

OPTION AGREEMENT

This Option Agreement is dated for reference July 27, 2025 (the “**Effective Date**”)

BETWEEN:

HERCULES METALS CORP., an Ontario corporation

(“**Hercules**”)

AND:

ANGLO-BOMARC, U.S., INC., an Idaho corporation

(“**Anglo**”)

AND:

BARRICK GOLD EXPLORATION INC., a Delaware corporation

(“**Barrick**”)

WHEREAS:

- A. Barrick is the owner of the Claims (as defined herein); and
- B. Barrick is willing to grant Hercules the sole and exclusive right and option to indirectly acquire (through Anglo, a U.S. subsidiary of Hercules) 100% of Barrick’s ownership interest in the Claims, subject to and in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined herein) hereby agree as follows:

SECTION 1. INTERPRETATION

1.1 **Definitions.** In addition to the terms defined elsewhere in this Agreement:

- (a) “**Affiliate**” means with respect to a specified Person, any other Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with the specified Person;
- (b) “**Agreement**” means this Option Agreement, including the recitals and the Schedules attached to this Agreement, all as may be amended, from time to time;

- (c) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), order, decree or proclamation, or any consent, exemption, approval or license, of any Governmental Authority, that applies, in whole or in part, to the Parties, the Claims or the Property;
- (d) “**Approved Exchange**” means the Toronto Stock Exchange, the TSXV, the Canadian Securities Exchange, the CBOE, the New York Stock Exchange, the NYSE American, the NASDAQ or any other stock exchange acceptable to Barrick, in its discretion acting reasonably;
- (e) “**BLM**” means the United States Bureau of Land Management;
- (f) “**Business Day**” means any day, other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Toronto, Ontario are not open for business during normal banking hours;
- (g) “**Canadian Dollar**” or “**C\$**” means the lawful currency of Canada;
- (h) “**Canadian Securities Authorities**” means any of the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada in which Hercules is a reporting issuer;
- (i) “**Canadian Securities Laws**” means all applicable Canadian securities laws, the respective regulations, rules and orders made thereunder, and all applicable policies and notices issued by the Canadian Securities Authorities in the applicable jurisdictions in Canada;
- (j) “**Change of Control**” means the occurrence of any one or more of the following events:
 - (i) Hercules is not the surviving entity in a merger, amalgamation or other reorganization (or survives only as a subsidiary or Affiliate of an entity other than a previously wholly-owned subsidiary of Hercules (the “**Surviving Entity**”));
 - (ii) Hercules sells, leases or exchanges greater than 50% of its assets to any other Person (other than an Affiliate of Hercules) (“**Acquiror**”);
 - (iii) an Acquiror, or group of Persons acting jointly or in concert with an Acquiror, acquires, or acquires control (including, without limitation, the power to vote or direct the voting) of, voting securities of Hercules which, when added to the voting securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or Affiliates of the Acquiror to cast or direct the casting of 50% or more of the votes attached to all of Hercules’ outstanding voting securities which may be cast to elect directors of Hercules or the successor

corporation (regardless of whether a meeting has been called to elect directors); or

- (iv) the board of directors of Hercules adopts a resolution to the effect that a Change of Control as defined herein has occurred.

For the purposes of the foregoing, “voting securities” means the Shares and any other shares entitled to vote for the election of directors, and shall include any securities, whether or not issued by Hercules, which are not shares entitled to vote for the election of directors but which are convertible into or exchangeable for shares which are entitled to vote for the election of directors, including any options or rights to purchase such shares or securities;

- (k) “**Claims**” means the unpatented federal mining claims described in Schedule “A”;
- (l) “**CFIUS**” means the Committee on Foreign Investment in the United States;
- (m) “**CFIUS Review**” has the meaning set forth in Section 2.5;
- (n) “**Data**” means geologic information, reports, maps, drill core, drill logs, documents, assay results, technical data, geotechnical reports, exploration files and any other geologic data relating to the Property, including any interpretations, outputs or other analysis derived from such data and information, in digital form and organized in accordance with industry standards;
- (o) “**Deed**” means a deed substantively in the form of Schedule “B” hereto;
- (p) “**Encumbrance**” means any mortgage, deed of trust, security interest, pledge, lien, hypothecation, assignment, title retention arrangement, restrictive covenant, pre-emptive or preferential purchase right, streaming, royalty, or other similar rights over products, or other burden, whether imposed by contract or operation of law;
- (q) “**Environmental Claims**” means any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, or proceedings relating in any way to any Environmental Law or any permit issued under any Environmental Law, including:
 - (i) any and all claims by Governmental Authorities for enforcement, clean-up, removal, response, remedial, or other actions or damages under any applicable Environmental Law, and
 - (ii) any and all claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive or other relief resulting from the unauthorized use of hazardous materials, including any release of those claims, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment;

- (r) “**Environmental Law**” means any Applicable Law with respect or relating to (i) pollution or protection of the air, surface water, ground water or land, (ii) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation, (iii) exposure to hazardous or toxic substances, or (iv) the closure, decommissioning, dismantling or abandonment of any Facilities, and the reclamation or restoration of land;
- (s) “**Exchange**” means the TSXV (or, if the Shares are not listed and trading on the TSXV, any other stock exchange on which the Shares are then listed and traded);
- (t) “**Facilities**” means any and all mines, plants and facilities, including all pits, shafts, haulage ways and other underground workings, and all buildings and other structures, fixtures and improvements, and all other property, whether fixed or moveable, as the same may exist at any time during the term of this Agreement, in or on the Property, related to mineral operations;
- (u) “**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state or municipal, and any branch, department or ministry thereof, or any governmental agency, stock exchange, regulatory agency or self-regulatory organization, governmental authority, governmental tribunal, board or commission of any kind whatever;
- (v) “**Issue Price**” means (A) only for purposes of Section 3.2(a)(i), the greater of (i) the Canadian Dollar volume weighted average closing price per Share on the Exchange for the five trading days immediately preceding the date of issuance, and (ii) the price reflecting the maximum permitted discount for the Shares under the rules of the applicable Exchange, determined in accordance with the rules of the applicable Exchange, and (B) for all purposes other than Section 3.2(a)(i), the greater of (i) the Canadian Dollar volume weighted average closing price per Share on the Exchange for the ten trading days immediately preceding the date of issuance, and (ii) the price reflecting the maximum permitted discount for the Shares under the rules of the applicable Exchange, determined in accordance with the rules of the applicable Exchange;
- (w) “**Knowledge**” means, with respect to Barrick, the actual knowledge of Orson Tingey, without any duty of inquiry and without any personal liability on his part, and with respect to Hercules, the actual knowledge of Chris Paul, without any duty of inquiry and without any personal liability on his part;
- (x) “**Loss**” means any claim, demand, action, cause of action, damage, loss, cost, liability, obligation or expense, including reasonable professional fees and disbursements and all costs incurred in investigating, pursuing or settling any of the foregoing or any proceeding relating to any of the foregoing;
- (y) “**Mineral Products**” means any and all mineral substances of any nature that are locatable under the United States Mining Law of 1872 as previously and hereafter amended from time to time;

- (z) **“Option”** means the sole and exclusive right and option granted to Hercules by Barrick to acquire (through Anglo) 100% of Barrick’s ownership of the Claims in accordance with this Agreement;
- (aa) **“Option Period”** means the period commencing on the Effective Date and ending on the date that is the earlier of:
 - (i) the date that the Option is fully exercised pursuant to this Agreement; or
 - (ii) the date this Agreement is terminated in accordance with its terms;
- (bb) **“Ownership Cap”** means beneficial ownership (determined in accordance with *National Instrument 62-104 — Take Over Bids and Issuer Bids*) of 19.9% or more of the number of securities of Hercules outstanding on the last trading day immediately prior to the applicable date;
- (cc) **“Parties”** means the parties to this Agreement, being Hercules, Anglo and Barrick, and **“Party”** means any one of them;
- (dd) **“Person”** means an individual, corporation, limited liability company, partnership, body corporate, trust, joint venture or any other form of enterprise or legal entity or Governmental Authority;
- (ee) **“Property”** means the area within the boundaries of the Claims;
- (ff) **“Qualifying Jurisdictions”** means British Columbia, Alberta and Ontario;
- (gg) **“Royalty”** means the net smelter returns royalty interest to be reserved by Barrick in the Deed;
- (hh) **“Shares”** means common shares in the capital of Hercules;
- (ii) **“TSXV”** means the TSX Venture Exchange;
- (jj) **“TSXV Approval”** means the final exchange acceptance of the transactions contemplated under this Agreement by the TSXV; and
- (kk) **“United States Dollars”** or **“US\$”** means the lawful currency of the United States.

1.2 **Extended Meanings.** Unless otherwise specified, words importing the singular include the plural and vice versa. The term “including” means “including, without limitation.”

1.3 **Headings.** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this Agreement.

1.4 **Currency.** All dollar amounts referred to herein as “C\$” are in Canadian Dollars and “US\$” are in United States Dollars.

1.5 **Schedules.** The following Schedules are attached to and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule "A"	Description of Claims
Schedule "B"	Form of Deed

1.6 **Public Disclosure.** The Parties acknowledge that Hercules is a publicly listed company and may be required to disclose material technical or scientific information under applicable securities laws or stock exchange rules, including exploration results related to the Property. Nothing in this Agreement shall restrict Hercules from making such disclosures; provided that, Hercules shall to the extent permitted by applicable law, provide Barrick with written notice of such disclosure at least 2 Business Days prior to making such disclosure and consult with Barrick during such 2 Business Day period with respect to such disclosure, incorporating any reasonable comments from Barrick in respect of the nature of such disclosure.

1.7 **Purpose.** The Parties acknowledge and agree that the overall intent and purpose of entering into this Agreement (the "**Purpose**") is to give Hercules an opportunity to control the Property, given that Hercules already controls other mining claims and properties adjacent to or near the Property. The Parties further acknowledge and agree that the Claims are being optioned to Hercules in their "as-is" condition, subject only to the representations and warranties set forth in Section 2.1 below.

SECTION 2. REPRESENTATIONS AND WARRANTIES

2.1 **Barrick Representations and Warranties.** Barrick hereby represents and warrants to Hercules that:

- (a) it is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware;
- (b) it has full corporate power, authority, capacity and financial ability to enter into this Agreement and to carry out its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement including, for certainty, to transfer the Claims to Anglo in accordance with the terms hereof upon exercise of the Option;
- (c) the entering into this Agreement and the consummation of the transactions contemplated hereby do not conflict with any Applicable Laws or with its constating documents nor do they conflict with, or result in a breach of or accelerate the performance required by, any other contract or other commitment to which Barrick is a party or by which it is bound;
- (d) this Agreement has been duly authorized, executed and delivered by Barrick and constitutes a legal, valid and binding obligation on it, enforceable in accordance with its terms except as enforcement thereof may be limited by bankruptcy,

insolvency or other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction;

- (e) the Claims are accurately described in Schedule "A";
- (f) to Barrick's Knowledge (i) the Claims were staked by reputable third party claimstakers who used reasonable efforts to do so in accordance with customary industry standards, and (ii) the Claims were recorded with the BLM and the counties in which the Property is located in a timely manner;
- (g) it has made no material disturbances on the Property and, to Barrick's Knowledge, there are no environmental conditions existing in the Property to which any material remedial action is required or any material liability has or may be imposed on Barrick under applicable Environmental Law;
- (h) to Barrick's Knowledge, all activities conducted by Barrick on the Property up to the Effective Date have been conducted in compliance in all material respects with Applicable Laws;
- (i) it has not received from any Governmental Authority any notice of or communication relating to any actual or alleged Environmental Claims regarding the Claims;
- (j) it has paid all federal, state and local taxes, fees, assessments and other governmental charges attributable to the Claims, including all annual mining claim maintenance fees required by the BLM to maintain the Claims through the Effective Date and has recorded with the relevant county recorders all annual instruments required by Idaho law to maintain the Claims through the Effective Date;
- (k) no Person, other than Hercules and Anglo pursuant to this Agreement, has any right, agreement, option, understanding, commitment or privilege capable of becoming an agreement to acquire or purchase the Claims from it; and
- (l) to Barrick's Knowledge (i) there are no pending or threatened actions, suits, Losses or proceedings regarding the Claims, or Barrick's interests therein, and (ii) there are no outstanding notices, orders, assessments, directives, rulings or other documents issued in respect of the Claims by any Governmental Authority.

2.2 **Disclaimer of Representations and Warranties.** Barrick expressly disclaims all other representations and warranties of any kind. Without limiting the generality of the preceding sentence, except as expressly set forth in Section 2.1 above, Barrick does not make, and expressly disclaims, any and all representations and warranties whatsoever (whether express, implied or applicable by law) regarding (i) the title to or the staking, ownership, maintenance, status, condition (including environmental condition), history, usability, marketability, value or validity of the Claims or any of them, as well as (ii) any and all gaps, fractions, open areas, overlaps, conflicts, monuments, monument

placements, and boundaries of, on, between and concerning the Claims or any of them, and the Claims are being conveyed as-is, where-is, and with all faults.

2.3 Hercules' Representations and Warranties. Hercules and Anglo hereby represent and warrant to Barrick that:

- (a) each is a corporation duly organized, validly existing, and in good standing under the laws of its jurisdiction of incorporation;
- (b) each has full corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and any agreement or instrument referred to or contemplated by this Agreement;
- (c) the entering into this Agreement by each of Hercules and Anglo and the consummation of the transactions contemplated hereby does not conflict with any Applicable Laws or with Anglo's or Hercules' constating documents nor does it conflict with, or result in a breach of or accelerate the performance required by, any other contract or other commitment to which Hercules or Anglo is a party or by which it is bound;
- (d) this Agreement has been duly authorized, executed and delivered by each of Hercules and Anglo and constitutes a legal, valid and binding obligation on each, enforceable against each in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction;
- (e) to Hercules' Knowledge, there are no pending or threatened actions, suits, Losses or proceedings that reasonably could result in Hercules or Anglo being unable to carry out any of their respective obligations under this Agreement;
- (f) prior to its execution of this Agreement, Hercules and Anglo have had the opportunity to complete to their satisfaction all due diligence related to the Claims and the Property that Hercules and Anglo desired to conduct, and in entering into this Agreement Hercules and Anglo acknowledge and accept the disclaimer set out in Section 2.2 above, and acknowledge and agree that neither is relying on any representations or warranties from or by Barrick except as set forth in Section 2.1 above;
- (g) Hercules is a reporting issuer, or the equivalent thereof, in the Qualifying Jurisdictions and is not included on a list of defaulting reporting issuers maintained by any of the Canadian Securities Authorities of such provinces; and
- (h) Hercules is not in material default of any requirement of the applicable Canadian Securities Laws in any Qualifying Jurisdiction.

2.4 Indemnity.

- (a) During the Option Period and for a period of 5 years following the delivery of the Deed, Barrick shall indemnify and hold harmless Hercules, Anglo and their Affiliates and their respective directors, officers, members, employees and shareholders (collectively, the “**Hercules Indemnified Parties**”) from and against any and all Losses suffered or incurred by any Hercules Indemnified Party as a result of any material misrepresentation or breach by Barrick of any representation, warranty, covenant or obligation of Barrick contained in this Agreement. To the extent that a Hercules Indemnified Party is not a party to this Agreement, Hercules shall hold the right and benefit of this Section 2.4(a) in trust for the benefit of the Hercules Indemnified Parties.
- (b) Hercules shall (i) during the Option Period and for a period of 5 years following the delivery of the Deed, indemnify and hold harmless Barrick and its Affiliates and their respective directors, officers, members, employees and shareholders (the “**Barrick Indemnified Parties**”) from and against any and all Losses suffered or incurred by any Barrick Indemnified Party as a result of any material misrepresentation or breach by Hercules or Anglo of any representation, warranty, covenant or obligation of Hercules or Anglo contained in this Agreement, and (ii) during the Option Period and perpetually thereafter, indemnify and hold harmless Barrick and its Affiliates and their respective directors, officers, members, employees and shareholders (the “**Barrick Indemnified Parties**”) from and against any and all Losses suffered or incurred by any Barrick Indemnified Party as a result of any (A) Environmental Claims in respect of the Claims or the Property, and (B) non-disturbing causing work as contemplated by the last sentence of Section 5.1(a). To the extent that a Barrick Indemnified Party is not a party to this Agreement, Barrick shall hold the right and benefit of this Section 2.4(b) in trust for the benefit of the Barrick Indemnified Parties.
- (c) The provisions of this Section 2.4 shall survive the termination of this Agreement.

2.5 CFIUS Review.

- (a) Hercules on the one hand, and Barrick, on the other hand, in cooperation with each other, have jointly determined that (the “**Joint Determination**”): (i) a mandatory declaration is not required to be filed with CFIUS for this Agreement, and (ii) a voluntary joint notice application also shall not be filed for this Agreement.
- (b) If at any time, whether during the Option Period or after the Option is fully exercised pursuant to this Agreement, CFIUS or any of its member agencies seeks, requests, requires or demands any information from Hercules or Barrick or their respective Affiliates, or if CFIUS or any of its member agencies asserts, institutes or commences any investigation or other action against Hercules or Barrick or their respective Affiliates, with respect to the Agreement or any of the Claims (any such event together with any subsequent review or other process

undertaken by CFIUS thereafter, collectively, a “**CFIUS Review**”), then: (i) the Party (or its Affiliates) that is the subject of the request, demand, investigation, or other action shall promptly notify the other Party to this Agreement of the commencement of the CFIUS Review; and (ii) the Parties will work together to promptly provide CFIUS with all information requested, demanded or otherwise sought by CFIUS during the CFIUS Review. Hercules on the one hand, and Barrick on the other hand, shall each bear their own costs and expenses incurred in connection with any CFIUS Review and shall have no right to reimbursement by or offset against the other Party.

- (c) If CFIUS proposes, requests, or requires that a Party or its Affiliates undertake any form of mitigation or any other actions or desistance with respect to any concerns or other matters identified by CFIUS in respect of the Claims or this Agreement, Hercules on the one hand, and Barrick on the other hand, will implement and comply with such measures, and the Parties shall each bear their own costs and expenses incurred in connection with such mitigation or other actions or desistance.
- (d) If, notwithstanding the willingness of the Parties to implement mitigation measures, CFIUS determines that Hercules or its Affiliates is required to reconvey or otherwise return all or any portion of the Claims to Barrick, then:
 - (i) Hercules shall do so by way of one or more conveyances in the same form as the documents used to convey the Claims to Anglo pursuant to this Agreement, free and clear of all Encumbrances created by, through or under Hercules; and
 - (ii) commencing as at and from the date on which Anglo reconveys or otherwise returns all or any portion of the Claims to Barrick (the “**Return Date**”), Hercules shall indemnify and hold the Barrick Indemnified Parties harmless from and against any losses or damages arising from ownership and operation of the returned Claims, including (i) exploration or mining operations on the returned Claims, (ii) disposal of waste from the returned Claims, (iii) reclamation of the returned Claims, (iv) environmental liabilities arising in relation to operations on the returned Claims, (v) the marketing and sale of any product mined or processed in any way from the returned Claims; and (vi) any unpaid or unfulfilled services of or by third parties with respect to the returned Claims, including any liens or other Encumbrances of any kind, and shall be deemed to have provided indemnities to that effect to the Barrick Indemnified Parties if all or any portion of the Claims are returned to Barrick or an Affiliate of Barrick. For clarity, such indemnities shall be set forth in written memoranda to be provided by Hercules to Barrick as at the Return Date; however, failure to provide such written memoranda shall in no way be in derogation of the deemed provision of the subject indemnities contemplated by this Subsection 2.5(d)(ii); and

- (iii) the Parties shall each bear their own costs and expenses incurred in connection with such reconveyance or other return of all or any portion of the Claims, and any payments that have accrued or been paid under Section 3.4 shall be nonrefundable.
- (e) Notwithstanding the foregoing, if CFIUS or any of its member agencies imposes any penalties on either of the Parties or their respective Affiliates in connection with the Joint Determination, Hercules on the one hand, and Barrick on the other hand, shall each be responsible for the payment of 50% of the amount of such penalties together with interest thereon (as well as interest on interest).

SECTION 3. OPTION

3.1 **Grant of Option.** Barrick hereby grants to Hercules and Anglo the Option, subject to Barrick's reservation of the Royalty as set out herein, in accordance with and subject to the terms and conditions of this Agreement. The Option is granted subject to Hercules obtaining TSXV Approval. Hercules shall use its commercially reasonable efforts to seek and obtain TSXV Approval promptly after the Effective Date. If Hercules, despite its commercially reasonable efforts, is unable to obtain TSXV Approval within 30 Business Days after the Effective Date, this Agreement shall terminate and be of no further force or effect.

3.2 **Share Issuances.**

- (a) Subject to Section 3.3, unless this Agreement is sooner terminated in advance of an anniversary of the Effective Date in accordance with the provisions of Section 7.1, Hercules shall issue to Barrick or its designees, from treasury, such amount of Shares having a value equal to the following amounts and according to the following schedule:
 - (i) An amount of Shares having a value equal to C\$2,000,000 calculated as of the date of TSXV Approval, within five Business Days after TSXV Approval;
 - (ii) An amount of Shares having a value equal to C\$2,000,000 calculated as of the date that is one year after the Effective Date, within five Business Days of the last Business Day that is one year after the Effective Date;
 - (iii) An amount of Shares having a value equal to C\$2,000,000 calculated as of the date that is two years after the Effective Date, within five Business Days of the last Business Day that is two years after the Effective Date; and
 - (iv) An amount of Shares having a value equal to C\$2,000,000 calculated as of the date that is three years after the Effective Date, within five Business Days of the last Business Day that is three years after the Effective Date.

- (b) The number of Shares to be issued to Barrick or its designee in accordance with this Section 3.2 shall be such number (rounded to the nearest whole number) as is equal to the relevant dollar amounts set forth in this Section 3.2, divided by the Issue Price.
- (c) All Shares issued to Barrick or its designee shall be (i) fully paid and non-assessable and shall be free and clear of all Encumbrances, subject only to the resale restrictions, if any, imposed by applicable Canadian Securities Laws, and (ii) shall be made without charge to Barrick for any issue or transfer tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such Shares, all of which taxes and expenses shall be paid by Hercules.
- (d) Notwithstanding the foregoing provisions of this Section 3.2, Hercules may elect, by written notice to Barrick, to deliver cash payments to Barrick (by wire to an account to be designated by Barrick) in lieu of the Share issuances required by Subsections 3.2(a)(ii), 3.2(a)(iii) and 3.2(a)(iv). Such cash payments, if applicable, shall be made by Hercules on or before the foregoing dates on which the Shares were to have been issued. Any such cash payments shall be made, at Hercules' option, in either (i) Canadian Dollars, or (ii) in United States Dollars based on the Bank of Canada daily exchange rate for the conversion of Canadian Dollars to United States Dollars on the Business Day immediately prior to the payment.

3.3 **Ownership Cap.** Notwithstanding anything to the contrary contained herein, Hercules shall not issue any Shares to Barrick, and any such issuance shall be null and void *ab initio*, to the extent that immediately prior to or following such issuance, Barrick, together with its Affiliates, would beneficially own securities of Hercules (including, for certainty, Shares and any securities convertible into Shares) in excess of the Ownership Cap. To the extent any issuance of Shares hereunder, including an issuance in accordance with Section 3.2 or an issuance upon Hercules' exercise of the Acceleration Right under Section 3.7, would cause Barrick and its Affiliates to beneficially own securities of Hercules (including, for certainty, Shares and any securities convertible into Shares) in excess of the Ownership Cap: (i) Barrick shall notify Hercules of the maximum whole number of Shares that, if acquired by Barrick, would not result in Barrick exceeding the Ownership Cap (the "**Maximum Permitted Issuance**"), and (ii) Hercules shall within 10 Business Days (A) issue such number of Shares to Barrick or its designee that is equal to the Maximum Permitted Issuance, and (B) pay to Barrick (by wire to an account to be designated by Barrick) a cash amount equal to the aggregate value of the Shares determined based on the Issue Price that would otherwise be issuable by Hercules under Section 3.2 or Section 3.7 less the aggregate value of the Maximum Permitted Issuance based on the Issue Price. For certainty, the (x) issuance by Hercules of Shares to Barrick equal to the Maximum Permitted Issuance, and (y) payment of the cash amount as determined under Subsection 3.3(ii)(B) shall for purposes of this Agreement be in full and final satisfaction of Hercules' obligation to issue Shares to Barrick under Subsections 3.2(a)(i), 3.2(a)(ii), 3.2(a)(iii), 3.2(a)(iv) or Section 3.7, as applicable. Any cash payments under this Section 3.3 shall be made, at Hercules' option, in either (i) Canadian Dollars, or (ii) in United States Dollars based on the Bank of Canada daily

exchange rate for the conversion of Canadian Dollars to United States Dollars on the Business Day immediately prior to the payment.

3.4 **Reimbursement Payments.** Unless this Agreement is sooner terminated in accordance with the provisions of Section 7.1 or accelerated in accordance with the provisions of Section 3.7, Hercules shall be obligated to make the following payments (the “**Reimbursement Payments**”) to Barrick (by wire to an account to be designated by Barrick) in United States Dollars according to the following schedule:

- (a) The United States Dollar amount required by the BLM to maintain the Claims for the relevant assessment year. Unless the fee amount is changed by the BLM:
 - (i) The first such annual payment shall be US\$740,000, representing 3,700 Claims at US\$200 per Claim (the “**First BLM Payment**”). Hercules’ obligation to make the First BLM Payment shall accrue upon TSXV Approval, and shall be payable by Hercules to Barrick without demand not later than 30 days thereafter.
 - (ii) The second such annual payment shall be US\$740,000, representing 3,700 Claims at US\$200 per Claim (the “**Second BLM Payment**”). Hercules’ obligation to make the Second BLM Payment shall accrue on June 1, 2026, and shall be payable by Hercules to Barrick without demand not later than July 1, 2026.
 - (iii) The third such annual payment shall be US\$740,000, representing 3,700 Claims at US\$200 per Claim (the “**Third BLM Payment**”). Hercules’ obligation to make the Third BLM Payment shall accrue on June 1, 2027, and shall be payable by Hercules to Barrick without demand not later than July 1, 2027.
 - (iv) The fourth and final such annual payment shall be US\$740,000, representing 3,700 Claims at US\$200 per Claim (the “**Fourth BLM Payment**”). Hercules’ obligation to make the Fourth BLM Payment shall accrue on June 1, 2028, and shall be payable by Hercules to Barrick without demand not later than July 1, 2028.
- (b) The United States Dollar amount required by the recorders for the counties in which the Property is located to record the annual notices of intent to hold and maintain the Claims for the relevant assessment year.
 - (i) Hercules’ obligation to make the first such annual payment (the “**First County Payment**”) shall accrue upon the Parties’ execution of this Agreement, and shall be payable by Hercules to Barrick no later than 30 days after Barrick notifies Hercules of the amount of the First County Payment.
 - (ii) Hercules’ obligation to make the second such annual payment (the “**Second County Payment**”) shall accrue on June 1, 2026, and shall be

payable by Hercules to Barrick no later than 30 days after Barrick notifies Hercules of the amount of the Second County Payment.

- (iii) Hercules' obligation to make the third such annual payment (the "**Third County Payment**") shall accrue on June 1, 2027, and shall be payable by Hercules to Barrick no later than 30 days after Barrick notifies Hercules of the amount of the Third County Payment.
- (iv) Hercules' obligation to make the fourth such annual payment (the "**Fourth County Payment**") shall accrue on June 1, 2028, and shall be payable by Hercules to Barrick no later than 30 days after Barrick notifies Hercules of the amount of the Fourth County Payment, but only if Hercules fails to exercise the Option. If Hercules timely exercises the Option, the Fourth County Payment to Barrick shall not be required.

- 3.5 **Exercise of Option.** If Hercules has timely and properly issued all of the Shares (or paid cash in lieu thereof) and made all of the payments required by Sections 3.2, 3.3, 3.4 and/or 3.7, as applicable, the Option shall be deemed to have been exercised by Hercules (effective upon the later of (A) the date on which the final Share issuance or cash payment in lieu of such Share issuance is made, and (B) the date on which the final Reimbursement Payment is made) and Anglo shall be entitled to receive, without any further action, the Deed from Barrick not later than 20 days thereafter.
- 3.6 **Option Obligations.** For greater certainty, Hercules shall be under no obligation to exercise the Option, but shall be obligated to issue the Shares and make the cash payments as required under and by the deadlines specified in Section 3.2 and, if applicable, Section 3.3, until such time as this Agreement is formally terminated.
- 3.7 **Acceleration of Option.** Hercules shall have the right (but shall be under no obligation) at any time during the Option Period to accelerate the timelines associated with the Share issuances required under Section 3.2 in order to accelerate its exercise of the Option, at its sole discretion (the "**Acceleration Right**"). To exercise the Acceleration Right, Hercules shall provide written notice to Barrick to this effect. The final number of Shares to be issued to Barrick or its designee and/or cash to be paid in lieu of the Share issuances to Barrick (*i.e.*, the then remaining balance of the total of C\$8,000,000 in Shares or, if applicable, a mix of cash and Shares in accordance with Section 3.3) shall be determined based on the Issue Price. Upon (a) the issuance to Barrick of such Shares, (b) the payment to Barrick of such cash in lieu of the Share issuances, and (c) the payment to Barrick of any accrued but unpaid Reimbursement Payments owing under Section 3.4, Barrick shall promptly provide the Deed to Anglo. In the event that the Acceleration Right is exercised and Hercules satisfies all requirements in accordance with this Section 3.7, the Option shall be deemed to be exercised in accordance with this Section 3.7.
- 3.8 **Nonrefundable.** Other than as a result of a CFIUS Review as provided in Section 2.5 hereof, if Hercules or Anglo is required to reconvey all or any portion of the Claims, Barrick shall return to Hercules such number of Shares and cash, calculated based on the same percentage of the reconveyed Claims and, to the extent practicable, in the same

proportion of Shares and cash paid by Hercules to Barrick under this Agreement. If a return of Shares is not possible, for regulatory or other reasons, the Parties will work together in good faith to reach a fair and reasonable resolution.

- 3.9 **Delisting of Shares.** Subject to Section 3.10, if at any time during the term of this Agreement the Shares are no longer listed on an Approved Exchange, then any amounts payable by Hercules to Barrick to be satisfied in Shares shall instead be satisfied by Hercules in cash, in accordance with the terms hereof.
- 3.10 **Change of Control.** If, at any time during the Option Period a Change of Control in respect of Hercules occurs (other than by way of take-over bid) (a) Hercules shall cause the Acquiror or Surviving Entity, as applicable, to assume all of Hercules' rights and obligations arising under or relating to this Agreement, including requiring the Acquiror or Surviving Entity, as applicable, to prior to and as a condition to completion of the Change of Control execute and deliver to Barrick, in form and substance satisfactory to Barrick, acting reasonably, an instrument pursuant to which the Acquiror or Surviving Entity, as applicable, agrees to be bound by the terms hereof and by all of the liabilities and obligations of Hercules in the same manner and to the same extent as though the Acquiror or Surviving Entity, as applicable, was an original party hereto, and (b) the Acquiror or Surviving Entity, as applicable, or a designee thereof, will thereafter make cash payments to Barrick (by wire to an account to be designated by Barrick) in lieu of the Share issuances required by Subsections 3.2(a)(ii), 3.2(a)(iii), 3.2(a)(iv) and/or 3.7 on and subject to the terms and conditions of this Agreement.

SECTION 4. COVENANTS OF BARRICK

- 4.1 **Covenants of Barrick.** During the Option Period, Barrick shall:
- (a) maintain the status of the Claims in good standing and keep Hercules and Anglo informed of such actions by (i) timely making all filings and payments required by the BLM to maintain the Claims for the relevant assessment year, (ii) timely making all recordings with the counties in which the Property is located in order to maintain the Claims for the relevant assessment year, and (iii) promptly providing Hercules with copies of such filings and recordings; the Parties acknowledging their mutual intent that, during the Option Period, Barrick will continue to be responsible for taking steps to maintain the Claims with federal and state Governmental Authorities, but using funds provided in advance, or reimbursed in arrears, as the case may be, by Hercules, in accordance with this Agreement;
 - (b) make available to Hercules and Anglo all Data within its control (or in the control of an Affiliate of Barrick or in respect of which Barrick otherwise can reasonably obtain from any Person who obtained or developed such Data while acting on Barrick's behalf and in respect of which Barrick has the right to provide to Hercules) in respect of the Property; provided that, for certainty, (i) Barrick shall in no event be liable to Hercules or Anglo for the accuracy, reliability or completeness of any Data furnished to Hercules or Anglo, and (ii) Hercules and

Anglo shall assume all risks stemming from reliance upon such Data by themselves and by any third parties after disclosure thereof by Barrick and shall indemnify and hold harmless Barrick and its Affiliates as to such risks and as to any claims made by such third parties;

- (c) not cause or create any Encumbrance on the Claims;
- (d) execute a customary recordable notice of this Agreement, if and when requested by Hercules or Anglo to do so, the recording of any such notice to be done by Hercules or Anglo at its expense;
- (e) not do any other act or thing which would reasonably be expected to materially adversely affect the rights of Hercules or Anglo hereunder or that would materially adversely impact Anglo's ability to receive Claims in accordance with the terms hereof, other than as required by Applicable Laws or a Government Authority;
- (f) to promptly inform Hercules in writing with respect to any claims, suits or legal proceedings of which it has knowledge and that would reasonably be expected to prevent or materially limit the rights granted by Barrick in favor of Hercules or Anglo under this Agreement; and
- (g) to deliver to Hercules, a copy of any notification issued by a Government Authority that is received by Barrick or any of its Affiliates and that would reasonably be expected to prevent or materially limit the rights granted by Barrick in favor of Hercules and Anglo under this Agreement, within ten (10) Business Days following receipt of any such notification.

SECTION 5. COVENANTS OF HERCULES

5.1 Covenants of Hercules. During the Option Period, Hercules shall:

- (a) not disturb the Property, the Parties acknowledging that no exploration disturbances on the Property or mining of Mineral Products from the Property are allowed under this Agreement, but with the proviso that Hercules and Barrick will work together and in good faith to enter into a supplemental agreement (containing customary operational, regulatory compliance, insurance, indemnification, reclamation and other provisions) to facilitate such work and allow such disturbances with the goal of entering into such supplemental agreement within 6 months of the date hereof. Notwithstanding the foregoing, the Parties acknowledge and agree that Hercules and Anglo may conduct non-disturbance causing work on the Claims such as mapping, sampling and "passive" ground geophysics;
- (b) at Barrick's request, which request must be made by Barrick in writing to Hercules within 30 days after each anniversary of the Effective Date, deliver to Barrick a written report describing any and all exploration work done by or for Hercules in respect of the Property, together with any and all Data resulting from

such work; provided that, for certainty, (i) Hercules and Anglo shall in no event be liable to Barrick for the accuracy, reliability or completeness of any Data furnished to Barrick, and (ii) Barrick shall assume all risks stemming from reliance upon such Data by itself and by any third parties after disclosure thereof by Hercules or Anglo and shall indemnify and hold harmless Hercules and Anglo and their respective Affiliates as to such risks and as to any claims made by such third parties;

- (c) in the event it exercises the Option and thereafter decides to abandon, surrender or terminate any of the Claims, notify Barrick of its decision and Barrick shall have the right for 45 days thereafter to notify Hercules that Barrick wishes to take ownership of some or all of the Claims proposed to be abandoned, surrendered or terminated from Hercules prior to such abandonment, surrender or termination, at no cost to Barrick. Any such transfer of the Claims (or the applicable portion of the Claims) shall be by deed to Barrick with a warranty by Hercules that the Claims (or the applicable portion of the Claims) are free and clear of all Encumbrances arising by, through or under Hercules or Anglo or their respective Affiliates, and shall, at Barrick's request, include the delivery to Barrick of all Data in relation to such transferred Claims in Hercules' possession or control; provided that, for certainty, (i) Hercules and Anglo shall in no event be liable to Barrick for the accuracy, reliability or completeness of any Data furnished to Barrick, and (ii) Barrick shall assume all risks stemming from reliance upon such Data by itself and by any third parties after disclosure thereof by Hercules or Anglo and shall indemnify and hold harmless Hercules and Anglo and their respective Affiliates as to such risks and as to any claims made by such third parties. Failure to so notify Hercules within said 45-day period shall be deemed to be an election by Barrick to not take ownership of the Claims (or the applicable portion of the Claims) and Hercules may thereafter dispose of them, or cause Anglo to dispose of them, as Hercules sees fit. For greater certainty, the provisions of this paragraph shall not apply to a good faith decision by Hercules to sell the Claims, nor shall it apply to any good faith transfer of the Claims to an Affiliate of Hercules. The provisions of this paragraph shall survive the termination of this Agreement;
- (d) cause the Shares to be issued hereunder to be issued and delivered to Barrick (or as Barrick directs) as fully paid and non-assessable Shares and free and clear from all taxes and Encumbrances;
- (e) use commercially reasonable efforts for a period of 5 years to (i) maintain Hercules' status as a reporting issuer not in default under Canadian Securities Laws in each of the Qualifying Jurisdictions, and (ii) maintain the listing of the Shares on an Approved Exchange; provided that this Subsection 5.1(e) shall not be considered to be breached by a Change of Control; and
- (f) not do any other act or thing which would reasonably be expected to materially adversely affect the rights of Barrick hereunder.

5.2 **Obligations on Termination.** In the event of termination of this Agreement for any reason other than through exercise of the Option, Hercules shall within 30 days thereafter at its expense:

- (a) at Barrick's request, deliver to Barrick all Data in Hercules' or Anglo's possession or control; and
- (b) if required, record a customary notice of the termination of this Agreement in the relevant counties, if a notice of this Agreement was recorded by Anglo in the relevant counties during the term of the Agreement, and provide a copy of the recorded documents to Barrick.

SECTION 6. DEFAULT

6.1 **Default.** Except as provided for in Section 6.2, if either Hercules or Anglo on the one hand, or Barrick on the other hand, fails to comply with the terms of this Agreement, the non-defaulting Party may deliver to the other Party a written notice of default. If the default is not cured within 30 days after such notice, the non-defaulting Party may, by written notice, terminate this Agreement and/or pursue other available legal remedies as a consequence of such breach. However, notwithstanding the preceding sentences of this paragraph, if the Party alleged to be in default expressly disputes, by written notice to the other Party within said 30-day period, in good faith that a default has occurred, then this Agreement may not be terminated until a court of competent jurisdiction has confirmed the existence of a default, at which point this Agreement shall be deemed terminated. Following any such termination of this Agreement, the defaulting Party shall continue to be responsible for all liabilities and obligations arising or accruing from its acts and omissions prior to such termination.

6.2 **Payment Default.** If Hercules does not make a Share issuance or payment in lieu thereof, or a Reimbursement Payment, in each case in the amounts and by the dates specified in Sections 3.2 or 3.4, as applicable, Barrick may deliver to Hercules a written notice of termination and, upon delivery of such notice of termination, this Agreement shall be deemed terminated; provided that, following any such termination of this Agreement, Hercules and Anglo shall continue to be responsible for all liabilities and obligations arising or accruing under this Agreement prior to such termination.

SECTION 7. TERMINATION

- 7.1 **Termination.** This Agreement shall terminate upon the occurrence of the earliest of:
- (a) Hercules giving 90 days' written notice of termination to Barrick, which Hercules shall be at liberty to do at any time after the Effective Date, in which case termination shall be effective upon the expiry of such notice period and Hercules and Anglo will thereupon be relieved of any further obligations to issue any additional Shares or make any further Reimbursement Payments, except those which have accrued to the expiry of such notice period;
 - (b) exercise of the Option;

- (c) termination of the Agreement pursuant to Section 6.1 or Section 6.2;
- (d) failure to obtain TSXV Approval pursuant to Section 3.1; or
- (e) a written agreement by the Parties to terminate.

7.2 **Effect of Termination.** Upon the effective date of termination, this Agreement shall be of no further force and effect save and except for (i) any obligations of a Party incurred, accrued or arising prior to the effective date of termination, and (ii) those provisions of this Agreement that are said or meant to survive termination.

SECTION 8. GENERAL

- 8.1 **Assignment.** Because this Agreement involves the delivery of the Shares (which are unique), Hercules may not sell, transfer, assign, sublease, mortgage, pledge or otherwise encumber any of its interest in or obligations under this Agreement (a “**Transfer**”) to any third party without the prior written discretionary consent of Barrick. Barrick may Transfer this Agreement to any Person to whom it transfers its interest in the Claims, provided such Person agrees to bound by the terms of this Agreement. No Transfer shall be effective against the non-transferring Party until that Party receives written notice and documentation of the completed Transfer. Any permitted Transfer shall be binding upon and extend to the successors and assigns of the Parties.
- 8.2 **Enurement.** Subject to the provisions of Section 8.1 above, this Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.
- 8.3 **Further Assurances.** Each Party shall from time to time promptly execute and deliver all further documents and take all further action reasonably necessary to give effect to the terms and Purpose of this Agreement.
- 8.4 **Waiver.** No waiver of any term of this Agreement by a Party is binding unless the waiver is in writing and signed by the Party entitled to grant such waiver. No failure to exercise, and no delay in exercising, any right or remedy under this Agreement shall be deemed to be a waiver of that right or remedy. No waiver of any breach of any term of this Agreement shall be deemed to be a waiver of any subsequent breach of that term.
- 8.5 **Amendment.** No amendment, supplement, restatement or modification of any term of this Agreement is binding unless it is in writing and signed by each Party with the same level of formality as this Agreement.

8.6 **Notices.** Any notice or other communication required or permitted to be given under this Agreement must be in writing and will be effective only if delivered personally (including by commercial courier service) or if sent by electronic mail addressed as follows:

If to Barrick:

Barrick Gold Exploration Inc.
Attn: Mike Nemitz, Principal Geologist
1655 Mountain City Highway
Elko, NV 89801

Email: [REDACTED]

with a copy to:

Barrick Gold of North America, Inc.
Attn: Michael McCarthy, General Counsel
Barrick North America
310 South Main St., Suite 1150
Salt Lake City, UT 84101

**[Redacted for
confidentiality]**

Email: [REDACTED]

If to Hercules or Anglo:

Hercules Metals Corp.
Suite 1600 – 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1G5
Attention: Christopher Paul

Email: [REDACTED]

with a copy to:

Gowling WLG (Canada) LLP
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto ON M5X 1G5
Attn: Peter Simeon, Partner

Email: [REDACTED]

Any notice or other communication given in accordance with this Section 8.6, if delivered personally as aforesaid, shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery is received before 4:00 p.m. at the place of delivery; otherwise it will be deemed to be

validly and effectively given on the next following Business Day. Any notice or communication which is transmitted by electronic mail as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such day is a Business Day and such transmission is received before 4:00 p.m. at the place of receipt; otherwise it will be deemed to have been validly and effectively given on the next following Business Day. Either Party may change its address for notices from time to time by notice given in accordance with this Section 8.6.

- 8.7 **Severability.** If any provision of this Agreement is held to be unenforceable, then that provision is to be construed either by modifying it to the minimum extent necessary to make it enforceable (if permitted by Applicable Law) or disregarding it (if not). If an unenforceable provision is modified or disregarded in accordance with this paragraph, the rest of the Agreement is to remain in effect as written, and the unenforceable provision is to remain as written in any circumstances other than those in which the provision is held to be unenforceable.
- 8.8 **Relationship of Parties.** Nothing in this Agreement shall be deemed to constitute either Party, in its capacity as such, the partner, agent or legal representative of the other Party, or to create any partnership, mining partnership or other partnership relationship, or fiduciary relationship between them, for any purpose whatsoever.
- 8.9 **Entire Agreement.** This Agreement (including its Schedules) constitutes the entire agreement between the Parties with respect to the subject matter hereof and expressly supersedes all prior agreements, arrangements, negotiations, discussions, undertakings, promises, representations, warranties and understandings, whether written or oral.
- 8.10 **Time.** For every provision in this Agreement, time is of the essence.
- 8.11 **Survival of Terms and Conditions.** All provisions of this Agreement containing obligations that are intended (by their express terms or by implication) to continue beyond the termination of this Agreement shall survive such termination and remain in effect until their existence is of no benefit to either Party, including the Representations and Warranties set forth in Section 2.
- 8.12 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho (where the Property is located) without regard for choice of laws or conflict of laws principles that would require or permit the application of the laws of any other jurisdiction. Each Party, on behalf of itself and its successors, irrevocably consents to the exclusive jurisdiction of the courts of the United States District Court for the District of Idaho (unless such court lacks subject matter jurisdiction over a particular claim, in which case the claim shall be determined by any Idaho state court having jurisdiction), in respect of any disputes arising hereunder, with venue to be in the state of Idaho.
- 8.13 **Attorneys' Fees.** If either Party commences an action against the other arising out of or in connection with this Agreement, the prevailing Party shall be entitled to recover its costs of suit and reasonable attorneys' fees.

8.14 **Execution.** This Agreement may be executed in counterparts, which taken together shall constitute a single and complete document. This Agreement may be executed and delivered by facsimile or other form of electronic transmission such as email or .pdf and such signatures shall have the same legal effect as a manual signature.

[Signature page follows]

In witness whereof, and intending to be legally bound, the Parties have duly executed this Agreement as of the Effective Date.

HERCULES METALS CORP., an
Ontario corporation
By its authorized signatory:

**BARRICK GOLD EXPLORATION
INC.**, a Delaware corporation
By its authorized signatory:

"Chris Paul"

Name: Chris Paul
Title: Chief Executive Officer and
Director

"Michael McCarthy"

Name: Michael McCarthy
Title: Director

ANGLO-BOMARC, U.S., INC., an
Idaho corporation
By its authorized signatory:

"Chris Paul"

Name: Chris Paul
Title: President

**SCHEDULE "A"
CLAIMS**

(See following pages)

[Redacted - as disclosure would be prejudicial to the interests of the issuer]

**SCHEDULE “B”
DEED**

AFTER RECORDING PLEASE RETURN TO
AND SEND TAX NOTICES TO:

Anglo-Bomarc, U.S., Inc.
2968 Cemetery Road
Cambridge, ID, 83610

Deed

(With Reservation of Royalty)

This Deed is made effective as of _____, 202__ (the “**Effective Date**”), by and between BARRICK GOLD EXPLORATION INC., a Delaware corporation whose address is 1655 Mountain City Highway, Elko, Nevada 89801 (“**Barrick**”), and ANGLO-BOMARC, U.S., INC., an Idaho corporation whose address is 2968 Cemetery Road, Cambridge, ID, 83610 (“**Anglo**”). Barrick and Anglo are sometimes collectively referred to herein as the “**Parties**” and individually as a “**Party**”.

WITNESSETH

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties undertake and agree as follows:

1. Conveyance of Mining Claims. Barrick hereby transfers, conveys and assigns to Anglo all of Barrick’s right, title and interest in and to the unpatented mining claims described in Exhibit 1 attached hereto and by reference made a part hereof (the “**Claims**”), which Claims are located in Adams and Washington Counties, Idaho, together with any improvements located thereon, any ores, minerals, stockpiles, waste dumps, tailings materials and mineral rights thereon, therein or belonging thereto, and any water rights, easements, rights-of-way, access rights and other appurtenances thereto; RESERVING, however, unto Barrick and its successors and assigns the Royalty and related rights set forth in Sections 2 and 3 hereof.
2. Reservation of Royalty. Barrick expressly reserves, and Anglo expressly agrees to pay, a perpetual net smelter returns production royalty on any sale of Mineral Product from the Property in accordance with the provisions of Exhibit 2 attached hereto and by reference made a part hereof (the “**Royalty**”), which Royalty shall run with the Claims (including any amendments, relocations, replacements, modifications or conversions of the Claims) and shall be binding upon Anglo and its successors in title.
3. Maintenance of Claims. Except for Anglo’s right to abandon or terminate the Claims as provided in this paragraph, Anglo and its affiliates and successors shall maintain title to the Claims in order to preserve the rights and interests of Anglo and Barrick, respectively, in the Claims and in the Royalty. Anglo shall, without limitation, perform any required assessment work on, and pay all mining claim maintenance fees and make such filings and recordings as are necessary to maintain title to, the Claims in accordance with applicable federal and state laws and regulations as the same may be amended or enacted from time to time. For a period of 15 years from the Effective Date, Anglo shall deliver to Barrick proof of Anglo’s compliance with

this paragraph not less than 30 days before each applicable deadline. Before any of the Claims are abandoned or terminated, Anglo shall notify Barrick in writing and allow Barrick 45 days in which to elect to reacquire all or some portion of such Claims prior to their abandonment or termination. If Barrick so elects to reacquire all or a portion of the Claims, Anglo shall promptly (and in any event within 30 days) convey such Claims to Barrick or its designee with a warranty by Anglo that the applicable Claims are free and clear of all encumbrances arising by, through or under Anglo, for no additional consideration from Barrick. If Barrick fails to elect to reacquire any of the Claims during said 45-day period, such failure shall be deemed an election not to reacquire any of the Claims and in that event Anglo shall be free to abandon or terminate the Claims.

4. Underlying Agreement. This Deed is given in accordance with and pursuant to that certain Option Agreement by and between Barrick, Anglo, and Hercules Metals Corp., an Ontario corporation which is the parent entity of Anglo, dated July _____, 2025 (the “**Option Agreement**”), the terms and conditions of which shall survive the execution and delivery of this Deed. In the event of any conflict between the terms of this Deed and the terms of the Option Agreement, the terms of the Option Agreement shall prevail and govern.

5. Representations and Warranties. Each Party represents and warrants to the other that (a) it is an entity in good standing under the laws of its state or province of incorporation, (b) the person signing this Deed on its behalf has full and proper authority to do so, (c) it has undertaken and obtained whatever internal and external formalities, approvals and actions are necessary to execute and deliver this Deed, and (d) this Deed is valid and binding on it. With respect to the Claims, Barrick makes only those representations and warranties expressly set forth in the Option Agreement and does not make, and expressly disclaims, any and all other representations and warranties whatsoever (whether express, implied or applicable by law) regarding (a) the title to or the staking, ownership, maintenance, status, condition (including environmental condition), history, usability, marketability, value or validity of the Claims or any of them, as well as (b) any and all gaps, fractions, open areas, overlaps, conflicts, monuments, monument placements, and boundaries of, on, between and concerning the Claims or any of them, and the Claims are being conveyed as-is, where-is, and with all faults. Further, this conveyance is subject to the paramount title of the United States of America with respect to the Claims.

6. Transfers.

(a) Barrick may, at any time, without the consent of Anglo, assign, transfer or otherwise convey all (but not less than all) of its rights, benefits or obligations under this Deed and the Royalty to any person or persons; provided, however, that no such assignment, transfer or conveyance shall be effective unless the transferee has first executed and delivered to Anglo, in form and substance satisfactory to Anglo, acting reasonably, an instrument pursuant to which the transferee agrees to be bound by the terms hereof and by all of the liabilities and obligations of the transferor hereunder in the same manner and to the same extent as though the transferee was an original party hereto.

(b) Anglo shall not assign, transfer, sell or otherwise dispose of its right, interest and obligations to and under this Deed and the Royalty, without the prior written consent of Barrick,

which may be withheld or conditioned in Barrick's sole and absolute discretion; however, Anglo shall be entitled to assign, transfer, sell or otherwise dispose of all or a portion of its right, interest and obligations to and under this Deed and the Royalty without such consent in connection with a valid sale, transfer or assignment of all or a portion, as applicable, of the associated Property and the Claims to (i) a *bona fide* third purchaser that is not an affiliate of Anglo, or (ii) an affiliate of Anglo acceptable to Barrick, acting reasonably. No such sale, assignment, transfer, conveyance or other disposition shall be effective unless the transferee has first executed and delivered to Barrick an instrument pursuant to which the transferee agrees to be bound by the terms hereof and by all of the liabilities and obligations of Anglo hereunder in the same manner and to the same extent as though the transferee was an original party hereto whereupon Anglo shall be released from any and all obligations hereunder that arise from and after the date of such execution and delivery. Notwithstanding the foregoing, in no event shall any transferor be an entity that is not: (A) itself the registered owner or holder of the Property and the Claims; or (B) an affiliate of a person that is a registered owner or holder of the Property and the Claims.

7. Governing Law. This Deed, and any causes of action arising out of or based upon this Deed, shall be governed by, and construed, interpreted and enforced in accordance with, the laws of Idaho (where the Claims are located), without regard to choice or conflict of law principles that would result in the application of the laws of any other jurisdiction. Each Party, on behalf of itself and its successors, irrevocably consents to the exclusive jurisdiction of the courts of the United States District Court for the District of Idaho (unless such court lacks subject matter jurisdiction over a particular claim, in which case the claim shall be determined by any Idaho state court having jurisdiction), in respect of any disputes arising hereunder, with venue to be in the state of Idaho.

8. Binding Effect. This Deed shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

9. Rule Against Perpetuities. The Parties do not intend or desire for this Deed to violate the common law Rule against Perpetuities or any analogous statutory provision or any other constitutional, statutory or common law rule imposing time limits on the vesting or termination of estates in land. If any provision of this Deed does or would violate the Rule against Perpetuities or any analogous statutory provision or any other constitutional, statutory or common law rule imposing time limits on the vesting or termination of estates in land, then this Deed shall not be deemed void or voidable, but shall be interpreted in such a way as to maintain and carry out the Parties' objectives to the fullest extent possible by law.

10. General Provisions.

(a) Each of the Parties to this Deed shall from time to time and at all times do all such further acts and execute and deliver all further agreements and documents as shall be reasonably required in order fully to perform and carry out the terms of this Deed.

(b) This Deed may only be amended, supplemented or otherwise modified by written agreement signed by each of the Parties.

(c) For payment and communication purposes, the addresses of the Parties shall be as set forth in the first paragraph of this Deed. All notices and communications regarding this Deed shall be in writing and shall be effective upon receipt after personal delivery (including delivery by commercial courier service) or delivery by certified mail to such addresses. Either Party may, by notice to the other given as aforesaid, change its mailing address for future payments and notices.

(d) Nothing in this Deed will be deemed to constitute any Party as the partner, agent or legal representative of the other Party or to create any fiduciary relationship between them. It is not the intention of the Parties to create, nor shall this Deed be construed to create, any mining, commercial or other partnership. Except as expressly provided in this Deed or any subsequent agreement in writing executed by the Parties, each Party will have the right to independently engage in and receive full benefits from business activities, whether or not competitive with the other Party's activities or the operations on the Property, without consulting the other Party. Notwithstanding any other provision of this Deed, each Party will be free to acquire for its own account, free of any liability, duty or obligation to the other Party arising out of this Deed, any mineral rights, assets or properties located anywhere within or outside the area of land comprising the Property, without regard to any doctrine of "corporate opportunity" or "business opportunity", and regardless of whether any Confidential Information (as defined in Exhibit 2 hereto) is used.

11. Counterparts. This Deed may be executed in counterparts, which taken together shall constitute a single and complete instrument.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Deed to be executed by their duly authorized representatives on the dates indicated in the acknowledgements below, but effective as of the Effective Date.

Barrick:

**BARRICK GOLD EXPLORATION
INC., a Delaware corporation**

By _____
Name:
Title:

Anglo:

**ANGLO-BOMARC, U.S., INC., an
Idaho corporation**

By _____
Name:
Title:

STATE OF _____)
) ss.
COUNTY OF _____)

On this _____ day of _____, 202____, personally appeared before me, a Notary Public, _____, the _____ of BARRICK GOLD EXPLORATION INC., a Delaware corporation, who acknowledged that he or she executed this instrument on behalf of said entity.

[seal]

NOTARY PUBLIC, residing in

My commission expires:

STATE/PROVINCE OF _____)
) ss.
COUNTY/MUNICIPALITY OF _____)

On this _____ day of _____, 202____, personally appeared before me, a Notary Public, _____, the _____ of ANGLO-BOMARC, U.S., INC., an Idaho corporation, who acknowledged that he or she executed this instrument on behalf of said entity.

[seal]

NOTARY PUBLIC, residing in

My commission expires:

EXHIBIT 1
CLAIMS

[Same as Schedule “A” of the Option Agreement]

EXHIBIT 2
NET SMELTER RETURNS ROYALTY

1. Definitions.

“**affiliate**” means, in relation to any person, any other person controlling, controlled by or under common control with such first-mentioned person and, for purposes of this definition, “control” is the power whether by contract or ownership of equity or voting securities or interests to select a majority of the board of directors or other supervisory management authority of a person, whether directly or indirectly through a chain of entities that are “controlled” within the foregoing meaning;

“**Allowable Deductions**” for a calendar quarter means, without duplication, the following costs, charges, expenses and deductions actually paid or incurred or deemed incurred during such calendar quarter in connection with the smelting, refining, treatment, beneficiation, transportation and/or sale of Mineral Product extracted from the Property:

- (a) smelting and refining charges, treatment charges and penalties, including all costs of assaying, analyzing, sampling or representation, umpire charges, metal deductions and losses, penalties for impurities and charges for treating, refining, beneficiating, storing and handling any Mineral Product levied by any smelter, refinery or other place of treatment or beneficiation;
- (b) costs of transporting Mineral Product (including loading, freight, insurance, security, storage or stockpiling, transportation, shipping, Taxes, handling, port, demurrage, delay and forwarding expenses incurred by reason of or in the course of transportation) from the Property or from a concentrator, whether situated on or off the Property, to any smelter, refinery or other place of treatment or beneficiation and then to the place of sale, costs of offsite freight and insurance, security, storage, loading and discharge and ocean freight and port charges;
- (c) marketing and other sales costs, including sales commissions or brokerage costs and fees, incurred in selling the Mineral Product; and
- (d) sales, use, severance, excise, net proceeds of mine, *ad valorem* or any other Taxes, customs duties or other charges of any Governmental Authority, including royalties, payable in respect of the existence, production, removal, sale, processing, import, export, transportation or disposition, value or quantity of Mineral Product, but excluding income taxes of the Payor or its affiliates or other operators of the Property, or sales or goods and services taxes payable by the purchaser or purchasers of the Mineral Product,

provided that, if smelting, refining or other treatment or beneficiation is carried out in facilities owned or controlled, in whole or in part, by the Payor or its affiliates, then the Allowable Deductions shall include the lesser of (x) the amount that the Payor would have incurred if such smelting, refining or other treatment or beneficiation were carried out at facilities not owned or controlled by the Payor or its affiliates then offering comparable services for comparable products on prevailing terms, and (y) the actual

charges and costs incurred by the Payor with respect to such smelting, refining, or other treatment or beneficiation;

“Applicable Spot Price” at any date means:

- (a) in the case of Mineral Product that is gold, the price of gold on such date, in U.S. dollars, as established pursuant to the London Bullion Market Association P.M. Gold Fix, as quoted in the Wall Street Journal, Reuters or another reliable source selected by the Royalty Holder and acceptable to the Payor, acting reasonably;
- (b) in the case of Mineral Product that is copper, the price of copper on such date, in U.S. Dollars, as established pursuant to the official London Metal Exchange cash settlement quotation for copper, as published in the Metal Bulletin;
- (c) in the case of Mineral Product that is silver, the price of silver on such date, in U.S. dollars, quoted by the London Bullion Market Association as the Fixing Price; and
- (d) in the case of Mineral Product that is a metal other than gold, silver or copper, the average London Metal Exchange final daily spot price on such date, in U.S. dollars, in respect of the particular metal for which the price is being determined;

provided that, if for any reason the London Bullion Market Association or London Metal Exchange are no longer in operation or do not quote the applicable price referred to above or do not quote the price of a specific Mineral Product produced from the Property, the Applicable Spot Price as at any date shall be determined on such basis as may be agreed to in writing at that time by the Payor and the Royalty Holder or, failing such agreement, shall be the price in U.S. dollars as quoted by and at the closing of the New York Mercantile Exchange on that date;

“Auditor” has the meaning set forth in Section 6(d);

“Base Rate” means the variable rate of interest per annum, expressed on the basis of a year of 365 or 366 days, as the case may be, established or quoted from time to time by the Royal Bank of Canada as the reference rate of interest then in effect for determining interest rates on U.S. dollar denominated commercial loans made by it in Canada;

“Business Day” means any day, other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Toronto, Ontario are not open for business during normal banking hours;

“Confidential Information” means the terms of this Royalty, the Deed, all data and any other information, data, know-how, trade secrets and intellectual property of a non-public, proprietary or confidential nature (whether written, oral or in electronic format) concerning any matters affecting or relating to the business, operations, assets, results or prospects of the Payor or the Property, including information regarding plans, programs and budgets, costs, processes, results of exploration, development and mining and other data, except to the extent that such information has already been publicly released by a

Party without violating this Royalty or the Deed or that the Party providing such information can demonstrate was previously publicly released by a person who did not do so in violation or contravention of any duty or agreement;

“**Dispute**” has the meaning set forth in Section 6(d);

“**Election Notice**” has the meaning set forth in Section 11(a);

“**Exercise Price**” has the meaning set forth in Section 11(a);

“**Governmental Authority**” means any domestic or foreign (a) national, regional, district, local or other government, (b) governmental or quasi-governmental authority of any nature, including any governmental ministry, agency, branch, department, court, commission, board, tribunal, stock exchange, regulatory agency or self-regulatory organization, bureau or instrumentality, or (c) body exercising or entitled to exercise any administrative, executive, judicial, legislative, regulatory or taxing authority or power of any nature;

“**Gross Revenues**” for a calendar quarter means, subject to Sections 7(b) and 8(e), the amount of revenues actually received by the Payor or its affiliates (without double counting) during such calendar quarter from the Sale of Mineral Product, provided that if there is a Loss of Mineral Product, any insurance proceeds actually received by the Payor in respect of such Mineral Product, after deducting therefrom all reasonable fees, costs and expenses incurred in connection with the collection of such proceeds (as evidenced by supporting documentation), shall be included in the calculation of Gross Revenue in respect of the calendar quarter during which such proceeds are received;

“**IFRS**” means International Financial Reporting Standards as prescribed, recommended or promulgated from time to time by the International Accounting Standards Board, which are applicable as at the date on which any applicable calculation made hereunder is to be effective or as at the date of any financial statements referred to herein, as the case may be;

“**Legal Requirement**” means any applicable law, statute, ordinance, decree, requirement, order, treaty, proclamation, convention, rule or regulation (or interpretation of any of the foregoing) of any Governmental Authority, and the terms of any Permit;

“**Loss**” means an insurable loss of or damage to Mineral Product, whether or not occurring on or off the Property and whether the Mineral Product is in the possession of the Payor or otherwise;

“**Mineral Product**” means any and all ores, concentrates, precipitates, doré, cathodes, leach solutions, metals, minerals, mineral products or any other primary, intermediate or final products or any other product containing economically recoverable minerals that are produced or extracted by or on behalf of the Payor or any of its affiliates from the Property for which there has been a Sale;

“**Mining Right**” means any mining and/or mineral right with respect to the Property in effect from time to time under any Permit;

“**Net Smelter Returns**” means, for a calendar quarter, the amount determined by subtracting the Allowable Deductions for such calendar quarter from the Gross Revenues for such calendar quarter;

“**Option Closing Date**” has the meaning set forth in Section 11(b);

“**Party**” means the Payor or the Royalty Holder, and “**Parties**” means the Payor and the Royalty Holder, collectively;

“**Payment Date**” for the Royalty in respect of a calendar quarter means the 30th day after the end of that calendar quarter or, if such day is not a Business Day, the Business Day that next follows;

“**Payor**” means Anglo and its successors and permitted assigns;

“**Permit**” means any mining claim, license, lease, concession, permit or other form of granting of rights to carry mining activities to the Payor on the whole or part of the Property and “**Permits**” means any or all of these items;

“**person**” means a natural person, a corporation, a company, a limited liability company, a partnership, a trust, a syndicate, an association, a government (or any agency thereof) or any other legal or business entity whatsoever;

“**Property**” means the area within the boundaries of the Claims existing as at the date of this Deed, including an amendment, relocation, conversion of any Claims and to any extension or renewal thereof or to any replacement or substitution thereof as provided in Section 9(b) hereof;

“**Purchase Option**” has the meaning set forth in Section 11(a);

“**Records**” has the meaning set forth in Section 6(b);

“**Royalty**” means the percentage of Net Smelter Returns to which the Royalty Holder is entitled under Section 5;

“**Royalty Holder**” means Barrick and its successors and assigns;

“**Royalty Rate**” means 1.0% or, following the exercise of the Purchase Option in accordance with Section 11 hereof, 0.25%;

“**Sale**” means the transfer of title to Mineral Products by or on behalf of the Payor or any affiliate of the Payor to a person other than an affiliate of the Payor, and is deemed to include a Loss prior to any such transfer, and “**Sold**” shall have a corresponding meaning;

“**Tax**” or “**Taxes**” means all foreign, federal, national, provincial, state, city or municipal taxes, levies, duties, assessments, reassessments and other charges of any nature whatsoever, including income tax, profits tax, capital gains tax, gross receipts tax, corporation tax, mining tax, royalties, sales and use tax, wage tax, payroll tax, workers’ compensation levy, capital tax, stamp duty, registration tax or duty, transfer tax, statistical duty, community levy, real and personal property tax, land transfer tax, customs or excise duty, excise tax, turnover or value added tax on goods sold or services rendered, goods and services tax, withholding tax, social security, government pension plan and employment insurance charges or retirement contributions and any interest, penalties or other additions to tax;

“**Trading Activities**” means any and all price hedging and price protection activities undertaken by the Payor or its affiliates with respect to any Mineral Products and any streaming contracts that may result in the Payor receiving less (or more) than market value for Mineral Products, including any forward sale and/or purchase contracts, spot-deferred contracts, option contracts, speculative purchases and sales of forward, futures and option contracts, both on and off commodity exchanges but excluding refining and smelting contracts;

“**Trading Contracts**” means the agreements, contracts, instruments, confirmations and other arrangements relating to the Trading Activities but excluding refining and smelting contracts; and

“**Withholding Taxes**” has the meaning set forth in Section 10(a).

2. Interpretation.

In this Deed, including the Exhibits to this Deed, unless the context otherwise requires:

- (a) the terms “Deed”, “this Deed”, “the Deed”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Deed and the exhibits to this Deed in its entirety and not to any particular provision hereof;
- (b) references to a “Section”, “Exhibit” or “Schedule” followed by a number or letter refer to the specified Section of or Exhibit or Schedule to this Deed;
- (c) the division of this Deed into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Deed;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) 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) the words “include”, “includes” and “including” are deemed to mean “include without limitation”, “includes without limitation” and “including without limitation”;
- (g) 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;
- (h) any time period 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; and
- (i) 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.

3. General.

(a) This Deed and the Option Agreement constitute 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. 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.

(b) The failure of a Party to insist upon strict adherence to any provision of this Deed 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 Deed. No purported waiver shall be effective as against any Party unless consented to in writing by such Party. The waiver by a Party of a breach of any provision of this Deed shall not operate or be construed as a waiver of any subsequent or other breach.

(c) If any provision of this Deed is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Deed 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 a Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Deed so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

(d) Unless otherwise indicated, all dollar amounts in this Deed are expressed in currency of the United States of America.

(e) The schedules that are attached to this Deed are incorporated into this Deed by reference and are deemed to be part hereof.

(f) Insofar as is permissible under applicable Legal Requirements, the Parties hereby waive the application of any rule of law that any ambiguity or conflicting terms should be

resolved against the Party who (or whose attorney) prepared the executed agreement or any earlier draft of same.

4. Grant of Royalty.

The Payor hereby grants the Royalty in favour of the Royalty Holder on the terms and conditions set out in this Deed.

5. Calculation and Payment of Royalty.

(a) The amount of the Royalty payable to the Royalty Holder in respect of any applicable calendar quarter shall be the result obtained by multiplying the Net Smelter Returns for such calendar quarter by the Royalty Rate.

(b) No Royalty shall be payable hereunder for or with respect to such reasonable quantities of Mineral Product which are used by the Payor exclusively for assaying, non-bulk sampling, treatment, amenability, metallurgical, test work, piloting or other analytical processes or procedures in respect of the Property. For greater certainty, the Royalty shall be payable on all bulk samples and production where the Payor or its affiliate receives any proceeds in respect of Mineral Product from any smelter, mill, mint or other purchaser.

(c) The obligation to pay the Royalty in respect of any Mineral Product will accrue upon the Sale of such Mineral Product. Where the Sale of Mineral Products or the deposit of refined metals is made on a provisional basis, the amount of the Royalty shall be based upon the amount of refined metal (or other Mineral Products) credited by such provisional settlement, but will be adjusted to account for the amount of refined metal (or other Mineral Products) established by final settlement by the refinery or by the purchaser of the other Mineral Products, as the case may be. In the event that the Royalty Holder has been underpaid in any provisional payment or the Royalty Holder has been overpaid in any provisional payment, such underpayment or overpayment will be resolved by adjusting the next Royalty payment (or, if required, payments) due under this Deed. If production has ceased, in the case of an underpayment, the Payor shall promptly pay the difference to the Royalty Holder in cash or other readily available funds and, in the case of an overpayment, the Royalty Holder will promptly pay to the Payor the difference in cash or other readily available funds.

(d) The amount of the Royalty payment due to the Royalty Holder in respect of any calendar quarter shall be paid to the Royalty Holder on the applicable Payment Date by wire transfer (as directed by the Royalty Holder in writing, at least three Business Days prior to any applicable Payment Date, in its sole and absolute discretion, subject to applicable Legal Requirements) in the amount owed. Subject to applicable Legal Requirements, all Royalty payments hereunder shall be made in United States dollars and shall, subject to Section 10, be made net of all amounts (if any) which the Payor is required to withhold and remit under Legal Requirements to any relevant Governmental Authorities, provided that such withholding or deduction is actually thereafter remitted to the applicable Governmental Authority. The Payor shall set out in the statement referred to in Section 5(e) any amount so withheld or remitted.

(e) At the time each Royalty payment is made, the Payor shall deliver to the Royalty Holder a statement setting forth:

- (i) the quantity, type and grade of each Mineral Product extracted in the applicable calendar quarter;
- (ii) the quantity, type and grade of each Mineral Product that has been processed during the applicable calendar quarter, and the location of the relevant facilities;
- (iii) the quantity, type and grade of all Mineral Product that has been Sold during the applicable calendar quarter;
- (iv) the quantity, type and grade of Mineral Product held or unsold during the applicable calendar quarter;
- (v) details of the Sale of Mineral Product on a provisional basis;
- (vi) the prices determined as herein provided for refined metals on which the Royalty is due;
- (vii) the Royalty for the quarter, the identity of the Payor, and details of the calculation of the Gross Revenue and Allowable Deductions underlying the calculation of the Royalty, including any amounts withheld or remitted in accordance with Section 5(d) and the amount of any related gross-up for Taxes made pursuant to Section 10;
- (viii) where commingling has occurred, details of how the allocation of metals was made between Mineral Product from the Property and materials from other properties during the applicable calendar quarter; and
- (ix) such other pertinent information, in sufficient detail to explain the calculation of the Royalty payment, as may be reasonably requested by the Royalty Holder.

(f) The Payor shall provide the Royalty Holder an annual report by not later than 90 days following the Payor's fiscal year end setting out (i) the annual mineral resources and mineral reserves; (ii) the annual production forecast and life of mine plan, in each case, related to the Property; and (iii) at the Royalty Holders' request, a description of any and all exploration work done by or for the Payor in respect of the Property, together with any and all geologic information, reports, maps, drill core, drill logs, documents, assay results, technical data, geotechnical reports, exploration files and any other geologic data relating to the Property, in digital form and organized in accordance with industry standards resulting from such work.

(g) All tailings, residues, waste rock, spoiled leach materials and other materials resulting from the Payor's operations and activities on the Property shall be the sole property of the Payor, but shall remain subject to the Royalty should the same be processed or reprocessed, as the case may be, in the future and result in the production of Mineral Products.

(h) In the event that any Royalty payment required to be made to the Royalty Holder hereunder is not made when due, such payment will bear interest at a rate equal to the Base Rate plus 10% per annum, calculated and compounded monthly in arrears from the date on which payment was first due, until such payment and accrued interest is paid in full (excluding the date of payment). The Royalty Holder shall at all times have a lien on all Mineral Products mined from, and all mining-related improvements on, the Claims as security for any Royalties due and payable provided that such lien shall be automatically released with respect to any Mineral Products for which Royalties have been paid.

6. Accounting Matters.

(a) All calculations relating to the Royalty payments to be made to the Royalty Holder hereunder shall be carried out on a consistent basis in accordance with IFRS to the extent that such principles are not inconsistent with the provisions of this Deed. In the event of any inconsistency between IFRS and the provisions of this Deed, the provisions of this Deed shall prevail.

(b) The Payor will cause to be kept proper books of account, records and supporting materials (“**Records**”) covering all matters relevant to the calculation of the Royalty payments payable to the Royalty Holder hereunder, in accordance with IFRS, as applicable. Upon not less than 10 Business Days’ prior written request from the Royalty Holder, duly authorized representatives of the Royalty Holder (which may include representatives of the Royalty Holder’s auditors) shall be entitled, at the Royalty Holder’s cost and expense, not more frequently than semi-annually, to inspect and audit such Records and to make and take away copies of such Records, and shall be granted the opportunity to discuss issues raised by its audit with the Payor’s accountants, for the purposes of confirming any information contained in a statement delivered to the Royalty Holder pursuant to Section 5(e) or otherwise confirming the rights and obligations of the Royalty Holder and the Payor hereunder.

(c) Any payment made hereunder shall be considered final and in full satisfaction of all obligations of the Payor hereunder in respect of that payment unless the Royalty Holder provides written notice of its objection to the Payor within 90 days after the receipt by the Royalty Holder of a statement prepared in compliance with Section 5(e) that relates to that payment. In addition to the audit rights provided by Section 6(b), if the Royalty Holder objects to a particular Royalty statement delivered in accordance with Section 5(e), the Royalty Holder may, for a period of 60 days after the Payor’s receipt of notice of such objection, upon reasonable notice and at a reasonable time, have the Payor’s accounts and records relating to the calculation of the Royalty payment in question reviewed by the Royalty Holder’s auditors.

(d) If, following the receipt of the objection notice contemplated by Section 6(c) and any review by the Royalty Holder’s auditors, a dispute (a “**Dispute**”) arises with respect to the calculation of the Royalty, the Parties shall use commercially reasonable efforts to successfully settle such Dispute. To this effect, they shall consult and negotiate with each other to reach a resolution satisfactory to both Parties. If the Parties are unable to resolve the Dispute within a period of 15 Business Days from the date of receipt of the objection notice contemplated by Section 6(c), the Parties shall promptly retain a third party independent accounting firm mutually agreed between the Royalty Holder and the Payor and experienced in the calculation of royalties

of the nature of the Royalty (an “**Auditor**”) to conduct an audit solely in respect of the Dispute. The Auditor will be directed to reach a conclusion on the Dispute within 75 days of its appointment and the decision of the Auditor will be binding on the Parties. If the Parties agree or the Auditor determines that there has been a deficiency or an excess in the payment made to the Royalty Holder, such deficiency or excess will be resolved by adjusting the next Royalty payment (or, if required, payments) due under this Deed. If production has ceased, settlement will be made between the Parties by cash payment within 10 Business Days of the agreement of the Parties or the determination by the Auditor. For the avoidance of doubt, the provisions of Section 5(h) will apply to any deficiency payment made in connection with a settlement or audit under this Section 6(d).

(e) Any audit or other examination permitted under this Deed shall be completed diligently. All expenses of any audit or other examination permitted hereunder shall be paid by the Royalty Holder, unless such audit or examination determines, or the Parties agree, that the discrepancies in the calculation of the Royalty payment that is challenged by the Royalty Holder resulted in an understatement by more than 3% of the correct value of the Royalty payment, as determined by the audit, in which case the Payor shall be responsible for the expenses of that particular audit or other review or examination.

7. Operations and Indemnity

(a) The Payor or an affiliate thereof may, but is not obliged to, stockpile, store, treat, mill, sort, concentrate, refine or otherwise process, beneficiate or upgrade the ores, concentrates and other products at sites located on or off the Property, prior to sale, transfer or conveyance to a purchaser, user or consumer.

(b) Any sale by the Payor or an affiliate thereof of Mineral Product in the form of raw ore, doré, precipitates or concentrate made to an affiliate shall not be treated as a Sale for purposes of calculating the Royalty, provided that such Mineral Product is subsequently sold to an arm’s length purchaser within six months after receipt by such affiliate. Upon the Sale of such Mineral Product to an arm’s length party, the Royalty shall be calculated and payable in respect of such Sale to the arm’s length party. If the affiliate that is the initial purchaser does not sell such Mineral Product within six months of the initial sale of the Mineral Product to it, the Royalty shall be immediately payable by the Payor in connection with the initial sale by the Payor or its affiliate to such other affiliate and the Royalty shall be calculated based on the Applicable Spot Price on the date of the initial sale of the Mineral Product by the Payor or its affiliate. The Payor or an affiliate thereof will be permitted to contract with an affiliate of the Payor or an unaffiliated third party for the smelting, refining or other processing of Mineral Products.

(c) Subject to Section 7(d), the Payor indemnifies and holds the Royalty Holder harmless from and against any losses or damages arising from ownership and operation of the Property by the Payor or its affiliates, including (i) exploration or mining operations on the Property, (ii) disposal of waste from the Property, (iii) reclamation of the Property, (iv) environmental liabilities arising in relation to operations on the Property, and (v) the marketing and sale of Mineral Product from the Property, it being understood and agreed between the Royalty Holder and the Payor that the Royalty is a right to receive certain payments

from the Payor based upon Mineral Products produced from the Property and Sold, but is not a right that imposes upon the Royalty Holder any associated or other obligations to the Payor or to any other person, including any Governmental Authorities, or any obligation on the Royalty Holder to contribute or otherwise pay any cost or expense associated with or arising from any of the activities of the Payor or its affiliates on the Property.

(d) The indemnity in this Section 7(d) is limited to losses, damages, claims, demands, liabilities, actions and proceedings that may be suffered or incurred by, or made or taken against, the Royalty Holder as a holder of the Royalty and will not include any indemnity with respect to any losses, damages, claims, demands, liabilities, actions and proceedings against the Royalty Holder in any other capacity, including in respect of the ownership by the Royalty Holder of an interest in the Property prior to the date hereof.

8. General Royalty Matters.

(a) If Mineral Product is produced from the Property, such activities may occur as part of a single operation with other mining properties owned by the Payor or its affiliates or in which the Payor or its affiliates have a direct or indirect interest, in which event the Parties agree that (notwithstanding separate ownership thereof) ores, metals, minerals or mineral products mined therefrom may be mixed or commingled at the time of mining or at any time thereafter and the Royalty shall be paid hereunder only with respect to Mineral Products mined or derived from the Property; provided, however, that the Payor or its affiliates shall calculate from representative samples the average grade thereof and other measures as are appropriate, and shall determine the weight or volume of and sample and analyse/assay all such materials before the same are so mixed or commingled. Any such determination of grade, weight or volume, sampling and analysis shall be made in accordance with sound and generally accepted sampling and analytic procedures and practices consistently applied and acceptable to the Royalty Holder, acting reasonably. The weight or volume and the analysis so derived shall be used as the basis of proportionate allocation of payments in the event of a sale of materials so mixed or commingled. In addition, comparable procedures may be used by the Payor to apportion among any commingled Mineral Product any penalties and other charges and deductions, if any, imposed by the smelter, refiner or purchaser of such Mineral Product.

(b) The Payor shall ensure that customary and usual practices and procedures are adopted and employed for weighing, determining moisture content, sampling and assaying and determining recovery factors for the Mineral Products and other materials not from the Property, and shall record such data in order to determine the amount of economically recoverable materials extracted or derived from such minerals, metals and concentrates and materials not from the Property or not otherwise subject to the Royalty. The Payor and its affiliates shall maintain accurate records of the results of such sampling, weighing and analysis for a period of 365 days from the date that the Royalty Holder receives a statement prepared in accordance with Section 5(e) that relates to a Royalty payment, and the Royalty Holder shall be permitted the right to examine such records relating to any blending and commingling of minerals, metals and concentrates and the materials not from the Property in accordance with the inspection rights in favour of the Royalty Holder set forth in Section 6(b).

(c) For the purpose of determining the amount of the Royalty payments required to be made to the Royalty Holder pursuant to Section 5, where applicable, all receipts and disbursements by any person in a non-United States currency will be converted into United States dollars on the basis of the noon rate of exchange quoted by the U.S. Federal Reserve on the Business Day immediately preceding the date of receipt or disbursement by such person, as the case may be.

(d) Neither the Payor nor any of its affiliates shall have any obligation of any nature whatsoever to conduct exploration, development, production or mining activities or operations on or in respect of the Property with a view to protecting, enhancing or maximizing the economic benefits available to the Royalty Holder as contemplated herein. The Payor and its affiliates have complete discretion concerning the nature, timing and extent of all mining operations and may suspend operations and production on the Property at any time, whether or not the operations are affected by force majeure. The Payor or an affiliate thereof may, but is not obliged to, treat, mill, sort, concentrate, refine, or otherwise process, beneficiate or upgrade Mineral Products and neither the Payor nor its affiliate is liable for any commercial value that is lost in mining or processing Mineral Products.

(e) Nothing in this Deed precludes the Payor or its affiliates from undertaking Trading Activities. Any Trading Activities engaged in by the Payor or its affiliates in respect of Mineral Product produced from the Property, and the profits and losses generated thereby, shall not, in any manner, be taken into account in the calculation of Gross Revenues or Royalty payments due to the Royalty Holder hereunder, whether in connection with the determination of price, the date of Sale, the date any Royalty payment is due or in any other respect. In the case of Sales of Mineral Product pursuant to the terms of any Trading Contract, Gross Revenues shall be calculated based on the Applicable Spot Price on the date of Sale of such Mineral Product and not the sale price under the Trading Contract. The Royalty Holder acknowledges that the Payor and its affiliates engaging in Trading Activities may result in the Payor and its affiliates realizing from time to time lesser or greater profit for Mineral Product than does the Royalty Holder, since the quantum of the Royalty payments to be made hereunder in respect of sales pursuant to Trading Contracts is to be established by the Applicable Spot Price of the Mineral Product on the date of Sale. Similarly, the Royalty Holder shall not be obligated to share in any losses generated by any such Trading Activities with respect to any Mineral Product.

9. Interest in Land.

The Parties intend that the Royalty, to the extent permissible under applicable Legal Requirements, constitutes an interest in the Property and, accordingly, agree that, to the extent permitted by applicable Legal Requirements:

- (a) the Royalty will run with the Property, and any disposition or transfer of the Property or any interest therein shall be subject to the Royalty;
- (b) the Royalty will attach to an amendment, relocation, conversion of any Claims and to any extension or renewal thereof or to any replacement or substitution thereof; and

- (c) the Royalty Holder shall be entitled from time to time and at its sole cost and expense to register or record notice of its interest in the Royalty against title to the Property or elsewhere, and the Payor shall, and shall cause any affiliate holder of Claims to cooperate with the Royalty Holder to effect such reasonable registrations and recordings and provide its written consent, acting reasonably, to any documents in connection therewith and do such other things, at the cost and expense of the Royalty Holder, as soon as reasonably practicable, as are reasonably necessary to effect any such registrations or recordings.

10. Tax Gross-Up.

(a) Any Royalty payment made hereunder by the Payor shall be made without deduction or withholding for any taxes (“**Withholding Taxes**”), except as required by Legal Requirement.

(b) The Parties agree to reasonably cooperate to (i) reduce or eliminate any Withholding Taxes applicable to the payment of Royalties hereunder, to the extent possible in accordance with Legal Requirements; and (ii) obtain a refund or credit of any Withholding Taxes which have been overpaid, to the extent possible in accordance with Legal Requirements, provided that the Royalty Holder shall not be required to incur any costs or expenses pursuant to this Section 10(b) unless such costs or expenses are reimbursed by the Payor. This Section 10(b) shall not be construed to require the Royalty Holder to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Payor, or to arrange its affairs in any particular manner.

11. Royalty Purchase Option.

(a) Notwithstanding anything else contained herein, the Payor shall have the right (the “**Purchase Option**”) by delivering an irrevocable written notice (the “**Election Notice**”) to the Royalty Holder to repurchase 75% of the Royalty (representing 0.75% of the Royalty Rate) from the Royalty Holder. The price payable in connection with the exercise of the Purchase Option shall be US\$7,500,000 (the “**Exercise Price**”).

(b) On the fifth Business Day following delivery of the Election Notice to the Royalty Holder (the “**Option Closing Date**”), the Payor shall pay the Exercise Price to an account designated by the Royalty Holder. For the avoidance of doubt, the 75% reduction of the Royalty shall only be effective once the Exercise Price has been paid to the Royalty Holder in full.

(c) Any amounts owing under the purchased Royalty up to and including the Option Closing Date shall be paid by the Payor to the Royalty Holder at the time of the next scheduled Payment Date.

(d) The Payor and Royalty Holder shall promptly prepare, execute and record in the public records instruments providing notice to third parties of the Payor’s exercise of the Purchase Option all such further instruments and documents and do all such further actions as may be necessary to amend any registration of this Deed to reflect the reduction of the Royalty Rate upon the exercise of the Purchase Option in accordance with this Section 11.

12. Inspection of Facilities.

The Royalty Holder shall have the right, on the provision of reasonable notice to the Payor, and during regular business hours, to inspect the facilities associated with the Property to the extent necessary to confirm the Payor's proper performance of its obligations under this Deed. Such inspection shall be at the sole risk and expense of the Royalty Holder, it being understood and agreed that the Royalty Holder shall abide by the health and safety rules and regulations of the Payor and that the Royalty Holder shall indemnify and hold harmless the Payor and its affiliates from and against any and all damages, losses, suits and liabilities that they may suffer as a result of damage to life, limb or property as a result of such access by the Royalty Holder, its affiliates and representatives (absent the gross negligence or wilful misconduct of the Payor, its affiliates or their respective representatives). Without limiting the generality of the foregoing, the Payor hereby grants to the Royalty Holder, at the Royalty Holder's sole risk and expense and upon reasonable notice: (a) a right of access by the Royalty Holder (and its representatives) to the Property and to any facilities used by the Payor or any of its affiliates to process Mineral Products (provided that in the event such facility is not owned or controlled by the Payor or its affiliates, such right of access shall only be the same as any such right of access of the Payor or its affiliates and shall be subject to third party contractual requirements in connection therewith); and (b) the right to (i) monitor the Payor's or its affiliates' stockpiling and milling of Mineral Products and to take samples thereof while on the Property or from any facility used by the Payor or any of its affiliates to process Mineral Products for purposes of assay verification; and (ii) to weigh or cause the Payor or its affiliates to weigh all trucks transporting Mineral Products to any facility processing Mineral Products prior to dumping such Mineral Products and immediately following such dumping.

13. Surrender and Reacquisition.

The Payor and its affiliates shall be entitled to surrender, allow to lapse or otherwise relinquish or terminate its interest in all or any part of the Claims or other rights relating to the Property, provided that it shall give 30 days' prior written notice to the Royalty Holder of any intention to do so. If the Payor or any of its affiliates surrenders, allows to lapse or otherwise relinquishes or terminates its interest in any of the Claims or other rights relating to the Property, and for a four-year period thereafter the Payor or any of its affiliates subsequently reacquires a direct or indirect interest in the land or minerals covered by such former Claims or other rights relating to the Property, then from and after the date of such reacquisition such reacquired interest shall be included in the Property and the Royalty shall again apply to such interest so acquired. The Payor shall give the Royalty Holder written notice of such reacquisition within 30 days of the reacquisition but only to the extent such reacquisition occurs within the said four-year period.

14. Confidentiality.

(a) All Confidential Information shall be treated as confidential by the Royalty Holder and shall not be disclosed to any other person other than in circumstances where the Royalty Holder has an obligation to disclose such information in accordance with applicable securities legislation, the applicable rules or policies of any recognized stock exchange or any other applicable Legal Requirements or any Permit. The Payor acknowledges and agrees that the

Royalty Holder may disclose Confidential Information to (a) its directors, officers and employees (and the directors, officers and employees of its affiliates), (b) its and its affiliates' financial, accounting, legal and professional advisors, as well as its and its affiliates' lenders, underwriters and investment bankers, and each of their respective directors, officers, partners or employees, and (c) any actual or prospective bona fide purchaser of the Royalty Holder's rights, benefits or obligations under this Deed (collectively, the "**Representatives**"), in each case provided that (x) each of such Representatives to whom Confidential Information is disclosed is advised of the confidentiality of such information and is directed to abide by the terms and conditions of this Section 14, and (y) the Royalty Holder shall be liable for any breach of this Section 14 by its Representatives.

(b) Each Party agrees that if such Party or its affiliate is required to file this Deed (including the Royalty) on SEDAR+ and/or EDGAR under applicable securities legislation, the Party which has the filing or disclosure requirement shall, prior to filing or disclosing this Deed (including the Royalty), consult with the other Party to redact any commercially sensitive information contained in this Deed (including the Royalty) to the maximum extent permitted by law, and such disclosing or filing Party shall give reasonable consideration to the comments of the other Party.