioactive materials, flammable substances, explosives, petroleum and petroleum products, polychlorinated biphenyls (PCBs), chlorinated solvents and asbestos;

“Law” or **“Laws”** means all applicable laws (statutory or common), by-laws, constitutions, rules, ordinances, regulations, grants, concessions, franchises, licenses, orders, protocols, guidelines, directives, judgments, instructions and decrees of any Governmental Authority having jurisdiction or purported jurisdiction, and other applicable governmental restrictions, including permits and other similar requirements, whether legislative, municipal, administrative or judicial in nature, including Environmental Laws, FCPA, CFPOA, Money Laundering Laws or OFAC;

“Legal Requirement” means any Law or applicable Order or other valid restriction of any Governmental Authority, and the terms of any applicable Governmental Authorization, as amended, modified, codified, replaced or re-enacted, in whole or in part, from time to time;

“MAG” has the meaning ascribed to it on the first page of this Agreement;

“Mining Concessions” means the mining concessions set out in Schedule A; and all extensions and renewals thereof or applications for mining concessions;

“Money Laundering Laws” has the meaning ascribed to it in Section 23(a) of Schedule C;

“MPS” has the meaning ascribed to it on the first page of this Agreement;

“MPS Indemnified Parties” has the meaning ascribed to it in Section 4.7(a);

“NI 43-101” has the meaning ascribed to it in Section 6.4;

“OFAC” has the meaning ascribed to it in Section 24 of Schedule C;

“Option” has the meaning ascribed to it in Section 3.1;

“Option Exercise” has the meaning ascribed to it in Section 3.3;

“Option Exercise Date” has the meaning ascribed to it in Section 3.3;

“Option Period” means the period commencing on the earlier of (i) the date on which MAG notifies Apollo of the completion of the Pre-Option Period Reorganization and (ii) June 30, 2025 and ending on the fifth anniversary of the Effective Date;

“Orders” means orders, injunctions, judgments, administrative complaints, decrees, resolutions, rulings, awards, assessments, writs, decisions, directions, instructions, penalties or sanctions issued, filed or imposed by a Governmental Authority or arbitrator, including Environmental Orders;

“Parties” means, collectively, Apollo, MPS and MAG, and their respective successors and permitted assigns;

“Permitted Encumbrances” means:

- (a) liens for Taxes, assessments and governmental charges that are due but are being contested in good faith and diligently by appropriate proceedings;
- (b) in respect of real property, servitudes, easements, restrictions, rights-of-way and other similar rights or any interest therein, provided the same are not of such nature as to materially adversely affect the use or value of the property subject thereto; and
- (c) inchoate liens claimed or held by any Governmental Authority or a public utility in respect of the payment of Taxes or utilities not yet due and payable;

“Person” means any individual, corporation, legal person, any partnership, firm, joint venture, syndicate, association, trust, trustee, trust company, limited liability company, unincorporated organization, Governmental Authority or any other form of entity or organization;

“Pre-Option Period Reorganization” has the meaning ascribed to it in Section 3.2;

“Project” means the Properties and the activities and operations undertaken by or on behalf of MPS or Apollo relating to the Properties from time to time;

“Properties” means the Mining Concessions, the Additional Property Rights, and any Governmental Authorizations, and any applications, extensions and renewals thereof and any additional Governmental Authorizations related thereto, together with all other interests in real property, licenses, leases, fixtures and improvements and all easements, rights-of-way (including for transmission lines and pipelines and related equipment), transfer or storage rights relating to minerals or by products of mineral exploration or extraction and any other appurtenances which are acquired or held by or for the benefit of the Parties or their Affiliates in connection with the Project;

“Quarterly Community and Stakeholder Relations Report” has the meaning ascribed to it in Section 4.4(i);

“Quarterly Operations Report” has the meaning ascribed to it in Section 4.4(h);

“Release” has the meaning prescribed in applicable Environmental Laws and includes any release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction, whether accidental or intentional, and the term **“Release”** when used as a noun has a correlative meaning;

“Securities Laws” means all applicable securities laws and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the Securities Regulators, and all rules and policies of the stock exchanges on which securities of the Parties are traded;

“Securities Regulators” means, collectively, any of the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada in which the relevant Party is a reporting issuer or other securities regulatory authorities in any other jurisdictions whose Securities Laws are applicable to the relevant Party;

“Subsidiary” means with respect to any Person, any other Person which is Controlled directly or indirectly by that Person, and **“Subsidiaries”** means all of such other Persons;

“Tax” means any federal, provincial, territorial, state or local income, goods and services, harmonized sales, value added, VAT, corporation, property, land transfer, stamp, licence, payroll, social security, excise, sales, use, capital, withholding, mining (including *derechos sobre minería*) or other tax, levy, duty, assessment, reassessment or other charge of any kind whatsoever, whether direct or indirect, including any interest and penalty or other addition to or on any of the foregoing, whether disputed or not, imposed by a Governmental Authority, and for greater certainty includes employment insurance premiums;

“Tax Act” means the *Income Tax Act* (Canada);

“Technical Data” means engineering studies and working papers, consultants reports and working papers, pre-feasibility studies and reports, feasibility studies and reports, mine plans, surface and underground maps, assays, samples, cores, analyses, geologic and geophysical maps, engineering maps, photographs, drill logs, exploration reports, environmental studies, correspondence with any Governmental Authority, reserve studies and reports, metallurgical studies and reports, mineral reserve and mineral resource estimates and all other information and data in printed or electronic form concerning the condition, geology, mineral potential, physical characteristics, minability or other scientific or technical matters related to the Project or any facilities constructed in respect of the Properties or the activities or operations at the Project;

“Termination Date” has the meaning ascribed to it in Section 5.1;

“Unrelated Equity Interest” has the meaning ascribed to it in Section 4.6;

“VAT” means the value added tax (*impuesto al valor agregado*), established by the Mexican Value Added Tax Law (*Ley del Impuesto al Valor Agregado*); and

“Work Commitment Waiver” has the meaning ascribed to it in Section 4.3.

1.2 Rules of Construction

In this Agreement:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an “Article”, “Section” or “Schedule” followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa;
- (e) unless otherwise indicated, any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (f) for the purposes of the representations and warranties contained in this Agreement, whenever a reference to the “knowledge” of a Party is used, it means to the best of the knowledge of the Chief Executive Officer and Chief Financial Officer of that Party, having made due inquiry to all parties who may reasonably be assumed to be in possession of such knowledge to inform themselves as to the relevant matters;
- (g) the words “include”, “includes” and “including” mean “include”, “includes” or “including”, in each case, “without limitation”;
- (h) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time;
- (i) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends;
- (j) payments due hereunder on any day shall be validly made if received at any time on or before 11:59 p.m. (Pacific Time) on such day; and
- (k) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.

1.3 Time of Essence

Time shall be of the essence of this Agreement.

1.4 Applicable Law

(a) This Agreement shall be construed and enforced in accordance with the laws of the Province of British Columbia.

(b) Each of the Parties hereby irrevocably attorns and submits to the arbitral jurisdiction set out in Section 1.5 below and, with respect to any matters not determined by arbitration, to the non-exclusive jurisdiction of the courts of the Province of British Columbia respecting all matters relating to this Agreement and the rights and obligations of the Parties hereunder. Each of the Parties hereby agrees that service of any document in any arbitral or legal proceedings relating to this Agreement may be made by physical delivery thereof to its address provided in, or in accordance with, Section 6.4.

1.5 Disputes

(a) Except as otherwise provided herein, in the event of any dispute, claim, controversies, disagreement, question or difference arising between the Parties, including Apollo in its capacity as the operator, in respect of the subject matter, enforceability, interpretation or effect of this Agreement (the "**Applicable Claim**"), such Parties shall use reasonable commercial efforts to settle successfully such Applicable Claim. To this effect, they shall consult and negotiate with each other in good faith to reach a resolution satisfactory to the Parties.

(b) If the Parties do not reach a resolution within a period of 30 days from the date that written notice by one Party to the other Party(ies) of the Applicable Claim was first given, then the Applicable Claim shall be referred to and finally settled by arbitration pursuant to the *International Commercial Arbitration Act*, R.S.B.C. 1996, c. 233, by a single arbitrator.

(c) The location of arbitration shall be Vancouver, British Columbia.

(d) The language to be used in the arbitral proceedings shall be English.

(e) The arbitration shall be commenced by serving a notice of arbitration on the other Party(ies), which shall contain a detailed description of the dispute, including an estimate of the amount involved, the position of the Party requesting the arbitration, the remedy sought and the name of one arbitrator proposed by that Party.

(f) Within 20 days after receipt of a notice of arbitration, the receiving Party shall serve a notice on the other Party(ies) containing a detailed response to the claim, the position of the receiving Party, the remedy sought and a response as to whether the arbitrator proposed by the first Party is acceptable. If the proposed arbitrator is not acceptable, the responding Party shall propose an arbitrator acceptable to it.

(g) If the arbitrators proposed by both Parties are unacceptable, the Parties shall agree on a single arbitrator acceptable to both Parties within 20 days of the delivery of the response failing which either Party shall be at liberty to apply to the Supreme Court of British Columbia for the appointment of an arbitrator.

(h) Each Party undertakes to keep confidential all information regarding the existence of the arbitration, the identity of the arbitrator, all disclosures made during the arbitration, all materials created or used for the purpose of the arbitration, all materials and information produced during the arbitration and all other documents produced by another Party in the proceedings as well as all awards and orders made by the arbitrator, except to the extent that disclosure may be required by Law, including to protect or pursue a legal right or to enforce or challenge an award in *bona fide* legal proceedings before a court.

(i) The arbitrator shall render a determination and order in respect of the arbitration within five months of the date of the delivery of the notice of arbitration.

(j) The award of the arbitrator shall be final and binding with no right of appeal.

(k) The arbitrator may award to the Party prevailing in the arbitration its reasonable costs, including fees and expenses of the arbitrator and legal counsel incurred in the arbitration proceedings.

(l) The award shall include interest from the date of any breach of the Agreement found by the arbitrator, as well as from the date of the award until paid in full, at a rate to be fixed by the arbitrator.

(m) The arbitrator shall not award exemplary or punitive damages, or compensation for any losses that are excluded by the terms of the Agreement.

(n) The Party prevailing in the arbitration may enforce the award by any means permitted by Law, including entering the award as a judgment of any court.

(o) To the extent that any matter relating to the conduct of the arbitration is not specified herein, such matter shall be determined by the arbitrator.

(p) In case this Agreement or any part of it is assigned or transferred to a third party, such third party shall automatically be bound by the provisions of this Section 1.5.

1.6 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, with respect to all matters arising after the Effective Date. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein.

1.7 No Waiver

The failure of any Party to insist upon strict adherence to any provision of this Agreement on any occasion shall not be considered a waiver or deprive that Party of the right thereafter to insist upon strict adherence to such provision or any other provision of this Agreement. No purported waiver shall be effective as against any Party unless consented to in writing by such Party. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent or other breach.

1.8 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions hereof shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.9 Currency

Unless otherwise indicated, all dollar amounts in this Agreement are expressed in United States dollars.

1.10 Schedules

The following Schedules are attached to and form an integral part of this Agreement:

Schedule A	Mining Concessions
Schedule B	Additional Property Rights
Schedule C	Representations and Warranties of MAG Entities
Schedule D	Representations and Warranties of Apollo

ARTICLE 2 **REPRESENTATIONS AND WARRANTIES**

2.1 Representations and Warranties of MAG Entities

MAG hereby represents and warrants to Apollo on a several basis as set out in Schedule C and acknowledges that Apollo is relying upon such representations and warranties in connection with the entering into of this Agreement.

2.2 Representations and Warranties of Apollo

Apollo hereby represents and warrants to MAG as set out in Schedule D and acknowledges that MAG is relying upon such representations and warranties in connection with the entering into of this Agreement.

ARTICLE 3 **GRANT OF OPTION**

3.1 Option Grant

Subject to the terms and conditions set out herein, MAG hereby grants to Apollo an option which shall permit Apollo to acquire from MAG 100% of the 089 Limited Shares (the "**Option**").

The Option shall become exercisable during the Option Period subject to Apollo having:

- (i) obtained the necessary social licences to safely and legally access and conduct mining activities at the Project while also ensuring that Apollo includes the progress and results of obtaining the social licenses in each applicable Quarterly Community and Stakeholder Relations Report; and
- (ii) completed a drill program on the Property of not less than 20,000 meters, while also ensuring that:
 - (A) Apollo includes the results of said drill program in each applicable Quarterly Operations Report; and
 - (B) Apollo issues press releases announcing the results of said drill program periodically and, in any event, no less than once per year following the commencement of drilling.

3.2 Pre-Option Period Reorganization Right

At any time prior to the commencement of the Option Period, MAG may cause its Subsidiaries (including, but not limited to, 089 Limited and the 089 Subsidiaries) to effect reorganizations of their corporate structure, capital structure, business, operations and assets or such other transactions, including amalgamations, liquidations, reorganizations, continuances (including commencing a continuance process), or share transfers or asset transfers (each a “**Pre-Option Period Reorganization**”) provided that each such Pre-Option Period Reorganization will not have any adverse impact on Apollo, upon successful exercise of the Option, receiving a 100% interest in the 089 Limited Shares or 089 Limited directly or beneficially owning a 100% ownership interest (with the exception of common shares of MPS held by an affiliate of MAG for the purposes of complying with the minimum legal requirement of having two shareholders in a Mexican corporation) in all the right, title and interest of MPS in and to the Properties, and will result in 089 Limited holding no assets aside from securities of MPS and its indirect interest in the Properties.

3.3 Exercise of Option

Provided that the Option has become exercisable pursuant to Section 3.1, Apollo shall be entitled to exercise the Option by delivering to MAG:

- (a) written notice (the “**Exercise Notice**”) of Apollo’s intention to exercise the Option;
- (b) one or more share certificates or DRS Advices, representing that number of Apollo Shares equivalent to 19.9% of the issued and outstanding Apollo Shares, on a non-diluted basis, as of the Option Exercise Date (the “**Exercise Consideration Shares**”), duly issued by Apollo and registered to such person or persons as may be directed in writing by MAG, no more than five (5) Business Days following receipt of the Exercise Notice provided that if MAG has not provided such direction to Apollo during such five (5) Business Day period, MAG shall be deemed to have directed that such Exercise Consideration Shares shall be registered in the name of MAG;
- (c) a certificate of good standing (or equivalent) with respect to Apollo issued the Business Day prior to the Option Exercise Date;

- (d) a certificate from a duly authorized officer of Apollo certifying (A) the articles and notice of articles of Apollo, (B) the incumbency of signing officers of Apollo, and (C) the corporate resolutions of Apollo approving the execution and delivery of, and performance of Apollo's obligations with respect to the Option Exercise, including the issuance of the Exercise Consideration Shares;
- (e) a certificate from the Chief Executive Officer and Chief Financial Officer of Apollo certifying that:
 - (i) Apollo shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it on or prior to the Option Exercise Date, as applicable;
 - (ii) all representations and warranties of Apollo contained in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects on the Option Exercise Date, as applicable, as if made on such date (except to the extent such representations and warranties expressly relate to an earlier date, and in such case, shall be true and correct in all material respects on and as of such earlier date);
- (f) evidence satisfactory to MAG of the conditional acceptance (which shall be subject only to customary conditions) (or equivalent) by the Exchange for the listing of the Exercise Consideration Shares;
- (g) such other documentation as MAG may reasonably request in form and substance satisfactory to each of Apollo and MAG, acting reasonably.

The aforementioned Exercise Consideration Shares shall be considered to be the price payable to exercise the Option. Apollo may designate in the Exercise Notice an Affiliate of Apollo to which MAG shall convey 100% of the 089 Limited Shares. Upon receipt by MAG of the Exercise Notice and payment of the Exercise Consideration Shares, each in accordance with the requirements of this Section 3.3:

- (i) Apollo shall be deemed to have exercised the Option; and,
- (ii) MAG shall forthwith and, in any event, no more than 15 Business Days after receipt of the Exercise Notice and payment of the Exercise Consideration Shares:
 - (A) transfer registered, legal and beneficial title in all of the issued and outstanding 089 Limited Shares to the Affiliate of Apollo designated in the Exercise Notice;
 - (B) arrange for the conveyance of any common shares of MPS held Los Lagartos S.A. de C.V. to such Person designated by Apollo in the Exercise Notice; and
 - (C) deliver to Apollo a certificate from the Chief Executive Officer and the Chief Financial Officer of MAG certifying that:

- (I) no liabilities or obligations are due and owing by 089 Limited or MPS to any third-party, including MAG, or any Affiliate of MAG, except for (i) ongoing obligations of MPS owing to Governmental Authorities and associated with maintaining its interest in the Properties or (ii) any liabilities or obligations that are the result of an act or omission by Apollo during the Option Period;
- (II) aside from securities of MPS, 089 Limited is not the registered or beneficial holder of any securities; and
- (III) all representations and warranties of MAG contained in this Agreement shall be true and correct on the date hereof and shall be true and correct in all material respects on the Option Exercise Date, as applicable, as if made on such date (except to the extent such representations and warranties (i) expressly relate to an earlier date, and in such case, shall be true and correct in all material respects on and as of such earlier date or (ii) are not true and correct in all material respects as a result of an act or omission taken by Apollo during the Option Period).

(the “**Option Exercise**” and the date upon which this occurs being the “**Option Exercise Date**”).

3.4 Equity Participation Right

Upon the Option Exercise, until the date that is 4 years following the Option Exercise Date:

- (a) in the event of any subsequent public offering or private placement by Apollo of Apollo Shares or convertible securities (including, without limitation, any securities convertible, exchangeable, or otherwise carrying the right of the holder to purchase or otherwise acquire Apollo Shares but excluding any equity compensation securities issued to directors, officers, employees or consultants of Apollo to the extent that such securities are issued pursuant to an equity compensation plan previously approved by shareholders of Apollo), including without limitation, convertible debt securities (collectively, “**Equity Securities**”), Apollo agrees to give MAG notice of each such offering as is reasonable in the circumstances and the right to participate, at MAG’s option, either (i) along with the other private placees or public purchasers, as the case may be, in any such subsequent offering or (ii) on a private placement basis on substantially similar terms to such subsequent offering, in each case to purchase such number of Apollo Shares to maintain, or such number of convertible debt securities to maintain upon conversion of similar ranking debt securities, MAG’s percentage of outstanding Apollo Shares owned beneficially by MAG and its Affiliates collectively (calculated by multiplying 100 by a fraction, the numerator of which is the aggregate number of Apollo Shares owned beneficially by MAG and its Affiliates and the denominator is the number of outstanding Apollo Shares) (“**Percentage Ownership Interest**”) in the Apollo Shares held immediately prior to such offering; and

- (b) in the event of an issuance of Equity Securities by Apollo in connection with the acquisition, directly or indirectly, of an asset (an “**Acquisition**”), after the date of this Agreement, Apollo hereby agrees MAG shall be given notice of each issuance as is reasonable in the circumstances (which notice shall include the fair market value as determined by an independent valuator; or if no such valuation is required to be prepared in connection with an Acquisition then the fair market value as agreed to by Apollo and MAG acting reasonably (“**Fair Market Value**”) of such asset) and shall have the right to acquire such number of Apollo Shares on a private placement basis at a purchase price per security equal to the lesser of (i) in the case of the issuance of Apollo Shares, the market price (as such term is defined in the corporate finance manual of the Exchange) of the Apollo Shares on the date of the binding agreement in respect of the Acquisition, or (ii) the price per Equity Security determined by dividing the Fair Market Value of the asset acquired by the number of Equity Securities issued as consideration for the asset, in order to maintain its Percentage Ownership Interest in the Apollo Shares held immediately prior to such issuance.

3.5 Taxes

- (a) If requested by MAG, MAG and Apollo shall jointly execute an election pursuant to subsection 85(1) of the Tax Act in respect of the transfer by MAG of the 089 Limited Shares to Apollo hereunder. The elected amount in each case shall be an amount determined by MAG; provided, that the amount so determined shall be within the limits provided for in the Tax Act. MAG shall provide a draft of any such prescribed election form to Apollo at least 60 days prior to the deadline for filing such election under the Tax Act (the “**Deadline**”). Apollo shall execute such election form prepared by MAG and return a copy to MAG at least 30 days before the Deadline. MAG shall file the prescribed election in the manner and within the time prescribed by applicable Law. Apart from causing any duly completed election form to be executed (as described above), Apollo shall not have any responsibility for any such election made pursuant to this Section 3.5(a).
- (b) The Parties hereby agree that each Party shall be solely liable for and shall pay directly to the appropriate Governmental Authority, all federal, state or provincial Tax (including any retail sales Tax) and all other Tax, duties, fees or other like charges of any jurisdiction imposed on it in connection with this Agreement and the transactions contemplated herein.

ARTICLE 4

EXPLORATION PROGRAMS; RESPONSIBILITIES OF APOLLO AND MPS

4.1 Grant of Access to Properties

Following the Effective Date and until the end of the Option Period, MPS grants Apollo the right, subject to Law, to explore the mining lots covered by the Mining Concessions, and MPS grants to Apollo and its Affiliates, and their respective employees, agents, contractors and consultants to the full extent permitted under applicable Law, the right to access and use the Properties at their own risk to undertake the activities contemplated by this Agreement. The foregoing grant from MPS to Apollo shall be exclusive to the extent MPS has the contractual or legal authority to grant such an exclusive right. MPS and MAG shall take all commercially reasonable steps

necessary or advisable to permit Apollo to exercise such rights, including providing Apollo full cooperation and support to obtain all required Governmental Authorizations or any authorization, consent, license or permission of any other Person.

4.2 Exploration Programs

Apollo shall deliver to MAG an Exploration Program for each year from the Effective Date until the end of the Option Period (which years shall commence on the commencement of drilling and each anniversary thereof) not less than 60 days prior to the commencement of the year to which the Exploration Program relates. Apollo may amend or supplement an Exploration Program as it requires and shall deliver to MAG all amendments or supplements to an Exploration Program as soon as is practicable prior to the amendment taking effect. Apollo shall conduct its activities hereunder in accordance with the Exploration Program and any amendment or supplement thereto. During the term of this Agreement, Apollo shall be the “operator” of the Project and, subject to the terms and conditions of this Agreement, shall have full discretion and authority to determine the activities and operations to be undertaken in respect of the Project.

4.3 Responsibilities of MPS

From the Effective Date until the end of the Option Period, MPS shall continue to file the appropriate documents with the Mexican General Mining Bureau and make commercially reasonable efforts to do all other things required to claim an inability to carry out the minimum annual work required by the Mining Law of Mexico in respect of the Mining Concessions due to force majeure (the “**Work Commitment Waiver**”), and MAG will continue to file the appropriate documents to maintain each of 089 Limited, MPS and Los Lagartos S.A. de C.V. in good standing in their respective jurisdictions of incorporation.

4.4 Responsibilities of Apollo

From the Effective Date until the end of the Option Period, Apollo shall:

- (a) within 30 days of the Effective Date, reimburse MPS for the portion of any mining duties previously paid by MPS in respect of the Properties that relate to the period commencing on the Effective Date (for greater certainty, the portion that relates to the period from the Effective Date to earliest thereafter of June 30th or December 31st of such year, as applicable);
- (b) until the latter of (i) the Termination Date, or (ii) two years from the Effective Date, pay all mining duties, rents, taxes or other payments on behalf of MPS on or prior to the due date thereof as required by applicable Law or contract (“**Due Date**”) and reimburse MPS for all mining duties, rents, taxes or other payments MPS incurred in relation to the Properties with a Due Date on or after July 1, 2024;
- (c) do all things necessary to maintain the Properties in good standing including, without limitation, applying for licenses, leases, grants, concessions, permits, patents and other rights to and interests in the Properties and any required extensions and renewals thereof, as well as file any reports required by the Mining Law of Mexico;

- (d) be solely responsible for carrying out all exploration work on the Property in accordance with the Exploration Programs;
- (e) perform the minimum annual work required by the Mining Law of Mexico and timely file the corresponding work reports with the Mexican General Mining Bureau;
- (f) if a Work Commitment Waiver is not obtained, make commercially reasonable efforts to incur expenses that are required to satisfy any minimum annual work or other amounts required by the Mining Law of Mexico that are not covered by Section 4.4(b);
- (g) use commercially reasonable efforts to obtain any Governmental Authorizations and other approvals needed under Legal Requirements in order to commence drilling operations on the Properties.
- (h) prepare a written report (the “**Quarterly Operations Report**”) that details the results of the exploration work performed on the Properties with accompanying and supporting documents, such as, accounting records, pertinent plans, assay maps, drill logs and other engineering data, and submit the Quarterly Operations Report to MAG within 60 days of each successive three-month period after the commencement of drilling;
- (i) prepare a written report (the “**Quarterly Community and Stakeholder Relations Report**”) that details the results of the community and stakeholder relations work performed in relation to the Properties with accompanying and supporting documents, such as, minutes of meetings with stakeholders, drafts and finalized versions of Impact Benefit Agreements or similar agreements, and other community and stakeholder relations data, and submit the Quarterly Community and Stakeholder Relations Report to MAG within 60 days of each successive three-month period after the Effective Date;
- (j) comply with the provisions of all Additional Property Rights that are held by MPS or to which MPS or the Properties are subject;
- (k) (i) not enter into any contract which gives any party other than MPS a right (contingent or otherwise) to file or register an Encumbrance, or take any steps or actions that would be reasonably expected to result in an Encumbrance being filed or registered, against title to the Properties and (ii) use its reasonable commercial efforts to keep the Properties free of all Encumbrances that may arise out of Apollo’s activities at the Project and, in the event of any such Encumbrance being filed or registered against title to the Properties, contest or discharge such Encumbrance;
- (l) prosecute claims or, where a defence is available, defend litigation arising out of Apollo or its Affiliates’ activities in respect of the Properties, provided that any Party may join in the prosecution or defence at its own expense;
- (m) maintain accounts for exploration work conducted in Mexico in respect of the Properties in accordance with generally accepted accounting principles in the mining industry in Mexico and provide MPS with these accounts within 60 days of

the end of each successive three-month period after the commencement of drilling;

- (n) perform its duties and obligations and all exploration work in a sound and workmanlike manner, in accordance with sound mining and engineering practices, and in compliance with Law and this Agreement;
- (o) employ and engage employees, agents, contractors and consultants that it considers necessary or advisable to carry out Exploration Programs, provided that Apollo will not enter into contractual relationships with any Person not dealing at arm's length (as such term is defined in the Tax Act) with Apollo except on commercial terms;
- (p) permit MPS, at its own expense during normal business hours, to inspect, take abstracts from or audit any or all of the records and accounts relating to the conduct of all Exploration Programs;
- (q) obtain and maintain adequate insurance in accordance with industry practices in respect of all activities of Apollo and its employees, agents, contractors and consultants in relation to the Properties (as determined by Apollo in its sole discretion, acting reasonably) and provide MPS with evidence of such insurance coverage on request; and
- (r) arrange for and maintain workers' compensation or equivalent coverage for all eligible employees engaged by Apollo in accordance with Law.

4.5 Conduct of Subsidiaries

- (a) Without limiting any of Apollo's obligations under Section 4.4, MPS shall not:
 - (i) sell, transfer, assign, relinquish, abandon or otherwise dispose of all or any part of its interest in the Properties; and
 - (ii) mortgage, pledge or encumber the Properties, except for Permitted Encumbrances; and
 - (iii) incur any liabilities or obligations except in connection with the maintenance of its corporate existence and its interest in the Properties provided, however, if Apollo breaches its obligations under Section 4.4, MPS shall be entitled to take any action necessary to comply with applicable Laws.
- (b) MPS will promptly make available to Apollo and its representatives, during normal business hours, all reports, records, data, maps, information, accounts and files in the possession of MPS or any of its Affiliates relating to the Properties, and permit Apollo and its representatives, at its own expense, to take abstracts therefrom and make copies thereof.
- (c) 089 Limited shall not incur any liabilities or obligations except in connection with the maintenance of its corporate existence.

4.6 Opportunities within the Area of Interest

MPS or its Affiliates may not, directly or indirectly, stake or otherwise acquire any interest or right of any nature whatsoever located wholly or in part in the Area of Interest, except in strict accordance with this Agreement. The foregoing restriction shall not prevent MPS or its Affiliates from acquiring an interest in any such property within the Area of Interest if such interest is acquired as a result of MPS or its Affiliates acquiring an interest in a third party which holds an interest in such property, provided that the primary purpose of such acquisition is not to acquire an interest in such property (an “**Unrelated Equity Interest**”). If MPS or its Affiliates, directly or indirectly, has the opportunity to stake or otherwise acquire any interest or right of any nature whatsoever located wholly or in part in the Area of Interest, other than an Unrelated Equity Interest, they shall either:

- (a) stake an interest or acquire a right in its own name provided that forthwith after doing so it transfers such right to Apollo; or
- (b) promptly notify Apollo in writing of the opportunity and permit or assist Apollo in acquiring such interest.

Any interest acquired directly by Apollo in the Area of Interest, or by Apollo under (a) or (b) above, will be included as a part of the Mining Concessions or Additional Property Rights, as the case may be, under this Agreement.

4.7 Indemnity

(a) Apollo shall indemnify and save harmless each of MPS and its Affiliates and their respective directors, officers, employees, agents, contractors and consultants (the “**MPS Indemnified Parties**”) for all Claims incurred or suffered by a MPS Indemnified Party on or after the Effective Date arising out of or related in any way to the activities of any Apollo Indemnified Party relating to the Properties.

(b) MAG shall indemnify and save harmless each of Apollo and its Affiliates and their respective directors, officers, employees, agents, contractors and consultants (the “**Apollo Indemnified Parties**”) for (i) all Claims incurred or suffered by an Apollo Indemnified Party on or after the Effective Date arising out of or related in any way to the activities of any MPS Indemnified Party relating to the Properties; (ii) all Claims incurred or suffered by an Apollo Indemnified Party on or after the Effective Date resulting from the Pre-Option Period Reorganization or from the retirement of any liabilities or obligations which may have been due and owing by 089 Limited or MPS to MAG, or any Affiliate of MAG or from the capitalization of historical advances from MAG or any affiliate of MAG prior to the Option Exercise Date; and (iii) any Tax which may be due and owing in connection with the Pre-Option Period Reorganization or resulting from the retirement of any liabilities or obligations which may have been due and owing by 089 Limited or MPS to MAG, or any Affiliate of MAG or from the capitalization of historical advances from MAG or any affiliate of MAG prior to the Option Exercise Date.

ARTICLE 5 **TERMINATION**

5.1 **Termination**

This Agreement shall terminate (the effective date of termination, the “**Termination Date**”) upon occurrence of any of the following events:

- (a) by MAG or MPS, in the event of any material default by Apollo in the performance of any obligation of Apollo hereunder, which default is not cured within 30 days of MPS sending Apollo written notice of such default or, if such default is not capable of being cured in 30 days, where Apollo has not begun and is not continuing to use commercially reasonable efforts to cure such default in a timely manner;
- (b) automatically, if Apollo does not exercise the Option within the time frame set out in Section 3.3;
- (c) after the second anniversary of the Effective Date, by Apollo upon 120-days prior written notice of termination to MPS; or
- (d) the Parties mutually agreeing in writing to terminate this Agreement.

5.2 **Effect of Termination**

If this Agreement is terminated:

- (a) under any provision of Section 5.1:
 - (i) if (A) the Termination Date occurs on or before August 31st of a calendar year, Apollo shall be required to ensure that the Mining Concessions are in good standing under the Mining Law of Mexico in respect of the performance of assessment work based on an amount equal to the annual assessment work requirement for the calendar year in which the Termination Date falls multiplied by a fraction, the numerator of which is the number of days between the first day of that calendar year and the Termination Date, and the denominator of which is the number of days in the calendar year, and (B) the Termination Date occurs on or after September 1st of a calendar year, Apollo shall be required to ensure that the Mining Concessions are in good standing under the Mining Law of Mexico in respect of the performance of assessment work for the entire calendar year in which the Termination Date falls;
 - (ii) If the Termination Date occurs in January or July of a calendar year, Apollo shall be required to ensure that the Mining Concessions are in good standing under the Mining Law of Mexico in respect of the payment of mining duties for the six months ended June 30th or December 31st, respectively, of such calendar year;
 - (iii) Apollo shall forthwith deliver to MPS all Technical Data (whether such Technical Data is in physical or electronic form); and

- (iv) Apollo shall ensure that the Properties are free and clear of any Encumbrances that are filed or registered as a result of a breach by Apollo of its obligations under Section 4.4(k), however, to the extent that on the Termination Date there are any Encumbrances in respect of the Properties that arise out of Apollo's activities at the Project, Apollo shall continue to contest or discharge such Encumbrances in accordance with Section 4.4(k);
- (b) under any provision of Section 5.1, then there shall be no requirement for MPS or MAG to refund or reimburse any amounts incurred by Apollo hereunder; and
- (c) if Apollo has not completed the amount of assessment work on the Properties as of the Termination Date required by Section 5.2(a)(i), Apollo may satisfy such obligation by paying by certified cheque, wire transfer or bankers' acceptance payable to MPS within 15 Business Days of the Termination Date, an amount equal to (i) the amount of assessment work required to be completed as set out in Section 5.2(a)(i), less (ii) the amount of assessment work actually performed by Apollo in respect of the calendar year.

5.3 Survival of Terms and Conditions

Sections 4.4(b), 4.7, 5.2, 6.1 and 6.2 shall survive the termination of this Agreement.

ARTICLE 6 **MISCELLANEOUS**

6.1 Assignment

Apollo may not transfer or assign any of its rights or obligations hereunder or any interest it has in this Agreement to another Person without the prior written consent of MAG, which may be withheld in MAG's sole discretion. It will be a condition of any such transfer or assignment that such assignee agree in writing to be bound by the terms of this Agreement, to perform all the obligations of Apollo hereunder and to subject any further sale, assignment, transfer or other disposition of any interest in this Agreement to the restrictions contained in this Section 6.1. In any case, Apollo shall be jointly responsible for any and all obligations assumed by the assignee.

MAG and MPS may, at their sole discretion, transfer or assign, in whole or in part, any of their rights or obligations hereunder or any interest they have in this Agreement to another Person at any time.

6.2 Confidentiality

All Confidential Information shall be treated as confidential during the term of this Agreement and at all times thereafter and shall not be disclosed to any other Person: (i) other than in circumstances where a Party has an obligation to disclose such information in accordance with any Legal Requirements, in which case, such disclosure shall only be made after consultation (if reasonably practicable and permitted by the applicable Legal Requirements) with the other Parties who, to the extent practicable in the circumstances, will be afforded the opportunity to dispute such Legal Requirements or otherwise protect the subject Confidential Information and,

in the case of a public disclosure required by any Legal Requirements, shall only be made in accordance with Section 6.3; or (ii) with the consent of the other Parties.

6.3 Public Announcements

(a) Subject to 6.3(b), during the term of this Agreement, no Party nor any of its Affiliates may issue a press release or otherwise make public disclosure (to the extent such Party is making such disclosure to the public for the first time) with respect to the Project, without the prior written consent of the other Parties.

(b) If Apollo or any of its Affiliates desire, or if MAG or any of its Affiliates determine in good faith that Legal Requirements require it to issue a press release or otherwise make public disclosure (to the extent such Party is making such disclosure to the public for the first time) with respect to the Project, such Party shall provide the other Parties with a reasonable opportunity to review and comment on the content of any such press release or other public disclosure, in each case, in so far as it relates to the Project. In the case of a press release or other public disclosure made by MAG or any of its Affiliates pursuant to this Section 6.3(b), such press release or public disclosure may only include Confidential Information that is required by Legal Requirement to be disclosed. If a Party does not respond to a request for comments within three Business Days, the disclosing Party shall be entitled to issue the disclosure without the input of such other Party. The final text of the disclosure and the timing, manner and mode of release shall be the sole responsibility of the disclosing Party.

(c) If any Party (which shall include an Affiliate of such Party for the purposes of this Section 6.3) determines that it is required to publish or disclose the text of this Agreement in accordance with any Legal Requirement, it shall provide the other Parties with an opportunity to propose appropriate redactions to the text of this Agreement, and the disclosing Party hereby agrees to accept any such suggested redactions to the extent permitted by such Legal Requirement. If a Party does not respond to a request for comments within three Business Days, the disclosing Party shall be entitled to publish or disclose the text of this Agreement without the input of the other Party.

(d) Notwithstanding Sections 6.3(a) and 6.3(c), nothing shall prevent a Party from good faith compliance with its disclosure obligations under Legal Requirement or stock exchange rules, provided however, if a Party becomes required to disclose any Confidential Information, the disclosing Party will provide the other Parties with prompt written notice so that the other Parties may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If such protective order or other remedy is not obtained and the other Parties do not waive compliance with the provisions of this Agreement, the disclosing Party shall disclose, or permit the disclosure of, only that portion of the Confidential Information that is required by applicable Law or stock exchange rules to be disclosed.

6.4 Access to Information for Disclosure Obligations

Where a Party or its Affiliate (collectively, the "**Discloser**") is required by Securities Laws (including Canadian Securities Administrator's National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**")) to file a Technical Report with respect to the Project, the other Parties shall provide to the Discloser such access to the Project as is necessary to enable the Discloser to comply with its obligations under Securities Laws (including NI 43-101), provided that:

- (a) none of the non-disclosing Party or its Affiliates have any obligation to the Discloser to prepare or provide the Technical Report or any part thereof;
- (b) the Discloser will not designate any other Party or any associate, Affiliate or employee of, or retained by, any other Party, as a Qualified Person (as defined under NI 43-101) in respect of any disclosure;
- (c) the Discloser shall be responsible for the cost of preparing or providing the Technical Report; and
- (d) the non-disclosing Parties will be entitled to access all pertinent information pertaining to the Project and will be afforded a reasonable opportunity to review and require changes to the Technical Report prior to the filing of the Technical Report with the applicable Governmental Authorities.

6.5 Additional Covenants

- (a) Following the Effective Date until the commencement of the Option Period, MAG will use all commercially reasonable efforts to:
 - (i) complete the Pre-Option Period Reorganization such that 089 Limited no longer has any interest in the 089 Subsidiaries following completion of the Pre-Option Period Reorganization;
 - (ii) assist Apollo in arranging for the completion of a geological report in respect of the Properties, in the form prescribed by NI 43-101 and acceptable to the Exchange, including providing Apollo with access to such historical information and data, as well as personnel, which may be necessary for completion of such a report; and
 - (iii) prepare carve-out consolidated financial statements of 089 Limited for such periods as may be required by the Exchange in order to obtain the Exchange Approval.
- (b) Apollo will use best efforts to obtain the Exchange Approval and to satisfy any conditions thereof, including (if so required) the completion of a geological report in respect of the Properties in a form prescribed by NI 43-101 and acceptable to the Exchange.

6.6 Notices

- (a) Any notice, communication or other document which is required or permitted to be given hereunder shall be in writing and shall be sufficiently given if delivered personally (including by courier service) or if sent by email with confirmation receipt requested addressed as follows:
 - (i) if to MAG or MPS, at:

[Contact information redacted.]

with a copy (which shall not constitute notice) to:

[Contact information redacted.]

(ii) if to Apollo, at:

[Contact information redacted.]

with a copy (which shall not constitute notice) to:

[Contact information redacted.]

(b) Any such notice or other communication shall be deemed to have been given and received if delivered personally, on the date of such delivery (or, if such day is not a Business Day or such notice or other communication was delivered after 5:00 p.m. (recipient's time), on the next following Business Day).

(c) Any Party may at any time change its address for service from time to time by giving notice to the other Parties in accordance with this Section 6.6.

6.7 Further Assurances

Each of the parties to this Agreement shall from time to time and at all times do all such further acts and execute and deliver all further deeds and documents as shall be reasonably required in order fully to perform and carry out the terms of this Agreement.

6.8 Enurement

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

6.9 Ownership and Return of Confidential Information

All Confidential Information, in whatever form, acquired or developed by Apollo or its agents, contractors or consultants during the term of this Agreement in respect of the Properties shall be the property of MPS at all times. In circumstances where this Agreement is terminated, Apollo shall on written request of MPS use reasonable commercial efforts to: (i) return to MPS or destroy all physical copies of all Confidential Information (other than the Technical Data which shall be delivered to MPS in accordance with Section 5.2(a)(iii)) then in its possession respecting the Properties as soon as practicable following such request; and (ii) provided that Apollo has first satisfied its obligations under Section 5.2(a)(iii), delete all Confidential Information in electronic form respecting the Properties from any computer, server or other electronic device or system under its control, provided that, Apollo may (to the extent that such Confidential Information is capable of being copied) retain a copy of the Confidential Information solely for the purposes of determining its legal obligations under this Agreement and for corporate governance and secretarial purposes and provided further that electronic information may be retained on back-up servers if commercially reasonable efforts are made to delete same in ordinary course in accordance with the applicable Person's normal practices with respect to the retention of electronic records, in which case Apollo will remain bound by the restrictions and obligations relating to Confidential Information under this Agreement.

6.10 Exploration Rights and Option Only

Except as specifically set out herein, this Agreement grants only exploration rights and an option to Apollo and nothing herein contained shall be construed as obligating Apollo to do any acts or make any payments hereunder, and any act or acts or payment or payments as shall be made hereunder shall not be construed as obligating Apollo to do any further act or make any further payment or payments.

6.11 Amendments

This Agreement may not be amended or modified except by a written instrument signed by all of the Parties.

6.12 No Third-Party Beneficiary

Except as specifically provided herein, no term or provision of this Agreement is intended to be, or shall be construed to be, for the benefit of any Person that is not a Party hereto and no such Person shall have any right or cause of action hereunder.

6.13 Labour Responsibilities

(a) Under no circumstance shall MPS be considered as an Affiliate, mandatory or agent, or in any way related to Apollo or any employee or personnel hired by Apollo. Additionally, Apollo will not be considered as an Affiliate, mandatory or agent, or in any way related to MPS with respect to the personnel or any employee hired by MPS.

(b) Each of the Parties shall be responsible for the payments of salaries, fees, indemnification, professional risks or any other obligation or benefit under the Federal Labor Law, the Social Security Law, the National Fund Housing Institute for Workers (INFONAVIT) and the Saving System for the Retirement (SAR), or any other applicable Law, regarding the workers or employees hired by either Party to carry out the activities under the Mining Concession, without considering MPS or Apollo, as the case may be, as direct or substitute employer. Likewise, the Parties agree that this Agreement does not constitute any kind of association or labor relationship between MPS, MAG and Apollo.

(c) Each Party further agrees to indemnify the other Party from any Claim relating to its employer-worker obligations, in which it could have been involved, including its contractors and consultants.

6.14 Execution in Counterparts

This Agreement may be executed in any number of counterparts and by facsimile signatures, each of which shall constitute an original and all the counterparts taken together shall constitute one and the same instrument.

[Remainder of page intentionally left blank; signature page follows.]

SCHEDULE A

Mining Concessions

NOMBRE DEL LOTE	CLASE CONC.	EXPEDIENTE	TITULO ACTUAL	FECHA Expedición	FECHA Vencimiento	SUP. HAS	
MINERA POZO SECO, S.A. DE C.V							
CINCO DE MAYO PROJECT							
DON JOSE	X	1	1300	222251	22-Jun-2004	21-Jun-2054	1,640.0000
DON JOSE II	E	16/	36935	235685	16-Feb-2010	15-Feb-2060	469.9433
DON JOSE II FRACC. 1	E	16/	36942	235711	19-Feb-2010	18-Feb-2060	536.1942
DON JOSE II FRACC. 2	E	16/	36942	235712	19-Feb-2010	18-Feb-2060	1,005.5683
DON JOSE III	X	1	1492	224331	26-Apr-2005	25-Apr-2055	78.7872
DON JOSE III FRAC. 2	E	16/	24502	209293	30-Mar-1999	29-Mar-2049	32.7879
DON JOSE IV REDUCCION	E	16/	24773	218474	31-Oct-2000	30-Oct-2050	348.5547
DON JOSE V	E	16/	24789	212878	13-Feb-2001	12-Feb-2051	47.7166
DON JOSE VI	E	16/	38872	236414	30-Jun-2010	29-Jun-2060	412.2388
DON JOSE VII	E	16/	38912	237045	22-Oct-2010	21-Oct-2060	8.4199
DON JOSE VIII	E	16/	38969	237692	26-Apr-2011	25-Apr-2061	18.3534
DON ROBERTO	X	1	1462	224252	22-Apr-2005	21-Apr-2055	453.4431
CINCO DE MAYO	E	16/	31459	216086	9-Apr-2002	8-Apr-2052	65.0000
DANIEL	E	16/	33396	229222	27-Mar-2007	26-Mar-2057	1,653.9137
DANIEL 1	E	16/	34715	229249	28-Mar-2007	27-Mar-2057	4.8630
INDEPENDENCIA	E	16/	34753	229744	13-Jun-2007	12-Jun-2057	17,096.9082
LA MARY	E	16/	35303	230455	4-Sep-2007	3-Sep-2057	12.0000
LA AMISTAD	E	16/	34983	230454	4-Sep-2007	3-Sep-2057	11.4935
EL PLOMO	E	16/	35374	230475	6-Sep-2007	5-Sep-2057	20.0000
LA FORTUNA	E	16/	34744	228746	18-Jan-2007	17-Jan-2057	132.9008
LA SINFOROSA	E	16/	34746	228747	18-Jan-2007	17-Jan-2057	192.5727
EL CHINACATE	E	16/	34714	228723	17-Jan-2007	16-Jan-2057	651.9335
CAMARADA	E	16/	34695	228487	24-Nov-2006	23-Nov-2056	29.8687
TRES AMIGOS	E	16/	34610	228148	6-Oct-2006	5-Oct-2056	150.8245
LA FORTUNA	E	16/	32050	220802	8-Oct-2003	7-Oct-2053	8.6804
LA FORTUNA I	E	16/	32172	221879	7-Apr-2004	6-Apr-2054	0.6584
JOSEFINA I	E	16/	32178	221881	7-Apr-2004	6-Apr-2054	12.0000
CRIPTO	E	16/	32216	221884	7-Apr-2004	6-Apr-2054	9.0000
EL MANZANILLO	E	16/	32167	221877	7-Apr-2004	6-Apr-2054	8.5801
						25,113.2049	

SCHEDULE B

Additional Property Rights

[Additional property rights redacted for confidentiality purposes.]

SCHEDULE C

Representations and Warranties of MAG Entities

DEFINED TERMS

Where used in this Schedule C, unless the context otherwise requires, the following defined terms shall have the respective meanings set out below (and such terms shall be in addition to, and not in replacement of, the defined terms outlined in Section 1.1 of the body of this Agreement), and grammatical variations of such terms shall have the corresponding meanings:

“Contract” means any agreement, indenture, contract, lease, deed of trust, guarantee, licence, option, instrument or other commitment, whether written or oral;

“Economic Sanctions” has the meaning ascribed to it in Section 24 of this Schedule C;

“Environmental Damage” means: (i) contamination or adverse impact of the natural environment, including land or water areas, ground water and buildings or structures (in relation to risk to humans); (ii) conditions that adversely affects the ecological, chemical and/or quantitative status and/or ecological potential of any water; and (iii) damage or threat to human, plant or animal life, including protected species or natural habitats;

“Environmental Liabilities” means any and all Claims, obligations, amounts paid in settlement or disbursements (including attorneys’ fees and costs, experts’ fees and costs, and consultants’ fees and costs) of any kind or of any nature whatsoever that are asserted against MPS, by any Person alleging liability (including liability for studies, testing or investigations, cleanup, response, removal, remediation, mitigation, containment, restoration, corrective action, closure, reclamation, rehabilitation or any costs related to any of the foregoing, natural resource damages, property damages, business losses, personal injuries, penalties or fines) arising out of, based on or resulting from: (i) the presence in, or Release or threatened Release into, the environment of any Hazardous Substances in relation to the Project, including Hazardous Substances emanating or migrating or threatening to emanate or migrate from the Properties to off-site properties; (ii) exposure of any living organism to Hazardous Substances related to the Project; (iii) physical disturbance of or impact to the environment on or relating to the Properties; or (iv) the violation or alleged violation of or non-compliance with or liability under any Environmental Laws in connection with the Project, including the Properties;

“Environmental Permits” has the meaning ascribed to it in Section 20(b) of this Schedule C;

“Executive Order” has the meaning ascribed to it in Section 25(a) of this Schedule C;

“Leases” has the meaning ascribed to it in Section 9(a) of this Schedule C;

“MAG Data Room” means the electronic documentation site populated by MAG;

“Material Adverse Effect” means any event, change, circumstance, fact or state of being which could reasonably be expected to have a significant and adverse effect on the affairs, condition, operations, prospects or value of the Project or the Properties,

provided that it shall not include any such event, change, circumstances, fact, state of being or effect resulting from:

- (a) fluctuations in the price of gold or silver;
- (b) acts of war, sabotage or terrorism, military action or the escalation thereof;
- (c) changes in the business or economic conditions affecting generally the industry in which MAG, MPS and their Affiliates operate; or
- (d) the political or economic environment in Canada, the United States and Mexico;

provided, however, that the event, change, circumstance, fact or state of being referred to in clauses (b) through (d) above does not primarily relate only to (or have the effect of primarily relating only to) the Project or the Properties, or disproportionately and adversely affect the Project or the Properties;

"Patriot Act" has the meaning ascribed to it in Section 25(a) of this Schedule C;

"Proceedings" has the meaning ascribed to it in Section 18 of this Schedule C;

"Prohibited Person" has the meaning ascribed to it in Section 25(b) of this Schedule C;

"Related Party" means has the meaning ascribed to it in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"Release" means has the meaning prescribed in any Environmental Laws and includes any release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction, whether accidental or intentional, and the term **"Release"** when used as a noun has a correlative meaning;

"Tax Return" means any return (including any information return), report, statement, schedule, notice, form, declaration, claim for refund or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Authority in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any legal requirement relating to any Tax; and

"Transaction" means the transactions contemplated by this Agreement.

1. Incorporation and Organization

Each of MAG, MPS, 089 Limited and the 089 Subsidiaries has been duly incorporated, is organized and is a valid and subsisting corporation under the laws of its jurisdiction of existence and has all requisite corporate power and capacity to carry on its business as now conducted or proposed to be conducted and to own or lease and operate all of the property and assets thereof.

2. Consents, Approvals and Conflicts

None of the execution and delivery by each of MAG, MPS, 089 Limited and the 089 Subsidiaries of this Agreement, the compliance by MAG, MPS, 089 Limited and the 089 Subsidiaries with the provisions of this Agreement, or the consummation of the transactions contemplated herein and therein (including the transfer of all of the issued and outstanding 089 Limited Shares to Apollo) do or will: (i) require the approval of the shareholders of MAG (or any of its Affiliates) or the consent, approval, authorization, order or agreement of, or registration or qualification with, any Governmental Authority or other person, other than in respect of this Agreement; (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under (A) any indenture, mortgage, deed of trust, lease or other agreement or instrument to which MAG, MPS, 089 Limited or the 089 Subsidiaries is a party or by which any of them or any of their property or assets thereof is bound, (B) the articles or by-laws or any other constating document of MAG, MPS, 089 Limited or the 089 Subsidiaries or any resolution passed by the directors (or any committee thereof) or shareholders of MAG, MPS, 089 Limited or the 089 Subsidiaries, or (C) any Legal Requirement to which MAG, MPS, 089 Limited or the 089 Subsidiaries is subject; or (iii) result in the creation or imposition of any Encumbrance on any assets of MPS, 089 Limited or the 089 Subsidiaries (other than pursuant to this Agreement). Without limiting the generality of the foregoing, except as required by this Agreement, no licences, permits, claims, concessions, agreements or other material instruments to which MPS, 089 Limited or the 089 Subsidiaries is a party or by which it is bound will be modified or terminated, or by its terms require the approval of, making a filing with, or giving notice to, any third party in connection with the entering into by MAG, MPS, 089 Limited or the 089 Subsidiaries of this Agreement or the consummation of the transactions contemplated hereby.

3. Validity and Enforceability

Each of MAG and MPS has all requisite corporate power and capacity to enter into this Agreement and to do all acts and things and execute and deliver all documents as are required hereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and each of MAG and MPS has taken all necessary corporate action to authorize the execution and delivery of, and performance of its obligations under, this Agreement in accordance with the provisions hereof.

4. Ownership of 089 and MPS

MAG is the direct beneficial owner of all of the issued and outstanding common shares of 089 Limited. 089 Limited is the indirect beneficial owner of all (except one) of the issued and outstanding common shares of MPS and Los Lagartos S.A. de C.V. is the registered owner of one common share of MPS and holds such common share for the benefit of MAG. No Person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription or issue of any issued or unissued shares or other securities of 089 Limited nor MPS. MAG is not subject to any voting trust, shareholder agreement or voting agreement in respect of the common shares of 089 Limited. Neither MAG nor 089 Limited are subject to any voting trust, shareholder agreement or voting agreement in respect of the common shares of MPS.

5. Cross-Ownership

Other than pursuant to this Agreement, MAG and its Affiliates do not own, beneficially or of record, or have the right to acquire, any common shares or equity interests of Apollo or any of its Affiliates or any other securities convertible into common shares or equity interests of Apollo or any of its Affiliates.

6. Brokers

There is no investment bank, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of MAG, MPS or any of their Affiliates who is entitled to any fee or commission from MAG, MPS or any of their Affiliates in connection with the Transaction.

7. Operational Matters

Other than as set out in Exhibit 7 of the Disclosure Letter, all fees, rent, royalties, contractual or other commitments, payments and obligations (including in respect of any Mining Concessions and Additional Property Rights) due and payable, or performable, as the case may be, under, with respect to, or on account of any direct or indirect assets of MPS have been duly paid or duly performed in all material respects. All costs, expenses and liabilities due and payable, and obligations under the terms of any other Contracts to which MPS is directly or indirectly bound have been paid or performed in all material respects.

8. Personal and Other Property

Other than as set out in Exhibit 8 of the Disclosure Letter, MPS does not own or hold any Property, other than the Mining Concessions, the Additional Property Rights and Governmental Authorizations.

9. Owned and Leased Real Property

(a) MPS does not own, nor has it agreed to acquire, any real property or freehold interest in real property other than the Mining Concessions and the Additional Property Rights in the Area of Interest.

(b) MPS is not party to any lease or agreement in the nature of a lease in respect of any real property, whether as lessor or lessee, other than the leases described in Exhibit 9 (the "**Leases**") in respect of the Project or the Properties. Exhibit 9 sets out the parties to each of the Leases, their dates of execution and expiry dates, any options to renew, the locations of the leased lands and premises and the rent payable thereunder. Except as set out in Exhibit 9, MPS occupies the land underlying the Leases and has the exclusive right to occupy and use such lands. Each of the Leases is in good standing and in full force and effect without amendment thereto, other than as described in Exhibit 9, and neither MPS, nor to MAG's or MPS' knowledge, any other party to the Leases is in breach of any covenants, conditions or obligations contained therein. MAG has provided a true copy of each Lease to Apollo in the MAG Data Room.

10. Mining Concessions

(a) Schedule A sets out all Mining Concessions owned or used by MPS in connection with the Project. MPS does not own, hold, license or have any other interest in any

mining concessions, applications for concessions, tenements, exploration agreements, exploitation agreements or other mineral rights other than the Mining Concessions.

(b) The Mining Concessions have been properly located and recorded in compliance with Law and are comprised of valid and subsisting mineral claims.

(c) MPS is the registered and beneficial owner of the Mining Concessions with good and marketable title thereto, free and clear of any title defect or Encumbrances other than Permitted Encumbrances and the Encumbrances set out in Exhibit 10(c) of the Disclosure Letter.

(d) The Properties constitute all of the right, title and interest necessary to enable the Project to be undertaken as currently contemplated.

(e) MPS has the exclusive right to deal with the Mining Concessions and there are no restrictions on the ability of MPS to use, transfer or exploit the Mining Concessions other than pursuant to Law, Permitted Encumbrances or as set out in Exhibit 10(c) of the Disclosure Letter.

(f) No Person other than MPS has any interest in the production or profits to be obtained in the future from the Mining Concessions or any royalty in respect thereof or any right to acquire any such interest, other than as set out in Exhibit 10(c) of the Disclosure Letter.

(g) Other than pursuant to this Agreement, there are no farm-in or earn-in rights, rights of first refusal or similar rights or provisions that would materially affect the Mining Concessions or MPS' ownership thereof.

(h) Neither MAG nor MPS has received any notice, whether written or oral, from any Governmental Authority or any other Person (other than Ejido Benito Juarez members) of any revocation, cancelation, termination or amendment or intention to revoke, cancel, terminate or amend the interest of MPS in any Mining Concessions or Additional Property Rights.

(i) The Mining Concessions and Additional Property Rights are in good standing under Law; all work required to be performed has been performed, all Taxes and rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made, other than as outlined in Exhibit 10(i) of the Disclosure Letter. MPS is, and has been at all times, in compliance with its obligations under the Mining Concessions and Additional Property Rights, other than as set out in Exhibit 10(i) of the Disclosure Letter.

(j) All mining operations and all exploration activities in respect of the Mining Concessions have been conducted in all material respects in accordance with good mining and engineering practices and Legal Requirements; all workers' compensation and health and safety regulations have been complied with in all material respects.

(k) There are no Claims that have been commenced, are pending or, to the knowledge of MAG or MPS, are threatened against MPS nor is there a state of facts or events that could give rise thereto, which could affect the title to or right to explore or develop the Properties, except as set out in Exhibit 10(i) of the Disclosure Letter.

(l) To MAG and MPS' knowledge, there is no Legal Requirement applicable to MPS, the Project or the Properties (including the Mining Concessions or Additional Property Rights) that would preclude the grant of permits in respect of exploration for minerals, ore and metals on the Mining Concessions, other than as outlined in Exhibit 10(i) of the Disclosure Letter.

(m) MPS has all necessary Additional Property Rights (all of which are set out in Schedule B), and Governmental Authorizations, granting MPS the right and ability to explore for minerals, ore and metals for exploration and development purposes as are appropriate in view of the rights and interest therein of MPS, except as outlined in Exhibit 10(i) of the Disclosure Letter, and each of the proprietary interests or rights, Contracts or Governmental Authorizations relating thereto are currently in good standing in the name of MPS.

(n) Other than as outlined in Exhibit 10(i) and Exhibit 19 of the Disclosure Letter, there are no adverse Claims that have been commenced or, to the knowledge of MAG or MPS, that are pending or threatened, affecting or which could affect the title to, ownership of or right to explore or develop, any of the Properties or which might involve the possibility of a judgment or liability affecting the Properties or the Project.

(o) Except as disclosed in Exhibit 10(o) of the Disclosure Letter, neither MAG nor MPS (nor any Affiliate or Related Party thereof) nor, to the knowledge of MAG or MPS, the directors or officers of MAG or MPS and any Persons of which such directors or officers are Related Parties, holds any interest in, nor has taken any action to obtain, directly or indirectly, any permit, concession, claim, lease, licence or other rights to explore for, exploit, develop, mine or produce minerals or any other property located within 10 kilometres of the outer bounds of any of the Properties.

(p) MPS is not subject to a Contract or understanding, whether written or oral, that provides for an area of influence or area of interest in respect of any of the Properties.

11. Mineral Resources

The most recent estimated indicated and inferred mineral resources filed by MAG on SEDAR+ regarding the Project and in the technical report relating thereto titled "Technical Report on the Upper Manto Deposit, Chihuahua, Mexico" with an effective date of November 14, 2012 has been prepared and disclosed in all material respects in accordance with accepted engineering practices and Law as at the date of such report.

12. No Expropriation

No property or asset of MPS (including the Mining Concessions and the Additional Property Rights) has been taken or expropriated by any Governmental Authority, nor has any notice or proceeding in respect thereof been given or commenced, nor are MAG or MPS aware of any intent or proposal to give any such notice or commence any such proceeding.

13. Agreements and Commitments

(a) MPS is not party to, nor bound by, any Contracts in respect of the Project or the Properties, except for the Contracts described in Exhibit 13 of the Disclosure Letter.

(b) MPS has performed all of the obligations required to be performed by it and is entitled to all benefits under, and is not in default or, to the knowledge of MAG or MPS, alleged

to be in default in respect of, any Contract described in Exhibit 13 of the Disclosure Letter; all such Contracts are in full force and effect, and no event, condition or occurrence exists which, after notice or lapse of time or both, would constitute a default under any Contract. MAG has provided Apollo in the MAG Data Room a complete and accurate copy of each Contract listed or described in Exhibit 13 of the Disclosure Letter, including all amendments thereto.

(c) Except for such rights as have been waived by Cascabel, none of MPS or its Affiliates have granted to any party any rights of access or collection or other rights of entry in respect of the Properties or other properties or assets that may be acquired by MPS or any Affiliates within the Area of Interest.

14. Compliance with Law

MPS has complied with all Law applicable to the Project, the Properties or to it, except where failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect. No event has occurred and no circumstance exists that would constitute or result in (with or without notice or lapse of time) a violation of or a failure to comply with any Law applicable to the Project, the Properties or MPS and that would, individually or in the aggregate have a Material Adverse Effect, except as set out in Exhibit 14 of the Disclosure Letter hereto, and neither MAG nor MPS has received any notice or other communication (whether oral or written) from any Governmental Authority regarding any actual, alleged, possible or potential violation of, or failure to comply with, any such Law.

In conducting its business and operations, MPS, 089 Limited and the 089 Subsidiaries have complied in all material respects with applicable Law. No event has occurred and no circumstance exists that would constitute or result in (with or without notice or lapse of time) a violation of or a failure to comply with any Law applicable to the business and affairs of MPS, 089 Limited and the 089 Subsidiaries and that would, individually or in the aggregate have a Material Adverse Effect, and MPS, 089 Limited and the 089 Subsidiaries have not received any notice or other communication (whether oral or written) from any Governmental Authority regarding any actual, alleged, possible or potential violation of, or failure to comply with, any such Law.

15. Authorizations

Exhibit 15 of the Disclosure Letter sets out a complete and accurate list of all Governmental Authorizations held by or granted to MPS and there are no other Governmental Authorizations necessary to carry on the Project as currently conducted or to own or lease any of the property or assets owned or used by MPS (including the Mining Concessions and the Additional Property Rights) as such property or assets are currently owned, leased or used. Except as set out in Exhibit 15 of the Disclosure Letter, each Governmental Authorization is valid, subsisting and in good standing and MPS is not in default or breach of any Governmental Authorization and, to the knowledge of MAG or MPS, no proceeding is pending or threatened to revoke or limit any Governmental Authorization nor is there any reason to believe that any Governmental Authorization will be revoked or limited. MAG has provided Apollo with a

complete and accurate copy of each Governmental Authorization and all amendments thereto in the MAG Data Room.

16. Security Over Assets

Except for the Permitted Encumbrances, no Person has been granted a security interest or other Encumbrance on any of the Mining Concessions, Additional Property Rights or any other Property and no third party has any ownership right, title, interest in, claim in, lien against or any other right to any material assets and properties purported to be owned by 089 Limited or the 089 Limited Subsidiaries and 089 Limited or the 089 Limited Subsidiaries has valid, good and marketable title to all such material assets and properties.

17. No Insolvency

(a) Neither MAG, MPS, 089 Limited nor the 089 Subsidiaries is an “insolvent person”, has committed an “act of bankruptcy”, in each case, within the meaning of the *Bankruptcy and Insolvency Act (Canada)*, or any similar concepts including “*concurso mercantile*” under any analogous statutes of the jurisdiction in which such Person subsists or its property is located or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any act or undertaken or become subject to a proceeding with respect to a compromise or arrangement, taken any act or undertaken or become subject to or have been threatened with a proceeding to be declared bankrupt, made any assignment for the benefit of its creditors, had any Person holding any Encumbrance or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had or have been threatened with any petition for a receiving order in bankruptcy filed against it or to declare it bankrupt or insolvent.

(b) No administrator, administrative receiver or any other receiver, receiver-manager or manager has been appointed or threatened to be appointed by any Person in respect of MAG, MPS, 089 Limited or the 089 Subsidiaries or all or any of their respective assets and, to the knowledge of MAG, MPS, 089 Limited and the 089 Subsidiaries, no steps have been taken to initiate any such appointment. No analogous appointments have been made or initiated under the Law of any applicable jurisdiction in respect of MAG, MPS, 089 Limited or the 089 Subsidiaries.

(c) No order has been made, no resolution has been passed and no petition has been filed or threatened against it for the winding up, dissolution or liquidation of MAG, MPS, 089 Limited or the 089 Subsidiaries or for a provisional liquidator to be appointed in respect of MAG, MPS, 089 Limited or the 089 Subsidiaries and no petition has been presented or threatened and no meeting has been convened for the purpose of the winding up, dissolution or liquidation of MAG, MPS, 089 Limited or the 089 Subsidiaries. Neither MAG, MPS, 089 Limited nor the 089 Subsidiaries has become subject to analogous proceedings under the Law of any applicable jurisdiction.

18. Taxes

Except as disclosed in Exhibit 18 of the Disclosure Letter:

(a) MPS has duly filed on a timely basis with the appropriate Governmental Authority all Tax Returns, including mining duties, required to be filed by it on or before the

date hereof. All such Tax Returns were complete and accurate in all material respects. MPS has paid all Taxes, including mining duties, which are due and payable (including all installments and prepayments of Tax as required by Law). No jurisdiction or authority in or with which MPS does not file a Tax Return has alleged that MPS is required to file such a Tax Return;

- (b) all Taxes of any kind whatsoever in respect of the ownership and use of the Properties which were due and payable to any Governmental Authority by MPS as of the Effective Date, or prior to such date, have been paid and satisfied as of the Effective Date, no Claim has been asserted against MPS or any Affiliate with respect to any Taxes arising with respect of the ownership and use of the Properties or the income of MPS, for any period and there are no agreements, waivers or other arrangements providing for extensions of time with respect to the filing of any return or the payment of any Tax or the assessment or collection of unpaid Tax with respect to the income of MPS; and
- (c) there are no Encumbrances for Taxes on any of the property or assets of MPS (including the Mining Concessions and the Additional Property Rights).

19. **Litigation**

Other than as disclosed in Exhibit 19 of the Disclosure Letter, there are no actions, suits (whether or not purportedly on behalf of MPS), appeals, claims, applications, orders, investigations, proceedings, grievances, arbitration or alternative dispute resolution processes (collectively, "**Proceedings**") in progress or pending or, to the knowledge of MAG or MPS, threatened by, against or affecting MPS or its property or assets (including the Mining Concessions and the Additional Property Rights) or the Project, before any Governmental Authority, arbitrator, arbitration board or mediator. Neither MAG nor MPS has knowledge of any ground on which any such Proceeding might be commenced with any reasonable likelihood of success. Neither MAG nor MPS is subject to any judgment, order or decree affecting MPS, any of its property or assets (including the Mining Concessions and the Additional Property Rights) or the Project.

There is no litigation, action or proceeding to which MAG, MPS, 089 Limited or the 089 Subsidiaries is party that, if adversely determined, could have a Material Adverse Effect on, or enjoin, restrict or otherwise prevent, the consummation of any of the transactions contemplated by this Agreement or the ability of MAG, MPS, 089 Limited or the 089 Subsidiaries to perform its obligations under this Agreement.

20. **Environmental**

Except as disclosed in Exhibit 20 of the Disclosure Letter:

- (a) MPS, the Project, the Properties and all operations thereon have been and are in compliance with Environmental Laws, other than any non-compliance which would, individually or in the aggregate, not have a Material Adverse Effect.
- (b) MPS has all Governmental Authorizations required under Environmental Laws (the "**Environmental Permits**") to conduct the Project (including those Environmental Permits issued in connection with the Mining Concessions and the Additional Property Rights) as currently conducted and to own, use and operate the property and the assets owned, operated

or used by MPS, all of such Environmental Permits are described in Exhibit 15 of the Disclosure Letter. Each Environmental Permit is valid, subsisting and in good standing, and MPS is not in default or breach of any Environmental Permit, and no proceeding is pending or, to the knowledge of the MAG or MPS, threatened in relation to, and no grounds exist to revoke or limit, any Environmental Permit. MAG has provided a complete and accurate copy of each Environmental Permit and all amendments thereto to Apollo in the MAG Data Room.

(c) MPS is in all material respects in compliance with any rehabilitation and closure obligations with respect to the Project, the Mining Concessions and the Additional Property Rights.

(d) MPS has not used or permitted to be used, except in compliance with all Environmental Laws any of the Mining Concessions or Additional Property Rights to Release, generate, manufacture, process, distribute, use, treat, store, transport or handle any Hazardous Substance.

(e) To the knowledge of MAG or MPS, no building, structure or improvement located on the Mining Concessions or the Additional Property Rights contains asbestos, mould, PCBs or other Hazardous Substances.

(f) To the knowledge of MAG or MPS, no underground storage tanks are or have been located on the Mining Concessions or the Additional Property Rights.

(g) Neither MPS nor, in respect of the Project, the Mining Concessions, the Additional Property Rights or any other Property, MAG, has ever received any notice of or been prosecuted or subject to enforcement for any actual or alleged non-compliance with or liability under any Environmental Laws. To the knowledge of MAG or MPS, neither MPS nor, in respect of the Project, the Mining Concessions, and the Additional Property Rights, MAG, has settled any allegation of material non-compliance or liability prior to prosecution or enforcement. There are no and have been no Environmental Orders or Environmental Liabilities.

(h) Neither MAG nor MPS has caused or permitted, and there has not occurred, any Release of any Hazardous Substance on, in, around, from or in connection with any of the Mining Concessions or the Additional Property Rights.

(i) To the knowledge of MAG and MPS, neither MAG nor MPS is liable for any Environmental Damage that occurred or was caused on or before the date hereof.

(j) To the knowledge of MAG and MPS, all Hazardous Substances and other wastes, materials and substances used in whole or in part or in connection with or resulting from the Project have been in all material respects generated, disposed of, treated and stored in compliance with all Environmental Laws.

(k) MAG has provided to Apollo in the MAG Data Room complete and accurate copies of all environmental reports, audits, evaluations, assessments, studies or tests relating to MPS, the Project, the Mining Concessions, the Additional Property Rights and their use that are, or with reasonable efforts could be brought under, the possession or control of MAG.

(l) To the knowledge of MAG or MPS, there are no pending or proposed changes to Environmental Laws that would render illegal or restrict the operations of MPS as currently conducted or the use of the Mining Concessions or the Additional Property Rights.

21. Employees

Except as described in Exhibit 21 of the Disclosure Letter, MPS does not have any full-time, part-time or casual employees or individuals engaged on contract to provide employment services or sales or other independent contractors, consultants, agents or representatives of MPS.

22. Foreign Corrupt Practices Act

Neither MPS nor, to the knowledge of MAG or MPS, any director, officer, agent, employee, Affiliate or other Person acting on behalf of MPS is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the *Foreign Corrupt Practices Act of 1977*, as amended, and the rules and regulations thereunder (the “**FCPA**”) or the *Corruption of Foreign Public Officials Act (Canada)*, as amended (the “**CFPOA**”) and MPS has conducted its business in compliance with the FCPA or the CFPOA and has instituted and maintained policies and procedures designed with the goal of ensuring continued compliance therewith.

23. Money Laundering Laws

(a) The operations of MPS are, and have been conducted at all times and in all material respects, in compliance with the financial record-keeping and reporting requirements of anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental entity to which MAG or MPS is subject and *the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, Federal Law for the Prevention and Identification of Transactions with Resources obtained from Illicity Activities (*Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Illicita*) (collectively, the “**Money Laundering Laws**”), and no action, suit or proceeding by or before any governmental entity or body or arbitrator involving MAG or MPS with respect to the Money Laundering Laws is pending or, to the knowledge of MAG or MPS, threatened.

(b) There are no proceedings under any corruption Law pending against MPS or, to the knowledge of MAG or MPS, threatened against or affecting MPS.

24. OFAC

MPS has not had and, to the knowledge of MAG or MPS, no director, officer, agent, consultant, employee or Affiliate of MPS has had any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“**OFAC**”) imposed upon such person; and MPS is not in violation of any economic sanctions of the United States administered by OFAC or any Law or executed order relating thereto or any Canadian or Mexican sanctions Law (“**Economic Sanctions**”) or conducting business with any person subject to any Economic Sanctions.

25. Patriot Act

(a) Neither MPS nor, to MAG or MPS’ knowledge, any of their respective Affiliates, is in violation of Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the “**Executive Order**”) and/or to MAG or MPS’

knowledge, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the “**Patriot Act**”).

(b) Neither MPS nor, to MAG or MPS’ knowledge, any of their respective Affiliates, is a “Prohibited Person” which is defined as follows: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity with whom MAG and MPS is prohibited from dealing or otherwise engaging in any transaction by the Executive Order or the Patriot Act; (iv) a person or entity who commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; (v) a person or entity that is named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <https://www.treas.gov/ofac/tlisdn.pdf>, or at any replacement website or other replacement official publication of such list; or (vi) a person or entity who is affiliated with a person or entity listed above.

(c) Neither MPS nor, to MAG or MPS’ knowledge, any of their respective Affiliates, has: (i) conducted any business or engaged in any transaction or dealing with any Prohibited Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Prohibited Person; (ii) dealt in or otherwise engaged in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) engaged in or conspired to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set out in the Executive Order or the Patriot Act.

26. Absence of Change

There has been no event, transaction, information or continuation of a trend that has come to the attention of MAG or MPS since January 1, 2023 that has not been disclosed to Apollo in the MAG Data Room, MAG’s public disclosure record or otherwise in writing (in this Agreement or otherwise) that would reasonably be expected to have a Material Adverse Effect.

SCHEDULE D

Representations and Warranties of Apollo

Defined Terms

Where used in this Schedule D, unless the context otherwise requires, the following defined terms shall have the respective meanings set out below (and such terms shall be in addition to, and not in replacement of, the defined terms outlined in Section 1.1 of the body of this Agreement), and grammatical variations of such terms shall have the corresponding meanings:

“Economic Sanctions” has the meaning ascribed to it in Section 19 of this Schedule D;

“Exchange” means the TSX Venture Exchange;

“Executive Order” has the meaning ascribed to it in Section 20 of this Schedule D;

“Financial Statements” means, collectively, the financial statements of Apollo and its Subsidiaries that have been filed with Securities Regulators and filed and posted on SEDAR+, including the notes thereto together with any report thereon prepared by Apollo’s auditors as at and for the periods included therein;

“Indebtedness” means all indebtedness for borrowed money or for the deferred purchase price of property or services (including any guarantees in respect of the foregoing, reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers’ acceptances, whether or not matured);

“Material Adverse Effect” means any event, change, circumstance, fact or state of being which could reasonably be expected to have a significant and adverse effect on the affairs, condition, operations, prospects or value of Apollo, provided that it shall not include any such event, change, circumstances, fact, state of being or effect resulting from:

- (a) fluctuations in the price of gold or silver;
- (b) acts of war, sabotage or terrorism, military action or the escalation thereof;
- (c) changes in the business or economic conditions affecting generally the industry in which Apollo and its Affiliates operate; or
- (d) the political or economic environment in Canada, the United States and Mexico;

provided, however, that the event, change, circumstance, fact or state of being referred to in clauses (b) through (d) above does not primarily relate only to (or have the effect of primarily relating only to) Apollo, or disproportionately and adversely affect Apollo;

“Patriot Act” has the meaning ascribed to it in Section 20(a) of this Schedule D;

“Public Disclosure Documents” means, collectively, all of the documents which have been filed by or on behalf of Apollo with the relevant Securities Regulators pursuant to

the requirements of Securities Laws, including all documents publicly available on Apollo's SEDAR+ profile at www.sedarplus.com;

"**Tax Return**" means any return (including any information return), report, statement, schedule, notice, form, declaration, claim for refund or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Authority in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any legal requirement relating to any Tax; and

"**Transaction**" means the transactions contemplated by this Agreement.

1. Organization and Powers

Apollo and each of its Subsidiaries: (i) have been duly incorporated or formed and are validly existing under the laws of its respective jurisdiction of existence, incorporation or formation, as applicable, and are in good standing (to the extent such concept is applicable in its jurisdiction); (ii) have all requisite corporate power and authority or, if such entity is not a corporation, such other power and authority, to own and lease its property and assets and to carry on its business; (iii) have all requisite corporate power and authority to enter into this Agreement, and to perform its respective obligations hereunder; and (iv) are duly qualified, licensed or registered to do business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it make such qualification, licensing or registration necessary. No proceeding has been instituted or, to Apollo's knowledge, threatened in any such jurisdiction revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification, licensing or registration. Apollo and each of its Subsidiaries are up-to-date in all of their corporate filings in all material respects and is (if applicable) in good standing under applicable Laws.

2. Authorization; No Conflict

The execution and delivery by Apollo of this Agreement, and the performance by it of its obligations hereunder, have been duly authorized by all necessary corporate or other action on its part (and such authorizations remain in full force and effect) and do not and will not: (i) contravene any provision of its constating documents or any resolution of its shareholders, partners or directors (or any committee thereof); (ii) conflict with, result in a breach of, or constitute a default or an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under (with or without the giving of notice or lapse of time or both), any of Apollo's material agreements; (iii) violate any applicable Law; or (iv) result in, or require, the creation or imposition of any Encumbrance on any property or assets of Apollo or its Subsidiaries.

3. Execution; Binding Obligation

This Agreement (i) has been duly executed and delivered by Apollo, and (ii) constitutes a legal, valid and binding agreement of Apollo, enforceable against Apollo in accordance with its terms, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction.

4. No Litigation

There is no litigation, action or proceeding to which Apollo is party that, if adversely determined, could have a Material Adverse Effect on, or enjoin, restrict or otherwise prevent, the consummation of any of the transactions contemplated by this Agreement or the ability of Apollo to perform its obligations under this Agreement.

5. No Insolvency

(a) Apollo is not an “insolvent person”, has not committed an “act of bankruptcy”, within the meaning of the *Bankruptcy and Insolvency Act* (Canada), or any similar concepts under any analogous statutes of the jurisdiction in which Apollo subsists or its property is located or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any act or undertaken or become subject to a proceeding with respect to a compromise or arrangement, taken any act or undertaken or become subject to or have been threatened with a proceeding to be declared bankrupt, made any assignment for the benefit of its creditors, had any person holding any Encumbrance or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had or have been threatened with any petition for a receiving order in bankruptcy filed against it or to declare it bankrupt or insolvent.

(b) No administrator, administrative receiver or any other receiver, receiver-manager or manager has been appointed or threatened to be appointed by any Person in respect of Apollo or all or any of its assets and, to the knowledge of Apollo, no steps have been taken to initiate any such appointment. No analogous appointments have been made or initiated under the Law of any applicable jurisdiction in respect of Apollo.

(c) No order has been made, no resolution has been passed and no petition has been filed or threatened against it for the winding up, dissolution or liquidation of Apollo or for a provisional liquidator to be appointed in respect of Apollo and no petition has been presented or threatened and no meeting has been convened for the purpose of the winding up, dissolution or liquidation of Apollo. Apollo has not become subject to analogous proceedings under the Law of any applicable jurisdiction.

6. Consents, Approvals and Conflicts

None of the execution and delivery by Apollo of this Agreement, the compliance by Apollo with the provisions of this Agreement, or the consummation of the transactions contemplated herein and therein do or will: (i) require the approval of the shareholders of Apollo (or any of its Affiliates) or the consent, approval, authorization, order or agreement of, or registration or qualification with, any Governmental Authority or other person, except the applicable stock exchanges' acceptance of the transactions contemplated herein, and the filings required to be made prior to or following the Option Exercise Date, as applicable, under the rules of the applicable stock exchanges and pursuant to applicable Law; or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under (A) any indenture, mortgage, deed of trust, lease or other material agreement or instrument to which Apollo is a party or by which its or its property or assets is bound, (B) the articles or by-laws or any other constating document of Apollo or any resolution passed by the directors (or any

committee thereof) or shareholders of Apollo, or (C) any material Legal Requirement to which Apollo is subject.

7. Authorized and Issued Capital

The authorized capital of Apollo consists of an unlimited number of common shares. All of the issued and outstanding Apollo Shares are fully paid and non-assessable and have been duly authorized and issued, in compliance with applicable Laws and not in violation of or subject to any pre-emptive or similar right that entitles any Person to acquire from Apollo any Apollo Shares or other securities of Apollo or any of its Subsidiaries. The rights, privileges, restrictions and conditions attached to the Apollo Shares are as set out in the Public Disclosure Documents.

8. Acquisition and Repurchase Rights

Other than certain current and former employees, directors and consultants of Apollo, no Person (other than Apollo or one of its Subsidiaries) has any option, warrant, right (pre-emptive, contractual or otherwise) or other security or conversion privilege issued or granted by Apollo or any of their Subsidiaries of any kind that is exercisable or convertible into, or exchangeable for, or otherwise carries the right of the holder to purchase or otherwise acquire (whether or not subject to conditions) common shares, joint venture interests or other securities of Apollo or any of their Subsidiaries, including pursuant to one or more multiple exercises, conversions and/or exchanges or other securities, joint venture interests or rights (pre-emptive, contractual or otherwise). No Person has any right to require Apollo or any of their Subsidiaries to purchase, redeem or otherwise acquire any of its issued and outstanding common shares, joint venture interests or other securities of Apollo or any of their Subsidiaries. No shareholder, unitholder or joint venture interest holder or other Person has any pre-emptive right or right of first refusal in respect of the allotment and issuance of any unissued common shares, other securities, joint venture interests of Apollo or any of its Subsidiaries.

9. Issuance of Exercise Consideration Shares

Apollo has the full power and authority to issue the Exercise Consideration Shares. The issuance of the Exercise Consideration Shares has been duly authorized and, when issued and delivered upon the Option Exercise, the Exercise Consideration Shares will be validly issued as fully paid and non-assessable Apollo Shares and, subject to applicable Securities Laws and the restrictive legend on any Exercise Consideration Shares, will be approved for listing on the Exchange and be freely transferable. At the time of Option Exercise, MAG will be the legal owner of the Exercise Consideration Shares and will have good title thereto free and clear of all Encumbrances, other than any Encumbrances granted by MAG.

10. Compliance with Law

In conducting its business and operations, Apollo has complied in all material respects with applicable Law. No event has occurred and no circumstance exists that would constitute or result in (with or without notice or lapse of time) a violation of or a failure to comply with any Law applicable to the business and affairs of Apollo and that would, individually or in the aggregate have a Material Adverse Effect, and Apollo has not received any notice or other communication (whether oral or written) from any Governmental Authority regarding any actual, alleged, possible or potential violation of, or failure to comply with, any such Law.

11. Ownership of Material Assets

Each of Apollo and its Subsidiaries owns or has the right to use all material assets and properties currently owned or used in their operations, including: (i) all contracts that are material to its operations; and (ii) all material assets and properties necessary to enable Apollo and its Subsidiaries to carry on its operations as now conducted. All material contracts are in good standing in all material respects and in full force and effect.

Except for the Permitted Encumbrances, no third party has any ownership right, title, interest in, claim in, lien against or any other right to any material assets and properties purported to be owned by Apollo or its Subsidiaries, and Apollo or such Subsidiary has valid, good and marketable title to all such material assets and properties.

12. Financial Statements

The Financial Statements contain no material misrepresentations and have been prepared in accordance with IFRS consistently applied throughout the periods referred to therein and present fully, fairly and correctly, in all material respects, the financial position (including the assets and liabilities, whether absolute, contingent or otherwise), financial performance and cash flows of Apollo and its Subsidiaries (as applicable) as at such dates and the results of operations of Apollo and its Subsidiaries (as applicable) for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Apollo and its Subsidiaries (as applicable) and there has been no change in accounting policies or practices of Apollo since December 31, 2023 except as set forth in the Public Disclosure Documents; and on the date hereof, the Corporation has no Indebtedness except as set out in the Financial Statements or the Public Disclosure Documents or indebtedness to vendors, suppliers and service providers incurred in the ordinary course of business since December 31, 2023.

13. Brokers

There is no investment bank, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Apollo or any of its Affiliates who is entitled to any fee or commission from Apollo or any of its Affiliates in connection with the Transaction.

14. Ownership of Apollo

Except as disclosed in Apollo's Public Disclosure Documents or in connection with any ordinary course equity compensation arrangements, no Person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription or issue of any issued or unissued shares or other securities of Apollo.

To the knowledge of Apollo, except as set forth in the Public Disclosure Documents, none of the directors, executive officers or shareholders who beneficially own, directly or indirectly, or exercise Control or direction over, more than 10% of the outstanding Apollo Shares or any known associate or affiliate of any such person, had or has any material interest, direct or indirect, in any transaction or any proposed transaction (including, without limitation, any loan made to or by any such person) with Apollo which, as the case may be, materially affects, is material to or will materially affect Apollo on a consolidated basis;

15. Taxes

- (a) All Taxes due and payable by Apollo and its Subsidiaries have been paid, except where the failure to pay Taxes would not have a Material Adverse Effect. All Tax Returns, declarations, remittances and filings required to be filed by Apollo and its Subsidiaries have been filed with all appropriate authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not have a Material Adverse Effect. To the knowledge of Apollo: (i) no examination of any Tax Return of Apollo and its Subsidiaries is currently in progress; and (ii) there are no issues or disputes outstanding with any Governmental Authority respecting any Taxes that have been paid, or may be payable, by Apollo and its Subsidiaries, except where such examinations, issues or disputes would not have a Material Adverse Effect.
- (b) Apollo is a “taxable Canadian corporation” as defined in subsection 89(1) of the Tax Act.

16. Technical Disclosure

The most recent estimated measured, indicated and inferred mineral resources and proven and probable mineral reserves and technical reports disclosed in the Public Disclosure Documents relating to the properties of Apollo and its Subsidiaries have been prepared and disclosed in accordance with applicable Law. Apollo is in compliance, in all material respects, with the requirements prescribed by NI 43-101 (as in effect on the date of publication of the relevant report or information). The mineral resources or mineral reserves (or any other material aspect of any technical reports) as disclosed in the Public Disclosure Documents were not, at the date of disclosure, inaccurate in any material respect. At the date hereof, there are no outstanding unresolved comments of any Securities Regulator or the Exchange in respect of the technical disclosure made in the Public Disclosure Documents. To the knowledge of Apollo, there has been no material reduction in the aggregate amount of estimated mineral resources and reserves for the properties of Apollo from the amounts last disclosed publicly by Apollo in the Public Disclosure Documents.

17. Foreign Corrupt Practices Act

Neither Apollo nor, to its knowledge, any director, officer, agent, employee, Affiliate or other Person acting on behalf of Apollo is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the FCPA or the CFPOA and Apollo has conducted its business in compliance with the FCPA or the CFPOA and has instituted and maintained policies and procedures designed with the goal of ensuring continued compliance therewith.

18. Money Laundering Laws

(a) The operations of Apollo are, and have been conducted at all times and in all material respects, in compliance with the financial record-keeping and reporting requirements of anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental entity to which Apollo is subject and the Money Laundering

Laws, and no action, suit or proceeding by or before any governmental entity or body or arbitrator involving Apollo with respect to the Money Laundering Laws is pending or, to the knowledge of Apollo, threatened.

(b) There are no proceedings under any corruption Law pending against Apollo or, to the knowledge of Apollo, threatened against or affecting Apollo.

19. **OFAC**

Apollo has not had and, to the knowledge of Apollo, no director, officer, agent, consultant, employee or Affiliate of Apollo has had any sanctions administered by OFAC imposed upon such person; and Apollo is not in violation of any of the economic sanctions of the United States administered by OFAC or any Law or executed order relating thereto or any Canadian or Mexican sanctions Law ("**Economic Sanctions**") or conducting business with any person subject to any Economic Sanctions.

20. **Patriot Act**

(a) Neither Apollo nor to their knowledge any of their Affiliates, are in violation of Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the "**Executive Order**") and/or to Apollo's knowledge, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**").

(b) Neither Apollo nor, to their knowledge, any of their respective Affiliates, is a "Prohibited Person" which is defined as follows: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity with whom Apollo is prohibited from dealing or otherwise engaging in any transaction by the Executive Order or the Patriot Act; (iv) a person or entity who commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; (v) a person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <https://www.treas.gov/ofac/tltsdn.pdf>, or at any replacement website or other replacement official publication of such list; or (vi) a person or entity who is affiliated with a person or entity listed above.

(c) Neither Apollo nor, to their knowledge, any of their respective Affiliates, has: (i) conducted any business or engaged in any transaction or dealing with any Prohibited Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Prohibited Person; (ii) dealt in or otherwise engaged in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) engaged in or conspired to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set out in the Executive Order or the Patriot Act.

21. Securities Laws

(a) Apollo is a “reporting issuer” (or the equivalent) in British Columbia and Alberta, and is not included on a list of defaulting reporting issuers maintained by the Securities Regulators. Apollo has not taken any action to cease to be a reporting issuer in any jurisdiction in which it is a reporting issuer, and has not received any notification from a Securities Regulator seeking to revoke Apollo’s reporting issuer status.

(b) All material filings and fees required to be made and paid by Apollo pursuant to Securities Laws have been made and paid when due.

(c) The Apollo Shares are listed and posted for trading on the Exchange and no order ceasing or suspending trading in any securities of Apollo or prohibiting the sale or issuance of the Exercise Consideration Shares or the trading of any of Apollo’s issued securities has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of Apollo, have been threatened. Apollo has not taken any action which would reasonably be expected to result in the delisting or suspension of the Apollo Shares on or from the Exchange and Apollo is currently in compliance in all material respects with the rules and regulations of the Exchange.

(d) Since December 31, 2023, as of their respective filing dates, each of the Public Disclosure Documents complied with the requirements of applicable Securities Laws in all material respects and none of the Public Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. There is no material change (as defined in Securities Laws) as of the date hereof relating to Apollo which has occurred and with respect to which the requisite material change report has not been filed with the Securities Regulators and made publicly available on SEDAR+. Apollo has not filed any confidential material change report or other confidential report with any Securities Regulator or other Governmental Authority which at the date hereof remains confidential.

22. Absence of Change

There has been no event, transaction, information or continuation of a trend that has come to the attention of Apollo since January 1, 2023 that has not been disclosed to MAG Apollo’s Public Disclosure Documents or otherwise in writing (in this Agreement or otherwise) that would reasonably be expected to have a Material Adverse Effect.