
PRE-PAID FORWARD GOLD PURCHASE AGREEMENT

dated

August 3, 2018

by

**PARA RESOURCES INC.,
GOLD ROAD MINING CORP.,
and
Z79 GOLD (USA) CORP.,**

as Sellers,

PPG ARIZONA HOLDINGS LP,

as Buyer

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PRE-PAID FORWARD GOLD PURCHASE AGREEMENT

This **PRE-PAID FORWARD GOLD PURCHASE AGREEMENT** (this “**Agreement**”) dated August 3, 2018 is made among PARA RESOURCES INC., a company incorporated under the laws of British Columbia (“**Para**”), GOLD ROAD MINING CORP., a Nevada corporation (“**Gold Road**”), Z79 GOLD (USA) CORP., a Nevada corporation, (“**Z79**,” and together with Para and Gold Road, the “**Sellers**,” and each, a “**Seller**”), and each other Person that may from time to time become a guarantor (collectively, the “**Guarantors**,” and the Guarantors, together with the Sellers, the “**Obligors**” of the Obligations (as defined below)), and PPG ARIZONA HOLDINGS LP (the “**Buyer**”), a limited partnership organized under the laws of Ontario. Each of the Buyer, the Sellers and the Guarantors shall be considered a “**Party**,” and together, the “**Parties**.”

RECITALS

WHEREAS the Sellers own and/or have rights to, without encumbrance other than Permitted Liens (as defined below), and operate, the Sites (as defined below) and expect to produce gold, among other Minerals (as defined below), from the Mine (as defined below) throughout the term of this Agreement;

AND WHEREAS the Sellers, directly and/or through an Affiliate, wish to sell to the Buyer, and the Buyer, directly and/or through an Affiliate, wish to purchase from the Sellers, the Contract Quantity (as defined below) of Gold (as defined below). In consideration for such sale of Gold, the Buyer wishes to make a prepayment in installments on the Effective Date (as defined below), with the remainder of the consideration for such sale of Gold, if any, to be payable following Delivery (as defined below), all on and subject to the terms and conditions specified herein;

AND WHEREAS, by virtue of the foregoing, each Guarantor considers that it is receiving at least fair consideration and reasonably equivalent value from the Buyer for the obligations herein;

NOW THEREFORE in consideration of the premises, mutual covenants, representations and warranties made herein, and of the mutual benefits to be derived hereby, and for other good, fair and valuable consideration and reasonably equivalent value, the receipt and sufficiency of which are hereby acknowledged by each Obligor, the Obligors hereby agree with the Buyer as follows:

Section 1 Definitions

As used in this Agreement, the following terms have the following meanings:

“**Actual Monthly Quantity**” means, with respect to each Monthly Delivery Date, the amount of Gold in Ounces actually Delivered by or on behalf of the Sellers to the Buyer on such Monthly Delivery Date.

“**Additional Gold Payment Amount**” has the meaning given to it in Section 7(2)(a).

“**Additional Gold Payment Date**” means, in respect of each Monthly Delivery Date, the date that falls two (2) Business Days after such Monthly Delivery Date.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“**Agreement**” has the meaning specified in the Preamble.

“**Angra Metals**” means Angra Metals Mineração Ltda., a company organized under the laws of the Federative Republic of Brazil.

“**Annual Business Plan**” means the Sellers’ most recent financial plan in effect from time to time that has been delivered by or on behalf of the Sellers to the Buyer.

“**Annual Production Forecast**” means an annually updated forecast of production of gold from the Mine for a period commencing on the date of such update and ending on the six (6) year anniversary of the Effective Date (provided that the period for the Annual Production Forecast may be extended following completion of the Drilling Program pursuant to Section 7(1)(c)), which includes (a) forecasted production for the next 12 months of operation on a monthly basis and (b) forecasted production thereafter on an annual basis, and is in the form attached as Schedule B.

“**Applicable Laws**” means all applicable laws, statutes, regulations, Environmental Laws, Applicable Securities Laws, ordinances, codes of practice, circulars, guidance, common law, civil law, rules, policies, guidelines, treaties and regulations, and all directives, orders, judgments, decisions, injunctions, awards and decrees of any Authority, in each case having the force of law.

“**Applicable Securities Laws**” means all applicable securities laws of Canada and the United States, as applicable, and the respective rules and regulations under such laws together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings and other applicable regulatory instruments of the securities regulatory authorities in any of Canada and the United States, as applicable, and such other jurisdictions as may be mutually acceptable to the Sellers and the Buyer.

“**Authority**” means any national, regional, state, municipal or local government or governmental, administrative, fiscal, judicial, arbitral or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any Person, whether or not government-owned and howsoever constituted or called, that exercises the functions of a central bank), including, but not limited to, any Canadian Authority.

“**Bankruptcy Law**” means all Applicable Laws pertaining or applicable to bankruptcy, insolvency, debtor relief, debtor protection, liquidation, reorganization, winding up, arrangement, receivership, administration, moratorium, assignment for the benefit of creditors or other similar laws applicable in Canada, the United States or any other applicable jurisdictions as in effect from time to time.

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]

“**Bauer**” means Bauer Resources, LLC, a limited liability company organized under the laws of Colorado.

“**Business Day**” means any day other than a Saturday or Sunday on which commercial banks London, England, New York, New York, and Toronto, Ontario are open for general business and on which the Gold Price is published on the Reference Price Source.

“**Buyer**” has the meaning specified in the Preamble.

“**Buyer Event of Default**” means an Event of Default with respect to the Buyer.

“Buyer’s Unallocated Gold Account” means the unallocated gold account of the Buyer to be designated by the Buyer in accordance with this Agreement on or prior to the Effective Date.

“CAS” means the lawful currency of Canada.

“Calculation Agent” means the Buyer.

“Canadian Authority” the government of Canada, or any political subdivision thereof, whether federal, provincial, regional, territorial, municipal or local, and any public department, agency, authority, instrumentality, board, bureau, or arbitral, judicial or administrative, regulatory body, self-regulatory authority or body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national body exercising such powers or functions), including, but not limited, to any securities commission, a Minister of the Crown, the Superintendent of Financial Institutions, or any other comparable authority or agency, and any subdivision of any of the foregoing.

“Capital Expenditure Report” means a report substantially in the form set out in Schedule G (it being understood that such report may be modified from time to time to the extent necessary in the opinion of the Buyer, acting reasonably, to calculate any funding surplus or deficit or otherwise in connection with this Agreement).

“Change of Control” means the occurrence of any of the following events: (a) any Person, other than an Existing Seller Shareholder, is or becomes the owner, directly or indirectly, beneficially or of record, of shares representing more than 50% (calculated on a fully diluted basis) of the aggregate ordinary voting power represented by the outstanding share capital of any Obligor; (b) the possession, directly or indirectly, by a Person, other than an Existing Seller Shareholder, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise of any Obligor; or (c) the approval by any Obligor’s shareholders of any plan or proposal for the liquidation or dissolution of such Obligor.

“Collateral” means any and all real and personal property, assets, rights, titles and interests in respect of which the Buyer has or will have a Lien pursuant to a Security Document, whether tangible or intangible, presently held or hereafter acquired, and all products and proceeds of the foregoing, including insurance proceeds related to the foregoing, notwithstanding anything herein to the contrary, in no event shall the term “Collateral” include, or any security interest granted attach to, any Excluded Collateral. The collateral shall consist, without limitation, of all real and personal assets of the Obligors subject to the terms and conditions of this Agreement.

“Collection Account” means the account to be opened in the name of Gold Road for the purpose of receiving all cash proceeds of Mineral sales from the Gold Road Project.

“Collection Account Instruction” means an irrevocable instruction from the Sellers to an Offtaker, in form and substance satisfactory to the Buyer in its sole discretion, to pay all cash proceeds of Mineral sales into the applicable Collection Account.

“Colombia Milling” means Colombia Milling Limited, a company organized under the laws of Belize.

“Compliance Certificate” means a certificate substantially in the form of Exhibit B hereto.

“Conex” means Conex Services Inc., a corporation formed under the laws of British Columbia.

“**Conex Note**” means that certain convertible promissory note, dated as of August 3, 2018 issued by Para in favor of Conex.

“**Consents**” means any consent, authorization, license, registration, exemption, filing, agreement, permit or approval from, by, or with, an Authority or any other Person required in order for the Buyer and the Obligors to enter into and perform their respective obligations under this Agreement and the other Transaction Documents.

“**Conterra**” means Conterra Construction LLC, a Washington limited liability company.

“**Conterra Note**” means that certain convertible promissory note, dated as of August 3, 2018 issued by Para in favor of Conterra.

“**Contract Quantity**” means a total of 44,100 Ounces of Gold to be Delivered as follows:

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to specific gold quantities.]

“**Contract Quantity Exchange Option**” has the meaning specified in Section 23(1).

“**Control**” of any Person means the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to, directly or indirectly, (a) cast, or control the casting of, more than 50% of the maximum number of votes that might be cast at a general meeting of such Person; (b) appoint or remove all, or the majority, of the directors or other equivalent officers of such Person; or (c) otherwise direct or cause the direction of the management of such Person.

“**Debt**” of any Person means (a) all indebtedness of such Person for borrowed money or on account of borrowings of commodities, bankers’ acceptances, letters of credit or letters of guarantee, (b) all indebtedness of such Person for the deferred purchase price of property or services represented by a note, bond, debenture or other evidence of Debt, (c) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the vendor under such agreement in the event of default are limited to repossession or sale of such property), (d) all current liabilities of such Person represented by a note, bond, debenture or other evidence of Debt, (e) all obligations under leases that have been or should be, in accordance with GAAP or IFRS, as applicable, recorded as capital leases in respect of which such Person is liable as lessee, (f) all obligations of such Person in respect of a prepaid purchase or forward purchase transaction and all obligations that would in accordance with GAAP or IFRS, as applicable, be accounted for as deferred revenue, (g) any royalty obligations and (h) any guarantee, indemnification or other similar obligation in respect of an obligation of any other Person of the type referred to in (a) to (h), above. For the avoidance of doubt, any Past Due Payables incurred in the Ordinary Course of Business and not past due for more than 91 days after the date on which each such trade payable or account payable was created are excluded from the definition hereof.

“**Default**” means, in relation to any Party, an event which, with the giving of notice or passage of time, or both, would constitute an Event of Default in relation to such Party.

“**Default Interest Rate**” means, as of any date of calculation, a rate equal to LIBOR for such date plus 2% *per annum*.

“**Defaulting Party**” has the meaning specified in Section 14(1).

“**Delivery**” means the delivery of Gold by the Sellers to the Buyer by means of credit to the Buyer’s Unallocated Gold Account and “**Deliver**” and “**Delivered**” shall have corresponding meanings. For the avoidance of doubt, Delivery shall be deemed to have occurred at the time that Gold is credited to the Buyers’ Unallocated Gold Account.

“**Depositors**” means the Sellers and gold-producing Subsidiaries of the Sellers (if any), collectively.

“**Disclosing Party**” has the meaning specified in Section 16(1)(a).

“**Distribution**” means:

- (a) any dividend or other distribution on issued shares of a Person or any of its Subsidiaries; or
- (b) the purchase, redemption or retirement amount of any issued shares, warrants or any other options or rights to acquire shares of a Person or any of its Subsidiaries redeemed or purchased by such Person or any its Subsidiaries.

“**Drilling Program**” means the Sellers’ planned drilling program, anticipated to be completed within nine (9) months following the Effective Date, to define further mineable resources at the Mine and extend the estimated life of the Mine.

“**Early Termination Amount**” has the meaning specified in Section 5(8).

“**Early Termination Date**” has the meaning specified in Section 14(1).

“**Effective Date**” means the date on which (a) the conditions precedent set forth in Section 3(1) have been satisfied in accordance with the terms thereof and (b) the Buyer makes an installment payment of the Gold Prepayment Amount to the Sellers in an amount equal to US\$14,450,000.

“**Environment**” means all components of the earth, including: air (including air within any building or other natural or man-made structure), water, land, flora, fauna, ecosystems and man, and any sewer system.

“**Environmental Laws**” means any and all Applicable Laws concerning pollution or the protection of the Environment, human health or welfare, the conditions of the workplace or the generation, transportation, storage, treatment or disposal of any Hazardous Substance, including civil or common law responsibility for acts of omission with respect to the Environment, and all Permits issued pursuant to such laws.

“**Environmental Liabilities**” means any cost, damage, expense, liability, obligation or other responsibility arising from or under Environmental Laws and consisting of or relating to: (a) any environmental conditions (including on-site or off-site contamination, and regulation of Hazardous Substances); (b) fines, penalties, judgments, awards, settlements, legal or administrative proceedings, damages, losses, claims, demands and responses, investigative, remedial, monitoring or inspection costs and expenses arising under Environmental Laws; (c) cleanup costs or corrective action, including any investigation, cleanup, removal, containment, monitoring or other remediation or response actions required by Environmental Laws (whether or not such has been required or requested by any Authority or any other Person) and for any natural resource damages; or (d) any other compliance, corrective, investigative, notice or remedial measures required under Environmental Laws; provided, however, that Environmental Liabilities shall not include any reclamation obligations of any Obligor or any of their respective Affiliates or the foregoing arising in the Ordinary Course of Business under the Permits, the

Mining Concessions or Applicable Laws which reclamation obligations relate to the exploration, start-up, development, expansion of production or operation of the Sites.

“**Event of Default**” has the meaning specified in Section 13(1) in relation to the Sellers and Section 13(2) in relation to the Buyer.

“**Exchange Deadline**” has the meaning specified in Section 23(1).

“**Exchange Notice**” has the meaning specified in Section 23(1).

“**Existing Seller Shareholder**” means any shareholder of any Seller holding more than 15% of the outstanding shares of such Seller as of June 26, 2018.

“**Excluded Collateral**” means, collectively:

- (a) pledges and security interests prohibited by Applicable Laws (to the extent such law, rule or regulation is effective under applicable anti-assignment provisions of the UCC), other than proceeds and receivables thereof;
- (b) any lease, license, permit or other agreement or any Property subject to a purchase money security interest or similar arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money arrangement or create a right of termination in favor of any other party thereto (other than an Obligor) after giving effect to the applicable anti assignment provisions of the UCC, the assignment of which is expressly deemed effective under the UCC notwithstanding such prohibition, and other than proceeds and receivables thereof;
- (c) any United States intent to use trademark applications to the extent that, and solely during the period in which, the grant, attachment or enforcement of a security interest therein would, under applicable federal law, impair the registrability of such applications or the validity or enforceability of registrations issuing from such applications;
- (d) any asset owned by an Obligor on the date hereof or hereafter acquired by an Obligor and, in each case, the proceeds thereof, that is subject to a Purchase Money Lien in connection with Permitted Debt; and
- (e) particular property or assets, if and for so long as, in the Buyer’s sole discretion (confirmed in writing by notice to Obligors), the cost of obtaining, perfecting or maintaining a security interest in such property or asset exceeds the fair market value thereof or the practical benefit to the Buyer afforded thereby.

“**Financial Quarter**” means each three-month period ending on March 31, June 30, September 30 and December 31 of each calendar year.

“**Financial Year**” means each calendar year commencing on January 1 and ending on December 31.

“**FINTRAC**” means the Financial Transactions and Reports Analysis Centre of Canada.

“**Four C**” means Four C Resources LLC, a limited liability company organized under the laws of Colorado.

“**GAAP**” means, in relation to any Person at any time, accounting principles generally accepted in the United States of America, applied on a basis consistent with the most recent audited financial statements of such Person (except for changes approved by the auditors of such Person).

“**Gold**” means the gold bars or unallocated gold complying with the rules of the LBMA from time to time in effect relating to good delivery and fineness.

“**Gold Prepayment Amount**” has the meaning given to it in Section 7(1)(a).

“**Gold Price**” means the LBMA Gold Price PM.

“**Gold Price Discount**” means *[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information related to gold pricing.]*.

“**Gold Road**” has the meaning specified in the Preamble.

“**Gold Road Project**” means the gold mining project of Gold Road located within the Site named as the Gold Road Mine on Schedule A, to which the Mining Concessions relate, and all properties, assets, facilities, equipment, rights, titles, interests, contracts, Consents and Permits associated directly or indirectly in any manner whatsoever therewith (including, without, limitation, the Mining Concessions).

“**Gold Shortfall**” means, for any Monthly Delivery Date, the amount in Ounces (if any) by which A exceeds B, where:

A is equal to the Scheduled Monthly Quantity for such Monthly Delivery Date; and

B is equal to the Actual Monthly Quantity Delivered with respect to such Monthly Delivery Date, excluding any Gold Shortfall Delivered in respect of a prior Scheduled Delivery Month.

“**Gold Shortfall Replacement Cost**” means, for any Monthly Delivery Date, an amount in US Dollars equal to the product of the Gold Shortfall and the Gold Price on such Monthly Delivery Date.

“**Guarantee**” has the meaning specified in Section 9(1)(a).

“**Guarantors**” has the meaning specified in the Preamble.

“**Guarantor Joinder Agreement**” means a guarantor joinder agreement substantially in the form of Exhibit A hereto.

“**Hazardous Substance**” means any substance, product, liquid, waste, pollutant, chemical, contaminant, insecticide, pesticide, gaseous or solid matter, organic or inorganic matter, fuel, micro-organism, ray, odor radiation, energy, vector, plasma, constituent or material that: (a) is or becomes listed, regulated or addressed under any Environmental Law; or (b) is, or is deemed to be alone or in any combination, hazardous, hazardous waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination under any Environmental Law, including, asbestos, petroleum and polychlorinated byphenyls, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated byphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“**IFRS**” means, in relation to any Person at any time, the International Financial Reporting Standards, applied on a basis consistent with the most recent audited financial statements of such Person (except for changes approved by the auditors of such Person).

“**Indemnified Person**” has the meaning given to it in Section 15(2).

“**Initial Annual Production Forecast**” means the Annual Production Forecast of Gold for a period commencing on the Effective Date and ending on the date that is 72 months thereafter, in the form attached as Schedule B hereto.

“**Initial Expense Budget**” means the monthly budget set forth in Schedule N.

“**Instrument**” means any contract, agreement, undertaking, indenture, deed of trust, mortgage, certificate, document or writing (whether formal agreement, letter or otherwise) under which any obligation, duty, covenant, agreement, affirmation, undertaking or liability is evidenced, assumed or undertaken, or any right or Lien (or right or interest therein) is granted, authenticated, notarized, authorized or perfected, and any notice, registration, recordation or filing associated with or required by any of the foregoing.

“**ITA**” means “An Act respecting income taxes” which may be cited as the Income Tax Act (R.S.C., 1985, c. 1 (5th Supp.), as amended).

“**Judgment Currency**” has the meaning specified in Section 22(2).

“**Knowledge**” means, when referring to the “knowledge” of any Person, or any similar phrase or qualification based on knowledge, the actual knowledge of such Person (and, in the case of a Person that is not an individual, the actual knowledge of senior management of such Person), and the knowledge that such Person (or senior management of such Person) would have obtained after making due and appropriate inquiry with respect to the particular matter in question.

“**LBMA**” means the London Bullion Market Association or its successor.

“**LBMA Gold Price PM**” means, with respect to any pricing date, the afternoon London gold price per troy ounce of gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated and administered by independent service provider(s), pursuant to an agreement with the LBMA. In the event that such reference price ceases to exist, the LBMA Gold Price PM will be based on a comparable, publicly available and widely recognized source or mechanism as determined in the sole and absolute discretion of the Buyer.

“**LIBOR**” means: (a) for any calculation date that is a Business Day, an interest rate *per annum* equal to the average of the rates which leading banks in the London interbank markets shall quote and offer to the Buyer for placing overnight deposits on such day with the Buyer in US Dollars at approximately 10:00 a.m. (London time) two Business Days prior to such date; and (b) for any calculation date that is not a Business Day, such average at approximately 10:00 a.m. (London Time) on the Business Day prior to such date. Notwithstanding the foregoing, if such average shall be less than 0%, LIBOR shall be deemed to be 0% for purposes of this Agreement.

“**Lien**” means any mortgage, charge (whether fixed, floating or otherwise), pledge, hypothecation, security interest, assignment, trust encumbrance (whether transferred in trust, security trust or otherwise), lien (statutory or otherwise), title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition that in substance secures payment or performance of an obligation.

“**Material Adverse Effect**” means, with respect to any Obligor, a material and adverse effect on (a) its financial condition, business, properties, assets or prospects, including the Mine, the Site or the Collateral, as applicable, (b) its ability to perform its obligations under this Agreement or any of the Transaction Documents, (c) the validity or enforceability against it of this Agreement or any of the Transaction Documents or (d) the validity, enforceability or priority of the security interest provided for in the Transaction Documents.

“**Material Agreements**” means this Agreement, the Security Documents, the Mineral Sales Contract/Refining Agreement, and all other agreements to which any Obligor is a party and which relate in any manner to the access to or the development, construction, operation and maintenance of the Mine and/or the Mining Concessions, including the conduct of mining activities thereon.

“**Mine**” means the Gold Road Project.

“**Mineral Sales Contract/Refining Agreement**” means an agreement to be executed by and among the Sellers and gold-producing subsidiaries of the Sellers, as depositors; the Buyer; and an Offtaker, to purchase or refine all gold-containing concentrate or doré produced by the Sellers and gold-producing subsidiaries of the Sellers.

“**Mineral Processing Facility**” means any mill or other processing facility owned by any Obligor or any third-party mill or other processing facility that may process ore and/or mineralized rock from the Mine under the Mineral Sales Contract/Refining Agreement.

“**Minerals**” means any and all marketable minerals or materials (including gold) in whatever form or state that is mined, extracted, removed, produced or otherwise recovered from the Mining Concessions, including any such material derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Mining Concessions, and including ore and/or mineralized rock or other products resulting from the further milling, processing or other beneficiation of Minerals, including concentrates or doré bars.

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information related to gold pricing and protection.]

“**Mining Concessions**” means those certain Patented Claims and Unpatented Claims granted by any Authority to any Obligor or to third parties, as listed in Schedule F, as amended and supplemented from time to time, including, but not limited to, those rights and interests transferred and assigned to any Obligor, including all “step-in” rights, interests, privileges and mining rights under Applicable Laws, and any amendment or modification to the aforesaid concession or any future extraction concession relating to any area within the such concession, including any rights, privileges and interests that any Obligor may acquire in the surface, mineral and subsurface lands and other property rights within the area of said concession.

“**Mojave Desert**” means Mojave Desert Minerals, LLC, a Nevada limited liability company.

“**Mojave Desert Note**” means that certain promissory note, dated as of August 22, 2017, issued by Para and Gold Road in favor of Mojave Desert.

“**Monthly Delivery Date**” means the fourth Business Day prior to the last calendar day of the Scheduled Delivery Month.

“Monthly Delivery Pricing Date” means the last Business Day of each Scheduled Delivery Month.

“Monthly Payable Production” means the quantity of gold produced from the Mine by or on behalf of the Obligor and paid for each calendar month, determined in accordance with the relevant Mineral Sales Contract/Refining Agreement.

“Monthly Report” means a written report satisfactory to the Buyer to be delivered by the Sellers to the Buyer, in relation to any calendar month, including the following detail as applicable:

- (a) all ore and/or mineralized rock tonnages and head grades of Minerals contained in the ore and/or mineralized rock mined from the Mining Concessions and waste movement and/or operational development during such month;
- (b) with respect to any Mineral Processing Facility, the quantity of ore and/or mineralized rock tonnages processed and head grades of the ore and/or mineralized rock processed from the Mining Concessions during such month;
- (c) with respect to any Mineral Processing Facility, the quantity of Gold produced during such month and the resulting recoveries for gold;
- (d) the quantity of gold contained in each delivery of Minerals to an Offtaker during such calendar month for which the Obligor was paid (provisional or final);
- (e) the amount of Gold Delivered to the Buyer for that calendar month;
- (f) a reconciliation between items (d) and (e);
- (g) a copy of any statement received from an Offtaker during such calendar month;
- (h) with respect to the total quantity of gold in each delivery of Minerals to an Offtaker during such calendar month for which the Obligor was paid (provisional or final), the average sales price for gold during such calendar month;
- (i) the cash cost per Ounce of gold produced and sold and a breakdown of all costs incurred by any Obligor including, but not limited to, with respect to the Mine and the Site related to the Mine, details on costs charged by the Offtaker, total capital expenditures, any salaries for direct employees or administrative personnel and any other general Mine camp costs for such reporting period;
- (j) with respect to the Site related to the Mine, for both production headings and for the plant: costs by process (drilling, blasting, hauling, support, administrative, crushing, grinding, flotation, etc.) and cost by element (labor, energy, supplies, other);
- (k) costs for development at the Mine and a calculation of all-in sustaining costs per Ounce of gold produced and sold;
- (l) during the construction and development phase of the Mine a detailing of the project progress with respect to the Mine, including, but not limited to, the progress with respect to the mine (including the development rate) mill, processing facility, capital expenditures, update of the schedule and the estimated construction completion timing,

and any construction issues, including a comparison of such costs to the Initial Expense Budget;

- (m) during the construction and development phase of the Mine, a detailing of all capital expenditures (including initial estimate) to date related to the development of the Mine and an update of the total current estimated capital expenditures for the completion of the Mine in the form set forth as Schedule G hereto, including a comparison of such costs to the Initial Expense Budget;
- (n) during the construction and development phase of the Mine, detail on underground development rates achieved to date, an update on the development schedule and detail on any construction issues;
- (o) safety performance information including rate of incidents and descriptions of serious incidents;
- (p) any pertinent administrative topics, such as human resources issues, accounting topics, hiring success, permitting, union issues, issues with regulators or government, security issues and operational readiness topics; and
- (q) any additional information that the Buyer may reasonably request from the Sellers from time to time.

“**Non-Defaulting Party**” has the meaning specified in Section 14(1).

“**Obligations**” has the meaning specified in Section 9(1)(a).

“**Obligors**” has the meaning specified in the Preamble.

“**Offtaker**” means any Person other than the Obligors that purchases Minerals from the Obligors or that takes delivery of Minerals for the purpose of smelting, refining or other beneficiation of such Minerals for the benefit of any Obligor.

“**Ordinary Course of Business**” in respect of any transaction involving any Person, the ordinary course of such Person’s business, as conducted by any such Person in accordance with past practice and undertaken by such Person in good faith and not for purposes of evading any covenant or restriction in this Agreement.

“**Original Currency**” has the meaning specified in Section 22(2).

“**Other Taxes**” means any present or future stamp or documentary taxes or any other exercise or property taxes, charges, financial institutions duties, debits taxes or similar levies, together with any interest and any penalties, additions to tax or additional amounts with respect thereto.

“**Ounce**” means a fine troy ounce.

“**Para**” has the meaning specified in the Preamble.

“**Party**” has the meaning specified in the Preamble.

“**Past Due Payables**” means each payable set forth in Schedule C.

“Patented Claims” means a mining claim as set forth on Schedule F for which the US federal government has passed its title to the claimant thereof, giving the claimant exclusive title to locatable minerals therein and, in most cases, to the surface and all resources thereof.

“Paying Party” has the meaning specified in Section 22(3).

“Payoff Date” has the meaning specified in Section 9(6).

“Permits” means any permit, license, certificate, consent, approval, registration, waiver or other authorization issued or required to be issued, by any Authority, including any such Permit required under Environmental Law and any and all Permits that are necessary and required to be obtained at any particular time to undertake and conduct the business of the Obligor, including: (i) the start-up, development, expansion of development or operation of Sites or the Mining Concessions; and (ii) the financial condition of the Obligor; in each case, as set out in Schedule H.

“Permitted Debt” means (a) the obligations to the Buyer under this Agreement; (b) Debt arising in connection with purchases or leases of equipment or property required by any Guarantor for the operation of its business in the normal course; (c) surety and similar bonds and other obligations of like nature to secure bids, contracts, leases, statutory obligations and similar obligations arising in the Ordinary Course of Business, including closure plan and reclamation obligations and related guarantees; (d) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds; (e) Debt arising from netting services, overdraft protection, cash management obligations and otherwise in connection with deposit and securities accounts in the Ordinary Course of Business; (f) the Debt evidenced by the Mojave Desert Note, in an amount not to exceed US\$6,000,000; (g) the Debt evidenced by the Conex Note and the Conterra Note, in an amount not to exceed, in the aggregate, CA\$10,652,533; or (h) obligations in connection with a full prepayment by the Sellers of their obligations under this Agreement as contemplated in Section 5(8).

“Permitted Liens” means, in respect of any Person, any one or more of the following:

- (a) Liens for Taxes, assessments or governmental charges or levies that are not delinquent or the validity of which is being contested at the time by the Person in good faith by proper legal proceedings if, either: (i) adequate provision has been made for their payment, or (ii) the Liens are not in the aggregate materially prejudicial to the security constituted by the Security Documents;
- (b) easements, rights-of-way, servitudes, zoning restrictions, survey exceptions, encroachments, licenses and similar rights or defects in or to real property comprised in the assets of the Person or interests therein granted or reserved to other Persons; provided that such rights or defects: (i) do not reduce the value of the assets of the Person in any material respect, (ii) do not materially interfere with the use of such assets in the operation of the business of the Person, or (iii) are not materially prejudicial to the security constituted by the Security Documents;
- (c) Liens given to a public utility or any municipality or governmental or other public authority when legally required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Person; provided that such Liens, in the Buyer’s opinion: (i) do not materially interfere with the use of such assets in the operation of the business of the Person and (ii) are not materially prejudicial to the security constituted by the Security Documents;

- (d) Liens resulting from the deposit or pledge of cash or securities in connection with contracts, tenders, bids, leases, government contracts, supply agreement utilities or expropriation proceedings;
- (e) Liens in favor of the Buyer created by the Security Documents;
- (f) Purchase Money Liens;
- (g) Liens for Permitted Debt, subject to customary subordination provisions;
- (h) pledges and deposits made in the Ordinary Course of Business in compliance with workers' compensation, unemployment insurance and other social security or employment laws or regulations;
- (i) carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other similar Liens arising in the Ordinary Course of Business which are not overdue for more than thirty (30) days or which are being contested in good faith and by appropriate proceedings diligently prosecuted, which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto and for which adequate reserves in accordance with GAAP are being maintained;
- (j) zoning restrictions and easements, licenses, covenants and other restrictions affecting the use of real property or Patented Claims that do not individually or in the aggregate have a Material Adverse Effect on any Obligor's ability to use such real property for its intended purpose in connection with such Obligor's business;
- (k) any interest or title of a lessor or sublessor under any lease entered into in the Ordinary Course of Business and any Liens arising from the filing of precautionary UCC financing statements with respect to any lease;
- (l) Liens in favor of payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of any Obligor on deposit with or in possession of such bank;
- (m) Liens resulting from any judgment that is not itself an Event of Default;
- (n) the inchoate right arising by operation of law under Article 2 of the Uniform Commercial Code in favor of a reclaiming seller of goods or buyer of goods;
- (o) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of equipment entered into by any Obligor in the Ordinary Course of Business and not prohibited by this Agreement;
- (p) Liens on cash deposits in connection with bids, tenders, or leases or as security for surety bonds, license bonds, permit bonds, or appeal bonds, security deposits, utility deposits, or earnest money, or other cash deposits in each case in the Ordinary Course of Business;
- (q) pledges or deposits of cash securing deductibles, self-insurance, co-payment, co-insurance, retentions and similar obligations to providers of insurance in the Ordinary Course of Business to the extent the underlying transaction is not prohibited by the terms of this Agreement;

- (r) Liens described on Schedule K; and
- (s) such other Liens as may be approved in writing by the Buyer from time to time.

“**Person**” means a natural person, partnership, corporation, joint stock company, trust, unincorporated association, joint venture or Authority, and pronouns have a similarly extended meaning.

“**Priority Accounts Payable**” means, at any time, the amount past due and owed by the Obligor; or which they have an obligation to remit to an Authority pursuant to any Applicable Laws in respect of pension fund obligations, unemployment insurance, goods and services taxes, sales taxes and other taxes payable or to be remitted or withheld, workers’ compensation and other like charges and demands, in respect of which any Authority may claim a security interest or other claim ranking or capable of ranking in priority at law to the security interests created by the Security Documents.

“**Process Agent**” means CT Corporation System, with an office on the date hereof at 111 Eighth Avenue, 13th Floor, New York, NY 10011.

“**Produced Gold**” means any and all gold in whatever form or state that is mined, produced, extracted or otherwise recovered from the Mining Concessions and the Mine, including any gold derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Mining Concessions, and including gold contained in any ore and/or mineralized rock or other products resulting from the further milling, processing or other beneficiation of Minerals, including concentrates and doré bars.

“**Project Technical Characteristics**” means mineral resources, mineral reserves, mine plans, and project economics, including operating and capital costs, utilized to determine the technical and economic feasibility of the start of the sustainable commercial operation of the Sites, each as disclosed to the Buyer.

“**Prudent Mining Industry Practices**” means those practices, standards, methods, techniques and specifications, as they may evolve, change and modify from time to time that: (a) are commonly used and generally accepted in the mining industry as good, safe and prudent operational, administrative and engineering practices in connection with the design, construction, operation, maintenance, repair or use of mining projects, mining facilities, mining infrastructure, mining equipment or other components of a mining operation; (b) conform in all material respects to Applicable Laws; (c) conform in all material respects to operational and maintenance guidelines and requirements suggested by applicable manufacturers, suppliers and insurance providers (taking into account the size, age, service and type of asset); and (d) are commercially reasonable based on the nature of the Sites and the size of the operations at the Sites.

“**Purchase Money Lien**” means a Lien created or incurred by a Person securing indebtedness incurred to finance the acquisition of assets or property (including the costs of installation thereof); provided that: (a) such Lien is created substantially simultaneously with the acquisition of such assets or property; (b) such Lien does not at any time encumber any property other than the assets or property financed by such indebtedness; (c) the amount of indebtedness secured thereby is not increased subsequent to such acquisition; and (d) the principal amount of indebtedness secured by such Lien at no time exceeds 100% of the original purchase price of such assets or property (including the costs of installation thereof in the aggregate not in excess of US\$100,000).

“**Purchase Offer Termination Date**” has the meaning specified in Section 3(2).

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold quantities.]

“**Quarterly Report**” means a written report, in relation to any Financial Quarter, including the following financial information:

- (a) a forecast (by quarter) of the expected Actual Monthly Quantity for the balance of the Financial Year; and
- (b) a calculation of cost per Ounce of gold produced from the Mining Concessions for such Financial Quarter.

“**Reasonable and Prudent Operator**” means a Person seeking in good faith to perform its contractual obligations and in so doing, and in the general conduct of its undertaking, exercising that degree of skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator complying in all material respects with all Applicable Laws engaged in the same type of undertaking, under the same or similar circumstances and conditions and in the same general location and size of operations. A Reasonable and Prudent Operator is not necessarily defined as a Person performing the optimal standard practice method or act to the exclusion of others, but rather refers to a range of action reasonable under the circumstances.

“**Receiving Party**” has the meaning specified in Section 22(3).

“**Recipient**” has the meaning specified in Section 16(1)(a).

“**Reference Price Source**” mean, with respect to gold, Bloomberg, any other comparable index or any comparable, publicly available and widely recognized source or mechanism, each as determined in the sole and absolute discretion of the Buyer.

“**Related Party**” means in respect of any Obligor or any Affiliates thereof: (a) a Person which alone or in combination with others holds a sufficient number of securities or has contractual rights sufficient to affect materially the Control of any Obligor or any Affiliates thereof; (b) a Person in respect of which a Person referred to in clause (a) alone or in combination with others holds a sufficient number of securities or has contractual rights sufficient to affect materially its control; (c) a Person in respect of which any Obligor or any Affiliates thereof alone or in combination with others holds a sufficient number of securities or has contractual rights sufficient to affect materially its control; (d) a Person who beneficially owns, directly or indirectly, voting securities of any Obligor or any Affiliates thereof or who exercises control or direction over voting securities of any Obligor or any Affiliates thereof or a combination of both carrying more than 10% of the voting rights attached to all voting securities of any Obligor or any Affiliate thereof for the time being outstanding; (e) a director or senior officer of any Obligor or Affiliates thereof, or related party of any Obligor or any Affiliate thereof; or (f) an Affiliate of any of the foregoing.

“**Restricted Party**” means a Person that is: (a) listed on, or fifty percent or more owned or controlled by a person or entity listed on, any Sanctions List; (b) located in, organized under the laws of, or resident in a country or territory that is a subject of country-wide or territory-wide Sanctions; or (c) otherwise a target of Sanctions (namely a person with whom a U.S. person or other relevant national would be prohibited or restricted by law from engaging in trade, business or other activities).

“**Sanction(s)**” means any sanction administered or enforced by the Canadian government (including, without limitation, FINTRAC), the United States government, the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority.

“**Sanctions List**” means (a) the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Treasury Department’s Office of Foreign Assets Control; (b) the Consolidated List of Financial Sanctions Targets maintained by the UK Treasury; (c) any sanction list created or maintained by FINTRAC; or (d) any similar list maintained by any other relevant sanctions authority.

“**Scheduled Delivery Month**” means the 54 calendar months following the month in which the Effective Date occurs, in accordance with this Agreement and including any months pursuant to Section 7(3) under this Agreement *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to timing and dates.]*

“**Scheduled Monthly Quantity**” means:

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to deliverable gold quantities.]

“**Security Documents**” means the guarantees and security documents, including, but not limited to, those agreements set out in Schedule M hereto, and each other guarantee and security from time to time delivered by or on behalf of any Obligor as security for its obligations under this Agreement and the other Transaction Documents.

“**Seller**” and “**Sellers**” have the meanings specified in the Preamble.

“**Seller Default**” and “**Seller Default or Event of Default**” means, as applicable, a Default or Event of Default with respect to the Sellers.

“**Settlement Price**” means, with respect to gold, the LBMA Gold Price PM.

“**Sites**” means all assets needed to conduct mining activities by any Obligor on the Mining Concessions, including, but not limited to the Mining Concessions, real property, lands, rights to use or possess real property or lands, mills, equipment, tools, spare parts, infrastructure, roads, permits, etc., identified as belonging to any Obligor, as set out in Schedule A.

“**Sovereign Immunities Act**” means The Foreign Sovereign Immunities Act of 1976, as amended from time to time.

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold quantities.]

“**Subsidiary**” means, with respect to any Person at any time, any other Person the accounts of which would be consolidated with those of such Person in such Person’s consolidated financial statements if such financial statements were prepared in accordance with IFRS as well as any other Person (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, by such Person or (b) that is, as of such date, otherwise Controlled by such Person; provided that “Subsidiary” shall not include Colombia Milling or Angra Metals.

“**Suspension Month**” has the meaning specified in Section 21(2).

“**Tax**” or “**Taxes**” means all national, federal, state, regional, provincial, municipal local, foreign and other net income, gross income (“income tax”), gross receipts, sales (“VAT or IVA”), use, ad valorem, transfer, franchise, profits, license, lease, service, goods and services, harmonized sales, value added, withholding, payroll, employment, excise, severance, stamp (“timbre”), occupation premium, property, windfall profits, fuel, gas import, customs, duties or other taxes, fees, assessments or charges of any kind whatsoever imposed by any Authority, whether in effect at the time of this Agreement or thereafter imposed, together with any interest and any penalties, additions to tax or additional amounts with respect thereto.

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to deliverable gold quantities.]

“**Term of this Agreement**” means the period commencing on the Effective Date and ending on the final Monthly Delivery Date.

“**Title Policy**” has the meaning specified in Section 3(1)(g)(i)(C).

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]

“**Transaction Documents**” means this Agreement, the Security Documents, and each other document entered into by any Obligor with the Buyer with respect to the transactions contemplated hereby.

“**United States**,” “**US**” and “**U.S.**” mean the United States of America.

“**Unpatented Claims**” means any unpatented mining claim set forth on Schedule F.

[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]

“**US Dollar**,” “**U.S. Dollar**,” “**US\$**,” and “**\$**” mean the lawful currency of the United States.

“**Z79**” has the meaning specified in the Preamble.

Section 2 Interpretation

- (1) In this Agreement, unless the contrary intention appears, a reference:
 - (a) To a document (including this Agreement or any other Transaction Document) is to that document as varied, amended, novated or replaced from time to time, otherwise than in breach of this Agreement or of that document;
 - (b) To the singular includes the plural and vice versa, and to a gender includes all genders;
 - (c) To any rules, statute or to any treaty or statutory provision includes any modification or re-enactment of it or any treaty or provision substituted for it, and all protocols, rules, guidelines, procedures, ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;

- (d) To a date or time is to that date or time in New York unless otherwise specified; and
 - (e) To the words “including” and “include” shall mean “including without limitation” and “include without limitation,” respectively.
- (2) The headings do not affect the interpretation of this Agreement and the Exhibits and Schedules form part of this Agreement.
 - (3) For purposes of this Agreement, weights in Ounces and prices per Ounce shall be rounded to two decimal places (in each case with 0.005 being rounded upward).
 - (4) In this Agreement the words “Exhibit,” “Exhibits,” “Section,” “Sections,” “Schedule,” or “Schedules” refer to Exhibits to, Sections of, and Schedules to this Agreement.
 - (5) Accounting Terms and Determinations; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Sellers notify the Buyer that the Sellers request an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Buyer notifies the Sellers that the Buyer requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect), to value any Debt or other liabilities of the Sellers or any Subsidiary at “fair value,” as defined therein, (ii) without giving effect to any treatment of Debt in respect of convertible debt instruments under Accounting Standards Codification 470-20, to value any such Debt in a reduced or bifurcated manner as described therein, and such Debt shall at all times be valued at the full stated principal amount thereof and (iii) without giving effect to any change to lease accounting rules from those in effect on the date hereof pursuant to Accounting Standards Codification 840 and other lease accounting guidance as in effect on the date hereof.
 - (6) Time of Day. Unless otherwise specified, all references herein to time of day shall be references to Eastern time (daylight or standard, as applicable).
 - (7) Currency Equivalents. For purposes of determining aggregate amounts and percentages across amounts in different currencies, all such amounts in all currencies shall be expressed in their respective U.S. Dollar equivalents, which equivalents shall be determined by the Buyer in good faith using currency exchange rates in effect on the date of such determination.

Section 3 Conditions Precedent

The obligation of the Buyer to purchase Gold and to pay the purchase price therefor pursuant to this Agreement, including the obligation of the Buyer to pay each of the installments comprising the Gold Prepayment Amount, shall not become effective until the respective date on which the following conditions precedent have been satisfied to the satisfaction of the Buyer or specifically waived in writing

by the Buyer (for the avoidance of doubt, the waiver of one condition shall in no way constitute a waiver of any other condition not specifically waived in writing by the Buyer, in each case in its sole and absolute discretion).

- (1) The following conditions precedent shall apply to the obligation of the Buyer to pay the first installment of the Gold Prepayment Amount to be made on the Effective Date:
 - (a) All representations and warranties of the Obligor set out in this Agreement are true and correct on and as of the Effective Date and after giving effect to the transactions to be effected on the Effective Date.
 - (b) All covenants of the Sellers set out in this Agreement required to be complied with prior to the Effective Date shall have been complied with (other than those which by their nature are required to be complied with and will be complied with as of the Effective Date).
 - (c) No Seller Default or Seller Event of Default shall have occurred and be continuing on or as of the Effective Date or after giving effect to the transactions to be effected on the Effective Date.
 - (d) Each of the Transaction Documents (i) shall have been duly executed, notarized, and/or filed, as applicable, and as may be required from time to time under Applicable Laws, and delivered by the parties thereto in accordance with its terms and Applicable Laws, and shall be in full force and effect in accordance with its terms, and (ii) each of the Transaction Documents shall have been duly registered, as applicable.
 - (e)
 - (i) All required Consents shall have been obtained by the Sellers and delivered to the Buyer, including without limitation:
 - (A) the Written Consent Resolution of the shareholders of Gold Road, signed by Z79, Bauer and Four C, consenting to pledge of the shares of Gold Road held by Z79 and waiving the requirement that such grant shall be subject to the shareholder agreement for Gold Road;
 - (B) all necessary Consents to the assignment of the Permits and Material Agreements; and
 - (C) all necessary regulatory consents or approvals required in respect of the Contract Quantity Exchange Option, including preliminary approval of the TSX Venture Exchange; and
 - (ii) the Buyer shall be satisfied in its sole discretion with the resolution of each of the matters described in Schedules H and L and each other aspect of its due diligence relating to its execution and delivery of this Agreement.
 - (f)
 - (i) Each Obligor, as applicable, shall have filed for registration with the applicable Authority each of the Security Documents as set forth therein, and (ii) except for the perfection by control over the shares in Z79, the Liens under the Security Documents listed in Schedule M shall have been duly created, and, where applicable, registered as

valid and enforceable first priority Liens (subject only to Permitted Liens) or other interests or rights of the kind the relevant Security Documents purport to create over all of the Collateral, subject only to Permitted Liens.

(g) Real Property.

(i) The Buyer shall be satisfied that (x) the Liens granted in the Collateral pursuant to the Security Documents each constitute a first-priority perfected security interest, except for Permitted Liens; (y) each document required by the Security Documents or under law to be filed, registered or recorded in order to create and maintain in favor of the Buyer a perfected Lien on the Collateral described therein shall have been filed, registered or recorded or shall have been delivered to the Collateral Agent in proper form for filing, registration or recordation; and (z) no Lien exists on any of the Collateral other than Permitted Liens. To that end:

(A) The conditions expressed in Section 3(1)(f) shall have been satisfied.

(B) Buyer shall have received an opinion of counsel for the Seller as to, among other things, the enforceability of the Security Documents, the proper place of filing and recording for such documents, and the perfection of the Lien intended to be created by such documents.

(C) Relative to the those claims constituting a part of the Gold Road Project that are fee land or Patented Claims, the Buyer shall have received ALTA lender's policy of title insurance (the "Title Policy") disclosing title to the patented claims to be vested in the Seller, insuring the interest of the Buyer as a "lender", subject to no Liens except Permitted Liens or Liens listed in Schedule B to such Title Policy and accepted by the Buyer, in such amount of coverage and containing such endorsements thereto as the Buyer shall reasonably require. The Title Policy shall otherwise be in form and substance satisfactory to the Buyer. The Buyer shall have received evidence that all premiums in respect of such Title Policy, all recording tax charges associated with the Security Documents, and related expenses shall have been paid.

(D) Relative to the those claims constituting a part of the Gold Road Project that are Unpatented Claims, the Buyer shall have received evidence reasonably satisfactory to the Buyer that the Seller has good and marketable title to such claims, subject to no Liens except Permitted Liens. Such evidence may be in the form of a customary title evidence reasonably acceptable to the Buyer, such as location notices, quitclaim deeds and recorded notices.

(E) Relative to any matter of record proposed to be a Permitted Lien, the Buyer shall have received a copy of all recorded documents referred to, or listed as exceptions to title in, the title reports, a copy of all other material documents affecting the Gold Road Project owned, operated, leased or licensed by the Seller for the Gold Road Project of which the Seller has any Knowledge.

- (ii) The Buyer shall have received such reports as to the physical, engineering, and environmental conditions affecting the Gold Road Project as Buyer shall reasonably require. If such report is an existing report, Buyer shall have received a reliance letter with respect thereto from the author of the report.
- (h) The Sellers shall have delivered to the Buyer, in form and substance reasonably satisfactory to the Buyer:
 - (i) certified copies of (A) the charter documents of each Obligor, (B) all resolutions of the board of directors or shareholders, as appropriate, of each Obligor, related to the execution, delivery and performance of the Transaction Documents; (C) a list of the officers and directors of each Obligor, as appropriate, authorized to sign the Transaction Documents, together with their specimen signatures; and (D) all Consents, Material Agreements and Permits;
 - (ii) a good standing certificate or certification of status and compliance with respect to each Obligor, issued by the appropriate Authority in each party's jurisdiction of incorporation and evidence of the qualification of such party in each jurisdiction where it carries on business or owns material assets;
 - (iii) evidence of all registrations, consents, waivers, estoppels, discharges and subordinations as may be necessary to ensure that the Security Documents constitute first priority Liens over the Collateral subject only to Permitted Liens, including, without limitation, discharges or discharge documents in form acceptable to the Buyer in its sole and absolute discretion to be registered on the Effective Date;
 - (iv) with respect to such Liens and other claims as the Buyer may require, a payoff letter or other acknowledgement of the amount owed and an agreement to deliver a release or discharge, in form acceptable to the Buyer, upon receipt of the amount specified, executed by each relevant claimant;
 - (v) opinions of counsel to the Obligors, as to such matters for transactions of this nature as the Buyer may reasonably require;
 - (vi) a certificate, dated the Effective Date, that to the Obligors' Knowledge, there are no facts or circumstances that would reasonably be expected to give rise to material Environmental Liability;
 - (vii) a Compliance Certificate from each Seller and each Guarantor;
 - (viii) a solvency certificate from the chief financial officer of each Obligor;
 - (ix) an Initial Expense Budget;
 - (x) all such other documents, deliveries, schedules, information, opinions and instruments as the Buyer may reasonably request;
 - (xi) documentation evidencing that (A) each Obligor has irrevocably appointed as its agent for service of process (with respect to all Transaction Documents to which it is a party) the Process Agent and (B) the Process Agent has accepted such

appointment and has agreed to forward promptly to such Obligor all legal process addressed to such Obligor received by such Process Agent; and

- (xii) a certificate of insurance coverage, dated not more than 10 days prior to the Effective Date, evidencing that the Obligors carry the insurance required by Section 12(1)(m) and that the Buyer has been added as an additional insured and loss payee on those policies and all other policies of the Obligors and as additional insured under the liability coverage and subject to a non-vitiation clause and in form and substance satisfactory to the Buyer, all insurance policies duly endorsed in favor of the Buyer designating it as preferential beneficiary or co-insured, as applicable.
- (2) All of the obligations of the Buyer hereunder shall terminate, and the Buyer shall be under no obligation of any nature hereunder or under any of the Transaction Documents or under any other agreement with respect to the subject matter hereof, if the conditions precedent to the Effective Date are not (i) satisfied by the Sellers, or (ii) specifically waived by the Buyer in writing, subject to an extension of time for satisfaction by the Buyer, prior to 12:00 noon (New York time) on *[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information was the termination date.]* (such date, the “**Purchase Offer Termination Date**”). In the event Buyer grants an extension of time to the Sellers to satisfy any condition precedent, the Effective Date shall not become effective until the conditions precedent to the Effective Date have been satisfied by the Sellers and accepted by the Buyer.

Section 4 Sale and Purchase

- (1) Subject to the terms and conditions of this Agreement, the Sellers shall sell to the Buyer and the Buyer shall buy from the Sellers the Contract Quantity of Gold free and clear of all Liens.
- (2) The Contract Quantity of Gold shall be Delivered during the Term of this Agreement on each Monthly Delivery Date by Delivery of the Scheduled Monthly Quantity in accordance with the provisions of this Agreement.
- (3) The purchase price shall be paid during the Term of this Agreement in accordance with Section 7.

Section 5 Delivery

- (1) On each Monthly Delivery Date, the Sellers shall Deliver or shall cause to be Delivered to the Buyer the Scheduled Monthly Quantity of Gold for such Monthly Delivery Date. All Gold required to be Delivered pursuant to this Agreement shall be “Gold” as defined herein and shall be Delivered to Buyer free and clear of any Liens and any adverse claims of any description.
- (2) The Sellers shall have the right, but not the obligation, to Deliver or cause to be Delivered to the Buyer, at any time prior to the end of the preceding calendar month, the Scheduled Monthly Quantity of Gold for the immediately succeeding Monthly Delivery Date to fulfill their obligation to Deliver Gold with respect to such Monthly Delivery Date. In connection with such Delivery, the Sellers shall be deemed to have satisfied their obligation to Deliver Gold with respect to such immediately succeeding Monthly Delivery Date and have the right to receive all proceeds from the Offtaker during the month to which such Monthly Delivery Date relates with respect to any gold produced by any Obligor. In connection with such Delivery, the date of Delivery shall be

specified by the Sellers and pricing date for such Delivery shall be the next Business Day following Delivery. The settlement date for such Delivery shall be two (2) Business Days following the pricing date.

- (3) The Sellers agree to convey and properly transfer all legal and beneficial right, interest and title in the Actual Monthly Quantity upon each Delivery.
- (4) All costs, charges or expenses pertaining to the deposit of the Gold to the Buyer's Unallocated Gold Account and the credit of such Gold to such account, including, but not limited to, those associated with the production, transport, warehousing (including insurance), customs, taxes, royalties and fees payable to any Authority, refining and Delivery of any Gold shall be borne by the Sellers and will not affect in any manner the Contract Quantity of Gold to be credited to the Buyer's Unallocated Gold Account.
- (5) Any obligation to Deliver Gold on a Monthly Delivery Date that is not performed in full on such Monthly Delivery Date shall be converted into, to the extent of the Gold Shortfall, an obligation of the Sellers to pay to the Buyer in US Dollars an amount equal to the product of the Gold Shortfall and the Gold Price Discount on such Monthly Delivery Date. Such obligation shall bear interest at the Default Interest Rate and shall be payable on demand.
- (6) If the Sellers notify the Buyer at least two Business Days prior to any Monthly Delivery Date that the Sellers will not be able to Deliver all or any portion of the Scheduled Monthly Quantity of Gold on such Monthly Delivery Date but that the Sellers reasonably expect to be able to deliver the Gold Shortfall, as adjusted in accordance with this Section 5(6), within thirty (30) days of such Monthly Delivery Date, then the Sellers shall Deliver a quantity of Gold within thirty (30) days of such Monthly Delivery Date with a value (based on the Gold Price and the Gold Price Discount on the date of actual delivery) equal to the sum of (i) the product of the Gold Shortfall and the Gold Price Discount on the Monthly Delivery Date; and (ii) the interest on an amount equal to the product of the Gold Shortfall and the Gold Price Discount from the Monthly Delivery Date to the date of actual delivery, calculated based on the Default Interest Rate. The Sellers may exercise the rights set forth in this Section 5(6) no more frequently than twice in total during the Term of this Agreement and no more frequently than once during any twelve (12) month period. If the Sellers fail to perform in accordance with this Section 5(6), then the Sellers shall be obligated to make the payment provided for in Section 5(5) within thirty (30) days following such failure (with the Sellers' obligation under Section 5(5) bearing interest at the Default Interest Rate from the Monthly Delivery Date), all as if this Section 5(6) had never applied.
- (7) If the Sellers notify the Buyer at least thirty (30) days prior to any Monthly Delivery Date that the Sellers will not be able to Deliver all or any portion of the Scheduled Monthly Quantity of Gold on such Monthly Delivery Date, but that the Sellers reasonably expect to be able to deliver the Gold Shortfall within thirty (30) days of such Monthly Delivery Date, then the Sellers shall deliver such quantity of Gold within thirty (30) days of such Monthly Delivery Date with a value (based on the Gold Price and the Gold Price Discount on the date of actual delivery) equal to the sum of (i) the product of the Gold Shortfall and the Gold Price Discount on the Monthly Delivery Date; and (ii) the interest on an amount equal to the product of the Gold Shortfall and the Gold Price Discount from the Monthly Delivery Date to the date of actual delivery, calculated based on the Default Interest Rate. The Sellers may exercise the rights set forth in this Section 5(7) no more frequently than twice in total during the Term of this Agreement and no more frequently than once during any six (6) month period. The Sellers' rights set forth in this Section 5(7) may not be combined with any other curative provision, including the curative provisions in Section 5(6). If the Sellers fail to perform in accordance with this Section 5(7), then the Sellers shall be

obligated to make the payment provided for in Section 5(5) within ten (10) days following such failure (with the Sellers' obligation under Section 5(5) bearing interest at the Default Interest Rate from the Monthly Delivery Date), all as if this Section 5(7) had never applied.

- (8) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(4)(b) of National Instrument 51-102, the information was redacted.]*

Section 6 Title and Risk

- (1) Upon each Delivery of the Gold pursuant to this Agreement, all legal and beneficial title to such Gold will pass irrevocably from the Sellers to the Buyer free and clear of any Liens and third-party claims.
- (2) Until Delivery has occurred, all costs of transport, warehousing, (including insurance), customs and Taxes and risk of loss and any other related costs and expenses shall be borne by the Sellers.

Section 7 Purchase Price, Use of Proceeds and Other Payments

- (1) On and subject to the terms and conditions set forth in this Agreement:
- (a) Gold Prepayment Amount. The Buyer shall pay to the Sellers, as set forth herein, subject to the prior satisfaction or waiver (in Buyer's sole and absolute discretion) of each of the applicable conditions precedent set forth in Section 3, an amount equal to US\$14,450,000 on the date referred to in subclause (a) of the definition of "Effective Date"; *less* the amounts set forth in Section 7(1)(b) below (such payment, the "**Gold Prepayment Amount**"). The proceeds of the Gold Prepayment Amount shall be used in accordance with Section 12(1)(e).
- (b) Upfront Fee.

The Sellers (jointly and severally) shall pay to the Buyer a non-refundable upfront fee of US\$450,000, which amount shall either (x) if the Effective Date occurs, be netted from the Gold Prepayment Amount and credited to the Buyer on such date, or (y) if the Purchase Offer Termination Date occurs, be payable by the Sellers to the Buyer in cash within two (2) Business Days of such date. This fee includes the following expenses:

- (i) the negotiation, preparation, printing, execution and delivery, both prior and subsequent to the Effective Date, of this Agreement and any other Transaction Document;
- (ii) the fees and expenses of engineering, environmental, insurance consulting and other expert or professional services retained by the Buyer and any on-site inspections by the Buyer or its representatives;
- (iii) advice of counsel with respect to this Agreement, any other Transaction Document or any transaction contemplated thereunder; and
- (iv) the maintenance of the registration and filing of the Security Documents and the perfection of the Liens created thereunder.

- (c) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]*
- (2) (a) On each Additional Gold Payment Date, the Buyer shall pay to the Sellers an amount (an “**Additional Gold Payment Amount**”) equal to the greater of:
- (i) Zero; and
 - (ii) The product of:
 - (A) the Actual Monthly Quantity of Gold Delivered on the Monthly Delivery Date, and
 - (B) an amount equal to:
 - (I) the Gold Price on the Monthly Delivery Pricing Date for the relevant Scheduled Delivery Month,
minus
 - (II) the Gold Price Discount.
- (b) If, however, on an Additional Gold Payment Date, the Actual Monthly Quantity is less than the Scheduled Monthly Quantity such that a Gold Shortfall arises, then the Additional Gold Payment Amount shall be reduced by an amount equal to the Gold Shortfall Replacement Cost.
- (c) If the Gold Price on the Monthly Delivery Pricing Date for the relevant Scheduled Delivery Month is less than the Gold Price Discount, the Sellers shall deliver on the Monthly Delivery Pricing Date additional Gold at a price of zero in such quantity to have the net value of the Gold received by the Buyer equal the Scheduled Monthly Quantity multiplied by the Gold Price Discount.
- (d) Without limitation of its other rights and remedies hereunder and whether or not a Seller Default or Seller Event of Default shall have occurred or be continuing, the Buyer shall have the right to set off and to apply, to the fullest extent permitted by Applicable Law, any obligation of the Sellers under this Agreement or any other Transaction Document against the obligations of the Buyer hereunder, including, without limitation, the obligations of the Buyer in respect of the Gold Prepayment Amount and the Additional Gold Payment Amount, irrespective of whether or not the Buyer has made demand under this Agreement or any other Transaction Document and although such obligations may be unmatured or contingent.
- (e) The settlement date for the Additional Gold Payment Amount shall be two (2) Business Days following the Monthly Delivery Pricing Date.

- (3) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]*

Section 8 Payments

- (1) Each Party shall make all cash payments in US Dollars by wire transfer in immediately available funds.
- (2) If any payment shall be due on a day that is not a Business Day, then the date for payment shall be the next succeeding Business Day and, in the case of any payment accruing interest on the basis of the Default Interest Rate, interest shall be payable for the period of such extension.
- (3) Any cash amount that is not paid to the Buyer or the Sellers when due shall bear interest at a rate equal to the Default Interest Rate payable on demand.
- (4) All interest payable on the basis of the Default Interest Rate shall accrue daily and shall be calculated on the basis of a year of three hundred sixty (360) days.
- (5) If any provision of this Agreement or of any of the other Transaction Documents would obligate any party to make any payment of interest or other amount payable to the Buyer in an amount or calculated at a rate that would be prohibited by Applicable Laws or would result in a receipt by the Buyer of interest at a criminal rate, then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest as the case may be, as would not be so prohibited by Applicable Laws or so result in a receipt by the Buyer of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:
- (i) firstly, by reducing the amount or rate of interest required to be paid to the Buyer under the applicable Transaction Documents, and
 - (ii) thereafter, by reducing any fee payments, commissions, costs, expenses, premiums and other amounts required to be paid to the Buyer that would constitute interest for purposes of Applicable Laws.
- (6) All payments shall be made in accordance with the instructions (or as otherwise agreed in writing between the Parties) set forth in Schedule Q. The Buyer shall notify the Sellers of the complete account details for payment on or prior to the Effective Date.
- (7) Subject to the provisions of Section 5(2) herein, all Gold Delivered to the Buyer that is not otherwise required to be applied in a specific manner hereinafter shall be applied to the Scheduled Monthly Quantities in reverse order of maturity.
- (8) All amounts received by the Buyer from the Offtaker on behalf of the Sellers or from the Sellers or received in respect of any Lien or the exercise of any other remedy and not otherwise required to be applied in a specific manner pursuant to this Agreement shall be applied by the Buyer as follows: (i) first, in reduction of the Sellers' obligation to pay any unpaid interest and fees which are due and owing, (ii) second, in reduction of the Sellers' obligation to pay any amounts referred to in this Section 8 and (iii) third, in reduction of the Sellers' obligation to pay any other amounts that are due and owing under this Agreement or any other Transaction Documents.

Section 9 Guarantee

- (1) Guarantee. Each Guarantor that from time to time becomes a party hereto (pursuant to Section 12(1)(bb) of this Agreement or otherwise) hereby:
- (a) absolutely and unconditionally, jointly and severally guarantees, as primary obligor and as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all obligations (the “**Obligations**”) of the Sellers or any other Guarantor to the Buyer hereunder (the “**Guarantee**”);
 - (b) agrees that this Guarantee shall remain in full force and effect without regard to, and shall not be affected or impaired by, any invalidity, irregularity or unenforceability in whole or in part of this Agreement or any of the Transaction Documents or the guaranteed obligations;
 - (c) agrees that no failure or delay on the part of the Buyer in exercising any right, power or privilege hereunder or with respect to any collateral and no single or partial exercise of any right, power or privilege hereunder or with respect to any collateral, shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder; and
 - (d) agrees that this Guarantee shall be discharged only by complete performance of the obligations contained herein and that it shall not have the right to withhold or set-off against payment due hereunder for any reason;

provided that the liability of each Guarantor individually with respect to this Guarantee shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law or other Applicable Laws. This Guarantee shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations or any instrument or agreement evidencing any Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Obligations (except for the payment in part or full of the Obligations, to the extent of such payment) that might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Guarantee, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

- (2) Rights of the Buyer. Each Guarantor consents and agrees that the Buyer may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell or otherwise dispose of any security for the payment of this Guarantee or any Obligations; (c) apply such security and direct the order or manner of sale thereof as the Buyer in its sole and absolute discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action that might in any manner or to any extent vary the risks of

any Guarantor under this Guarantee or that, but for this provision, might operate as a discharge of such Guarantor.

- (3) Certain Waivers. Each Guarantor waives (a) any defense arising by reason of any disability or other defense of the Sellers or any other guarantor (except for the payment in part or in full of the Obligations, to the extent of such payment), or the cessation from any cause whatsoever (including any act or omission of the Buyer) of the liability of the Sellers or any Guarantor; (b) any defense based on any claim that any Guarantor's obligations exceed or are more burdensome than those of the Sellers or any other Guarantor; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Sellers or any other Guarantor, proceed against or exhaust any security for the Obligations, or pursue any other remedy in the power of the Buyer whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by the Buyer; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by Applicable Laws limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Guarantee or of the existence, creation or incurrence of new or additional Obligations, including the benefits of order, excussion and division.
- (4) Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Guarantee whether or not the Sellers or any other person or entity is joined as a party.
- (5) Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Guarantee until all of the Obligations and any amounts payable under this Guarantee have been indefeasibly paid and performed in full and the commitments are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Buyer and shall forthwith be paid to the Buyer to reduce the amount of the Obligations, whether matured or unmatured.
- (6) Termination; Reinstatement. This Guarantee is a continuing and irrevocable Guarantee of all Obligations now or hereafter existing and shall remain in full force and effect until the indefeasible repayment or otherwise satisfaction in full of the Obligations (such date, the "**Payoff Date**"). Notwithstanding the foregoing, this Guarantee shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of an Obligor is made, or the Buyer exercises its right of setoff, in respect of the Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Applicable Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Buyer is in possession of or has released this Guarantee and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this paragraph shall survive termination of this Guarantee.
- (7) Stay of Acceleration. If acceleration of the time for payment of any of the Obligations is stayed, in connection with any case commenced by or against an Obligor under any Applicable Laws, or

otherwise, all such amounts shall nonetheless be payable by the Guarantors, jointly and severally, immediately upon demand by the Buyer.

- (8) Condition of Sellers. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Sellers and any other guarantor such information concerning the financial condition, business and operations of the Sellers and any such other guarantor as any Guarantor requires, and that the Buyer has no duty, and no Guarantor may rely on the Buyer at any time, to disclose to it any information relating to the business, operations or financial condition of any Obligor.

Section 10 Subordination of Claims and Postponement of Subordination

- (1) Each Guarantor hereby subordinates all its claims, whether present or future, against the Sellers to the obligations guaranteed pursuant to the Guarantee so as to enable the Buyer, in all circumstances, to be fully paid such guaranteed obligations in priority over such claims of each Guarantor.
- (2) Each Guarantor hereby absolutely, unconditionally and irrevocably agrees to refrain, until the obligations guaranteed pursuant to the Guarantee shall have been fully and indefeasibly paid in cash and performed and until the Buyer shall have received the entire amount of their claims in connection with such guaranteed obligations, from exercising any right that it may now or hereafter acquire against the Sellers that arises from the existence, payment, performance or enforcement of such Guarantor's obligations under the Guarantee and this Agreement or any other Transaction Document, including, without limitation, any right of subrogation, reimbursement, exoneration, indemnification, and any right to participate in any claim or remedy of the Buyer against the Sellers, whether or not such claim, remedy or right arises in equity, or under contract, statute or common law, including, without limitation, the right to take or receive from the Sellers, directly or indirectly, in cash or other property or by set-off or compensation or in any other manner, payment or Lien on account of such claim or other rights.
- (3) If any amount shall be paid to any Guarantor in violation of any of the preceding subparagraphs of this Section 10 and the obligations guaranteed pursuant to the Guarantee shall not have been fully and indefeasibly paid and performed, such amount shall be deemed to have been paid to such Guarantor for the benefit of, and shall be held in trust for the benefit of, the Buyer, and shall forthwith be paid to the Buyer, to be credited and applied upon such guaranteed obligations, whether matured or unmatured, in accordance with the terms of this Agreement.
- (4) Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Agreement and that the subordination and postponement set forth in this Section 10 are knowingly made in contemplation of such benefits.

Section 11 Representations and Warranties

In addition to, and without limiting, any representations and warranties contained in the Security Documents, each Obligor represents and warrants to the Buyer with respect to itself and, where applicable, each of their respective Affiliates, as of the date hereof and as of each applicable Effective Date:

- (a) Qualification and Organization. It has all requisite corporate power and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to

carry out the transactions contemplated herein and therein, and it is otherwise duly qualified to do business in each jurisdiction where the nature of its business or properties requires such qualification. It is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation.

- (b) Subsidiaries. Except as disclosed in Schedule I, no Obligor has any direct or indirect Subsidiaries.
- (c) Authorization; No Conflict. The execution, delivery and performance by it of this Agreement and the other Transaction Documents to which it is a party have been duly authorized by all necessary shareholder and corporate action on the part of such Obligor and do not and will not (i) contravene such Obligor's articles of incorporation, charter or by-laws, or similar constituent documents; (ii) violate any provision of any Applicable Laws, order, writ, judgment, injunction, decree, determination or award presently in effect having applicability to such Obligor; (iii) result in a breach of or constitute a default under or require the Consent of any Person (other than Consents that have been obtained) pursuant to any indenture, purchase agreement, credit agreement or any other agreement, lease or instrument to which any Obligor is a party or by which it or any such Obligor or its or any such Obligor's properties may be bound or affected; or (iv) result in, or require, the creation or imposition of any Lien (other than Permitted Liens) upon or with respect to any of the Collateral, and no Obligor is in default in any respect under any such Applicable Laws, writ, judgment, injunction, decree, determination or award or any such indenture, agreement, lease or instrument that has or would reasonably be expected to have a Material Adverse Effect.
- (d) Required Consents. All Consents required to be obtained by the Obligors in connection with the execution and delivery by them of this Agreement and each other Transaction Document, and the performance by it of its obligations hereunder and thereunder, have been obtained and are in full force and effect.
- (e) Government Authorization. Other than Consents that have been obtained and are in full force and effect, no authorization or approval or other action by or consent of, and no notice to or filing or registration with, any Authority is required (i) for the due execution and delivery of, and the due performance of, the financial obligations of the Obligors under this Agreement or any other Transaction Document, or (ii) for the due performance of all other Obligations of the Obligors under this Agreement or any other Transaction Document (other than registrations or filings of the Liens created by the Transaction Documents).
- (f) Binding Obligations. This Agreement and each of the other Transaction Documents constitute legal, valid and binding obligations of each Obligor that is party thereto, enforceable against such Obligor in accordance with its respective terms (except as limited by applicable bankruptcy, insolvency, reorganization, moratorium and similar laws or equitable principles affecting enforcement of creditors' rights generally at the time in effect).
- (g) Litigation. There is no claim, action, lawsuit, proceeding, arbitration or investigation pending or threatened in writing against or involving any Obligor or any Collateral (or any part thereof), which: (i) alleges the violation of any Applicable Laws; (ii) questions the validity of this Agreement or any other Transaction Document or any action taken or to be taken pursuant to this Agreement or any other Transaction Document; (iii) involves

any Material Agreement; or (iv) would otherwise reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

- (h) Financial Information; No Material Adverse Change. The financial information provided to the Buyer truly and fairly presents the correct and complete financial condition of the Obligors as at the date it was provided. No Obligor has any contingent liability or liability for Taxes, long-term leases or unusual forward or long-term commitments that are not reflected in such financial information. Since March 31, 2018, neither the business, operations or prospects of each of the Obligors, nor any of their properties or assets, has been affected by any occurrence or development (whether or not insured against) that has had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
- (i) Information Accurate. None of the information prepared by or on behalf of any Obligor and delivered to the Buyer by any Obligor in connection with this Agreement or the transactions contemplated hereby contains any material misstatement of fact or omits to state a material fact. With respect to any financial projections and forecasts that have been furnished to the Buyer, such financial projections and forecasts were prepared in good faith on the basis of assumptions that were, in the opinion of the management of such Obligor, reasonable at the time made; and at the time of delivery, the management of such Obligor believed, in good faith, that the assumptions used in preparation of the financial projections and forecasts remain reasonable.
- (j) Title; Liens.
 - (i) Schedule A accurately and completely sets forth and describes each Site;
 - (ii) the Obligors (A) have good legal and marketable title to and are in exclusive possession of the Sites and the Mining Concessions subject to the paramount title of the United States and (B) have the right to use, and have all rights necessary and desirable under any Applicable Laws in relation to, the Sites and the Mining Concessions and any other assets (including intellectual rights) necessary or customary to operate the Sites, perform their obligations and enter and complete the transactions contemplated in this Agreement, free and clear of all Liens, claims, encumbrances or other burdens on production, except for Permitted Liens;
 - (iii) the Obligors are the legal and beneficial owners of their owned real property and will have valid and effective rights to their leased property, free and clear of Liens, except for Permitted Liens;
 - (iv) all Taxes that, if unpaid, would create a Lien (other than a Permitted Lien) or charge on any Collateral or any portion thereof, have been paid in full;
 - (v) all contractors, subcontractors, agents and other Persons engaged by the Obligors providing services, materials or labor on or for the benefit of any Collateral have been paid in a timely manner for all work performed or services, goods or labor provided, on or with respect thereto;
 - (vi) there is no pending labor issue deriving from the activities performed in the Mining Concessions and/or the Sites that has had or would reasonably be

expected to have a Material Adverse Effect, and except for Permitted Liens all accounts for work and services performed and materials placed or furnished upon or in respect of the Mining Concessions and/or the Sites have been fully paid and satisfied and no person is entitled to claim a Lien under any Applicable Laws against the Mining Concessions or any part thereof (other than Permitted Liens); and

- (vii) the Transaction Documents create, or upon their execution and delivery, will create, valid and effective Liens in and on the Collateral purported to be covered thereby, with the priority in accordance with the terms of such Transaction Documents;
- (k) Validity of Interests. With respect to all Sites: (i) all claims, permits and leases forming part of the Sites were located, staked, filed and recorded in compliance with all Applicable Laws and regulations; and (ii) there are no actions or administrative or other proceedings pending or to each Obligor's Knowledge threatened against or affecting any of the Sites.
- (l) Material Contracts; Absence of Default. The Material Agreements identified in Schedule D include all of the contracts, indentures, purchase agreements, credit agreements, agreements, leases, Instruments and other binding commitments and undertakings of each Obligor, the performance or breach of which would reasonably be expected to have a Material Adverse Effect, and such Obligor has provided the Buyer with a true, correct, and complete copy of each Material Agreement. No Obligor is in default in any material respect under any of the Material Agreements, has received any notice of an asserted default thereunder from any other Person, or has Knowledge of a breach by any counterparty thereto or the inability of any counterparty thereto to perform its obligations thereunder.
- (m) Taxes and Other Payments. Except as set forth on Schedule R, each Obligor has filed all Tax returns and reports required by Applicable Laws to have been filed by it on a timely basis and has paid all Taxes, assessments, reassessments and governmental charges thereby owing or shown to be owing, except (i) where the failure to do so would not reasonably be expected to have a Material Adverse Effect; or (ii) in respect of Taxes that are being diligently contested in good faith by proper proceedings and in respect of which adequate reserves in accordance with IFRS have been set aside on the books of such Obligor. Each Obligor has remitted on a timely basis all amounts required to have been withheld and remitted, including withholding from employee wages and salaries, goods and services tax and all other amounts which, if not paid when due, could result in the creation of a Lien on the property of the Obligor.
- (n) Environmental Laws.
 - (i) Each Obligor has owned, developed, operated, leased, reclaimed and utilized the Sites in compliance in all material respects with all Environmental Laws;
 - (ii) there are no outstanding or pending consent decrees, clean-up orders, mitigation orders, compliance orders, remediation orders or other orders, decrees, judgments or other administrative or judicial requirements outstanding under any Environmental Laws with respect to any Sites;

- (iii) no Obligor has received any written or actual notice of any material violation, alleged violation, non-compliance, investigation, liability or potential liability, or request for information, with respect to Environmental Laws, Hazardous Substances or other environmental matters with regard to any Sites that remains unresolved, nor does any Obligor have Knowledge that any such notice will be received or is being threatened;
 - (iv) with respect to the Sites, there are no pending or, to the knowledge of each Obligor, threatened, lawsuits, claims, complaints, injunctions or any other governmental or judicial actions or proceedings with respect to any alleged violation of any Applicable Laws, including Environmental Laws, or any release or alleged release of any Hazardous Substance; and
 - (v) to the Knowledge of the Sellers, the Mining Concessions do not lie within any reservation, environmental or historic protected area, area of special management concern for species or habitat as designated by any Authority having jurisdiction and that would materially and adversely impair the ability to conduct exploration for Minerals or the development of a mining project on the Mining Concessions.
- (o) Indebtedness. No Obligor has any Debt other than Permitted Debt.
- (p) Compliance with Laws, Etc. Each Obligor has at all times been and is now in compliance in all material respects with all Applicable Laws.
- (q) Operation of Mine. The Obligors have heretofore made available to the Buyer all studies with respect to the Mine supported by relevant geological, reserve, resource, metallurgical, engineering and financial data and evaluations of the Mine prepared by or for the benefit of any Obligor or otherwise in the possession of or available to any Obligor. To the Obligors' Knowledge, there is no material inaccuracy or omission in such information. Such information has been prepared in accordance with Prudent Mining Industry Practices, and the method of estimating the Project Technical Characteristics has been verified by the Obligors to Prudent Mining Industry Practices and the information upon which the estimates of Project Technical Characteristics were based, was, at the time of delivery thereof, complete and accurate in all respects and there have been no material changes to such information since the date of delivery or preparation thereof.
- (r) Permits. All Permits are identified in Schedule H. The Obligors have obtained all Permits necessary to conduct mining operations at the Sites in accordance with the Initial Annual Production Forecast and the Initial Expense Budget, and all such Permits are in full force and effect in accordance with their terms, free of defaults, and no written notice from any Authority alleging a breach or default under any of the Permits or challenging the validity of any such Permit has been delivered to the Obligors, except as noted on Schedule H under the heading "*Permits to Be Obtained.*"
- (s) Mining Concessions.
- (i) The Obligors have acquired all property and assets including the Mining Concessions and have obtained such other surface and other rights as are necessary for access rights, water rights, plant sites, tailings disposal, waste dumps, ore and/or mineralized rock dumps, abandoned heaps or ancillary

facilities that are required in order to operate the Mine in accordance with the Initial Expense Budget and the Initial Annual Production Forecast. To the Knowledge of the Obligors, all property and assets including the Mining Concessions are sufficient in scope and substance for the development and operation of the Mine as contemplated by the Initial Expense Budget and the Initial Annual Production Forecast.

- (ii) The Mining Concessions and the Sites are in good standing before the relevant Authority with respect to (i) the Obligors' obligations in respect of the Mining Concessions as required under Applicable Laws, (ii) the obligation to pay assessments as set forth in the Applicable Laws, as from the date of issuance of each Mining Concession and (iii) any other obligation to maintain legal effect of the Mining Concessions under the Applicable Laws.
- (iii) No Obligor has received any communication or order from any Authority requesting payment or compliance with any outstanding obligation under this paragraph. No Obligor has received any notice or other written communication that any Mining Concessions or Permits may be subject to termination, modification, suspension or revocation, and, except as noted on Schedule H under the heading "*Permits to Be Obtained,*" no further Permits are required in connection with the development or operation of the Sites, or the exercise of its rights under the Mining Concessions, in the manner necessary to enable any Obligor to meet its obligations hereunder except such as would reasonably be expected to be obtained in the Ordinary Course of Business and without the expenditure of any unbudgeted amounts.
- (iv) Except for the Permitted Liens, the Mining Concessions are duly issued and not in conflict with any other mining concession, and are free from (A) any Liens or limitations except for the paramount title of the United States, (B) any option, exploration, exploitation or other agreement with any third parties or any third-party right to any royalty or other payment as rent or royalty over minerals, concentrates, precipitates and/or products produced under the Mining Concessions, (C) any pending, or to the Obligors' Knowledge, threatened, claim, action, lawsuit or controversy against any Person or Authority and any circumstance that could prevent or obstruct the free exercise of the rights arising under the Mining Concessions, or any basis for any such claim or action, except as set out in Schedule L, and (D) any possibility of breach, termination, abandonment, forfeiture, relinquishment or other premature termination resulting from any act or omission of any Obligor.
- (t) Compliance with Securities Legislation. Each Obligor has complied, and will comply, in all material respects with all Applicable Securities Laws in the course of its affairs, including:
 - (i) Para is a reporting issuer under Applicable Securities Laws in the Provinces of British Columbia and Alberta and its common shares are listed for trading on the TSX Venture Exchange;
 - (ii) Para is not in default in any material respect of any Applicable Securities Laws or the TSX Venture Exchange rules or policies nor is it included in a list of defaulting reporting issuers maintained by any securities commissions where

Para is a reporting issuer or other securities regulatory authorities in the provinces and territories of Canada;

- (iii) No order ceasing, halting or suspending trading or prohibiting the sale of common shares has been issued to and is outstanding against any Obligor or its directors, officers or promoters and, to the Obligor's Knowledge, no investigation or proceedings for such purposes are pending or threatened; and
- (iv) Para has complied in all material respects with all the requirements of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, including, without limitation, with respect to the preparation and filing of any technical reports.
- (u) Counter-Terrorism Regulations and Anti-Money Laundering. Each Obligor is and, with respect to the transactions contemplated by this Agreement, shall remain in compliance with all applicable Sanctions and all applicable anti-money laundering and counter-terrorism financing laws, including the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, the *Criminal Code*, the *United Nations Act*, the *Trading with the Enemy Act*, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, the *Patriot Act* (United States), as amended, and other Applicable Laws relating to "know your customer" and anti-money laundering rules and regulation that apply to it. No part of the proceeds from this Agreement will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Applicable Laws.
- (v) Margin Stock; Financial Assistance. No part of the proceeds of this Agreement will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board of Governors of the Federal Reserve System of the United States of America, including Regulations T, U and X, and/or any similar or comparable Applicable Laws in Canada.
- (w) Ownership Structure and Equity Interests. As of the date hereof, the ownership structure and equity holdings of each Obligor are as set out in Schedule I. Other than as set out in Schedule I, the Obligor does not own any equity interest.
- (x) Hazardous Materials. The production from the Sites does not contain any Hazardous Substance that (i) does not conform to the Applicable Laws, (ii) would render any Produced Gold or intermediate products produced from the Sites unacceptable for smelting and/or refining processes, as applicable, or (iii) would otherwise render any Produced Gold or intermediate products produced from the Sites unsaleable.
- (y) Sanctions. No Obligor, nor any director, officer, employee, agent, affiliate or representative thereof, is or is owned or controlled by any individual or entity that is a Restricted Party.
- (z) Quality. The Contract Quantity to be credited to Buyer's Unallocated Gold Account is and will be in accordance with the relevant quality standards and specifications, free and

clear from any Liens and third-party claims and any defects in design, materials and workmanship.

- (aa) Archeology. Obligors have complied with Applicable Laws with respect to any archeological or historical findings in the Mining Concessions.
- (bb) Fairness. The consideration given or provided, or to be given or provided, by the Buyer in connection with this Agreement is adequate and satisfactory in all respects, and represents reasonably equivalent value, to support this Agreement and the Obligors' obligations hereunder.
- (cc) Solvency. (i) the fair value of the assets of each Obligor will exceed its respective debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the property of each Obligor will be greater than the amount that will be required to pay the probable liability of its respective debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) each Obligor will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) no Obligor has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted after the date hereof.
- (dd) Collateral. The Obligors have good legal and marketable title to all Collateral, free and clear of any Liens, encumbrances and claims other than Permitted Liens.
- (ee) Adverse Change. As at the date of hereof, there has been no material adverse change in the financial condition, business, affairs, prospects, assets or properties of any Obligor, or operations at the Sites, since July 1, 2018.
- (ff) Breach. To the Knowledge of the Obligors, there is no allegation that any Obligor, Site or Mining Concession is in breach of any Consent, Permit, Applicable Laws or any other obligation.
- (gg) Immunity. No Obligor is entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings in relation to this Agreement or any other Transaction Document.
- (hh) Compliance and Absence of Certain Practices. Each Obligor has adequate and valid compliance systems in strict accordance with the Applicable Laws and regulations, and best governance and internal control practices, with regards to anti-bribery and anti-public corruption and each Obligor has adequate internal control and auditing systems in order to prevent, control, monitor and detect the perpetration of crimes and/or misconduct and/or any questionable payments or any risks associated with anti-bribery and anti-public corruption. Neither the Obligors nor any of its officers, managers, employees, agents, representatives of, shareholders and/or former shareholders have, directly or indirectly, offered, paid or promised to pay, or authorized the payment of any money or other thing of value to any person who is an official, officer, agent, employee or representative of any government or instrumentality thereof or of any existing or prospective customer, or to any political party or official thereof, to any candidate for political or political party office, or to any public or private individual or entity involved in corruption and/or money laundering investigations in Canada or the US, or to any other public or private individual or entity while knowing or having reason to believe that

all or any portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to any such official, officer, agent, employee, representative, political party, political party official, or candidate, (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or on behalf of or for the benefit of any of the Obligors, any affiliate or relatives, or (iv) in violation of any Applicable Law regarding anti-bribery and anti-public corruption, including, but not limited to, the United States Foreign Corrupt Practices Act of 1977, the United Kingdom Bribery Act 2010, and the Canadian Corruption of Foreign Public Officials Act of 1998, including their further modifications, and, where applicable, the principles described in the ‘Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

- (ii) Defined Benefit Plan. No Obligor has established or acquired a “registered pension plan” that contains a “defined benefit provision” as such terms are defined in the ITA.
- (jj) Angra Metals Assets. Angra Metals owns no assets except for the Tucuma Project, which is an exploratory project with no current viable assets.

Section 12 Covenants

- (1) Affirmative Covenants. So long as any Gold remains to be Delivered or any amounts remain to be paid by the Sellers under this Agreement, the Sellers shall in addition to and without limiting the covenants contained in the Security Documents:
 - (a) Annual Business Plans, Annual Production Forecast, Financial Reporting and Other Reporting. Deliver to the Buyer: (i) within thirty (30) days prior to the commencement of each Financial Year, an Annual Business Plan for the Financial Year, together with a detailed budget for the Financial Year providing supplementary detailed schedules and information supplementary to and consistent with the Annual Business Plan; (ii) within thirty (30) days prior to the commencement of each Financial Year, an annual and updated mine plan for the Sites providing detailed estimates of capital expenditures, production, revenues and expenses; (iii) within thirty (30) days prior to the commencement of each Financial Year the Annual Production Forecast; (iv) as soon as practicable and in any event within sixty (60) days after the end of each of the first three (3) Financial Quarters in each Financial Year (A) a consolidated balance sheet of Para and Gold Road as of the end of the Financial Quarter and (B) the related consolidated statements of earnings and changes in financial position for the Financial Quarter and for the period commencing at the end of the previous Financial Year and ending with the end of the Financial Quarter (in each case (except for the statement of changes in financial position) setting forth in comparative form the figures for the corresponding Financial Quarter and corresponding portion of the previous Financial Year); (v) as soon as practicable and in any event within one hundred twenty (120) days after the end of each Financial Year, a copy of the financial statements of Para and Gold Road for the Financial Year prepared on a consolidated basis reported on by Para’s and Gold Road’s independent auditors; (vi) as soon as practicable and in any event within thirty (30) days after the end of each month, a management report for that month (to include cumulative management accounts for the Financial Year to date); (vii) together with each delivery of financial statements, a Compliance Certificate, and a statement of Priority Accounts Payable, detailing all additions and subtractions therefrom, all certified by an officer of Para and Gold Road; (viii) on a monthly basis, within fifteen (15) days after the end of

each month, a Capital Expenditure Report as set forth on Schedule G with respect to Para and Gold Road; (ix) as soon as practicable and in any event within ten (10) days after the end of each month, a Monthly Report for that month; (x) as soon as possible and in any event within ten (10) days after to the commencement of each Financial Quarter, a Quarterly Report; and (xi) on a weekly basis, current balance statements relating to the Collection Account.

- (b) Environmental Reporting. Promptly, and in any event within ten (10) days of becoming aware of the relevant circumstances, deliver to the Buyer a detailed statement describing any of the following occurrences: (i) any order or judgment, decision, notice or requirement of any Authority requiring any Obligor to incur Environmental Liabilities (i) in excess of US\$50,000 in any one instance or, together with all other expenditures incurred in respect of Environmental Liabilities in any Financial Year, in excess of US\$100,000 in the aggregate for the Sellers and all the Guarantors taken together; and (ii) any state of affairs in respect of the Sites that could result in the incurrence of Environmental Liabilities in excess of US\$50,000 in any one instance or, together with all other expenditures incurred in respect of Environmental Liabilities in any Financial Year, in excess of US\$100,000 in the aggregate. Each statement delivered to Buyer hereunder shall include a description of all actions taken or proposed to be taken in connection with such occurrences.
- (c) Additional Reporting. Deliver to the Buyer (i) as soon as practicable, and in any event at least five (5) days prior to any Monthly Delivery Date, notice of any anticipated failure to Deliver as required on such Monthly Delivery Date; (ii) as soon as practicable, and in any event within five (5) days after the occurrence of any Seller Default or Event of Default, a statement of the chief financial officers of Para and Gold Road or any other officer acceptable to the Buyer setting forth the details of the Seller Default or Event of Default and the action that the Sellers propose to take or have taken (provided that the foregoing shall not be deemed to extend the period of time that the Sellers may cure any such Default that is otherwise provided for herein); (iii) from time to time upon request of the Buyer, evidence of the maintenance of all insurance required to be maintained pursuant to this Agreement, including originals or copies as the Buyer may request of policies, certificates of insurance, riders, endorsements and proof of premium payments; (iv) promptly upon their issuance, copies of all notices, reports, press releases, circulars, offering documents and other documents filed with or on the public record, or delivered to, any stock exchange or securities commission or a similar Authority in any other jurisdiction; and (v) such other information respecting the condition or operations, financial or otherwise, of the Sites, any Obligors or any of their respective Affiliates as the Buyer may from time to time reasonably request.
- (d) Corporate Existence. Preserve and maintain, and cause each Guarantor to preserve and maintain, its and their corporate existence, except with the prior written consent of the Buyer.
- (e) Use of Proceeds. Use of the proceeds of the Gold Prepayment Amount shall be limited to:
 - (i) immediately following the Effective Date (but in any event, no later than five (5) Business Days following such date):

- (A) the purchase and cancelation of the Mojave Desert Note, in the amount of *[redacted – commercially sensitive information. Pursuant to Section 12.2(4)(a) of National Instrument 51-102, the information is redacted.]*;
 - (B) the extinguishing of certain existing debt and/or liabilities of the Sellers, in an amount not to exceed *[redacted – commercially sensitive information. Pursuant to Section 12.2(4)(a) of National Instrument 51-102, the information is redacted.]*; and
 - (C) an unconditional shareholder’s contribution to Gold Road, in an amount not less than *[redacted – commercially sensitive information. Pursuant to Section 12.2(4)(a) of National Instrument 51-102, the information is redacted.]*; and
- (ii) general and administrative corporate expenses and working capital, in an amount not to exceed *[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to specific expenses.]*;

in each case, in accordance with the Initial Expense Budget and subject to the terms and conditions of this Agreement, including the negative covenants set forth in Section 12(2).

- (f) Compliance with Laws. Comply and cause each Guarantor to comply in all material respects with the requirements of all Applicable Laws (including, without limitation, the requirement to post any performance bonds in order to comply with Environmental Laws), Consents, Permits, Material Agreements and judgments, orders, decisions and awards, except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien (other than a Permitted Lien) to any of the security interests evidenced by the Security Documents.
- (g) Environmental Investigations. Promptly, if any Obligor or the Buyer has a good faith concern that a discharge of a Hazardous Substance or violation of Environmental Laws has occurred or is imminent, or a condition exists at the Sites that has had or would reasonably be expected to have a Material Adverse Effect, cause to be conducted such environmental investigations (including without limitation, environments and environmental compliance reviews) as are reasonably required by the Buyer by an environmental consultant approved by the Buyer, and promptly remedy any condition or non-compliance revealed by any such investigation in accordance with Environmental Laws.
- (h) Construction, Operation and Maintenance of Properties. Shall operate, and shall cause each Guarantor to operate, the Sites as a Reasonable and Prudent Operator and make all mining operations and activities pertaining or in respect of the Sites in a commercially prudent manner and in accordance with all Applicable Laws, Permits and good mining processing, engineering and environmental practices prevailing in the mining industry in all material respects, and cause each Guarantor to make all repairs, renewals, replacements, additions and improvements to the Sites so that the business and activities

carried on at the Sites may be properly and advantageously conducted at all times in accordance with good mining practice and in accordance with Applicable Laws and Permits in all material respects; except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien (other than a Permitted Lien) to any of the security interests evidenced by the Security Documents.

- (i) Auditors. Para has appointed Grant Thornton as its auditors.
- (j) Payment of Taxes and Claims. Pay, cause to be paid, or cause each Obligor to pay, when due: (i) all Taxes, assessments and governmental charges or levies imposed upon it or upon its income, sales, capital or profit or any other property belonging to it, any other Obligor, as applicable; and (ii) all claims that if unpaid might by Applicable Law become a Lien upon the assets or properties of such Obligor, in each case except to the extent that such tax, assessment, charge, levy or claim (x) is being diligently contested in good faith by proper proceedings and in respect of which the Sellers have set aside adequate reserves in accordance with IFRS, or (y) constitutes a Permitted Lien.
- (k) Keeping of Books. Keep, and cause each other Obligor, as applicable, to keep, proper books of record and account, including in respect of all operations and activities with respect to the Sites, including the mining and production therefrom and account, in which full and correct entries shall be made in respect of their respective businesses and offices, as the case may be.
- (l) Visitation and Inspection. At any reasonable time or times, permit the Buyer and any agents of the Buyer to visit the properties, including the Sites and make best efforts to arrange for the Buyer and any agents of the Buyer to visit any other facility where Minerals are milled or processed of any Obligor, and to discuss their mine development, operations, affairs, finances and accounts with the president, chief executive officer, chief financial officer, chief operating officer, and other key personnel as determined by the Buyer. The Sellers shall cooperate with the Buyer in the conduct of monitoring the construction and development of the Mine.
- (m) Maintenance of Insurance. Obtain and maintain thereafter in force with an insurer rated *[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to insurer ratings.]*, in form and substance satisfactory to the Buyer, in respect of itself, and the Guarantors, the insurance described in Schedule J, with all such policies showing the Buyer as an additional insured and a loss payee under a mortgage clause in a form approved by the applicable governing body.
- (n) Notice of Expropriation or Condemnation, Litigation and Default. Shall promptly notify the Buyer in writing of:
 - (i) the commencement or the written threat of any expropriation or condemnation of any material assets, property or undertaking of any Obligor or of the institution of any proceedings related thereto;
 - (ii) any actions, suits, inquiries, disputes, claims or proceedings commenced or threatened in writing against or affecting any Obligor before any Authority that,

individually or in the aggregate, have or would reasonably be expected to have a Material Adverse Effect; and

- (iii) upon the occurrence of an Event of Default of which any Seller is aware, the nature and date of occurrence of such Default, such Seller's assessment of the duration and effect thereof and the action that such Seller proposes to take with respect thereto.

(o) Mining Concessions Maintained in Good Order.

- (i) Maintain the Mining Concessions (which includes the Unpatented Mining Claims) in good standing in material compliance with all Applicable Laws, except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents, including payment of assessments corresponding to the Mining Concessions, which the Sellers will pay in full thirty (30) days prior to any deadlines required under the Applicable Laws. The Sellers shall notify the Buyer promptly upon making any payments corresponding to the mining duties or filings of the work assessment reports mentioned in this paragraph, and provide to the Buyer with a copy of the payments made and the reports filed.
- (ii) Keep in good order the data related to the Mining Concessions. Such data shall include, but not be limited to, surveys, maps, plans, specifications, drill core samples, assays, books, records, studies, assessments, models, interpretations and copies of drill logs, reports or other information of any kind and in any format (including in electronic format) relating to the Mining Concessions and operation of the Sites either owned by and/or in the possession and control of the Sellers.
- (iii) The Obligors and their respective agents and contractors shall conduct their operations in the Mining Concessions, in a good and workmanlike manner in accordance with generally accepted mining industry practice and in material compliance with all Applicable Laws and in accordance with the contracts, Permits, licenses and other agreements related to the Mining Concessions in all material respects; except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents. Each Seller shall conduct its operations as a Reasonable and Prudent Operator.
- (iv) Pay or cause to be paid all agents of the Obligors, including workers or wage earners employed by any Obligor or its contractors on the Mining Concessions and for all material purchased by any Obligor or its contractors in connection with all work that might give rise to a Lien or privilege on the Mining Concessions. Should any such Lien or privilege be recorded against the Mining Concessions in consequence of any work done on the Mining Concessions by or for any Obligor, the Sellers shall forthwith take all such actions, including initiating legal proceedings, as may be necessary to have such Lien or privilege

removed or discharged from the Mining Concessions (or bonded over in accordance with Applicable Laws) and shall have the same removed, discharged or bonded over with all reasonable dispatch; provided, however, that upon such removal, discharge or bond of such Lien or privilege, the Sellers may proceed to contest any such claim of Lien or privilege in good faith and diligently.

- (v) File the corresponding applications in accordance with Applicable Laws in order to obtain the extension of the term of the Mining Concessions, if required.
- (p) Permits. Duly obtain and maintain in full force and effect all Permits and comply in all material respects with the terms thereof, except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents.
- (q) Licenses. Duly maintain in full force and effect all licenses currently held and comply in all material respects with the terms thereof, except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents, without relinquishing any license except with the prior written consent of the Buyer.
- (r) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to confidential contractual agreements.]*
- (s) Consents. To and to cause each Guarantor to, each at its own cost and expense, take any action, satisfy any condition or do anything (including obtaining or effecting any necessary Consent) at any time required in accordance with Applicable Laws, to be taken, fulfilled or done to:
 - (i) obtain and maintain in full force and effect all Consents that are required in connection with the execution and delivery and performance of this Agreement and the other Transaction Documents;
 - (ii) enable each Obligor to lawfully enter into, exercise its rights and perform and comply with its obligations under each Transaction Document to which it is a party;
 - (iii) ensure that each Obligor's obligations under each Transaction Document to which it is a party are legally binding and enforceable; and
 - (iv) take any and all action necessary to preserve the enforceability of, and maintain the Buyer's rights under, each Transaction Document, including refraining from taking any action that would reasonably be expected to have a Material Adverse Effect.
- (t) Minerals. To cause all gold produced by the Obligors to be produced, handled, transported and delivered in accordance with all Applicable Laws in all material respects,

except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter, or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents.

- (u) Filings and Registrations. Forthwith after the entering into of this Agreement, file and cause the registry, as applicable, of such documents as may be required under Applicable Laws relating to the Transaction Documents (including the Security Documents) and the transactions contemplated thereunder together with any required fees and timely file all documents that must be publicly filed or sent to shareholders pursuant to Applicable Securities Laws within the time prescribed by such Applicable Securities Laws and make such documents available within such prescribed time period.
- (v) Maintenance of Liens.
 - (i) Each Seller shall (and shall cause each of its Affiliates to) take all action reasonably required to maintain and preserve the Liens created by the Security Documents to which it is a party and the priority of such Liens, subject to Permitted Liens. Each Seller shall (and shall cause each of its Affiliates to), from time to time, execute or cause to be executed any and all further instruments requested by the Buyer for such purposes. Each Sellers shall (and shall cause each of its Affiliates to) promptly discharge at its own cost and expense, any Lien (other than a Permitted Lien) on the Collateral.
 - (ii) If, after the date hereof, the Sellers and/or any of their Affiliates acquires any property or rights, which upon such acquisition, is not subject to the Liens created pursuant to the then existing Security Documents, then, unless otherwise specifically provided in an existing Security Document, the Sellers shall advise the Buyer as soon as reasonably practicable of such acquisition and shall within fifteen (15) Business Days after the date of such acquisition execute and deliver such additional security document(s) creating Liens on the newly acquired property as the Buyer may reasonably require (together with any necessary or desirable registration documents and an opinion of the Sellers' counsel relating to such security document(s) and the Liens created thereby, all in form and substance satisfactory to the Buyer, acting reasonably).
- (w) Material Agreements. Perform and cause all other Obligors to perform, all of their obligations under the Material Agreements in all material respects, except any non-compliance that does not cause any Obligor to breach, disrupt, delay, alter, or compromise the performance of its obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents, and take reasonable actions to enforce all of their material obligations thereunder.
- (x) Gold Quality. Cause the Contract Quantity credited to Buyer's Unallocated Gold Account to be in accordance with rules of the LBMA from time to time in effect, free and clear from any Liens and third-party claims.
- (y) Further Assurances. At their cost and expense, upon request of the Buyer, execute and deliver or cause to be executed and delivered to the Buyer such further instruments and

do and cause to be done such further acts as may be necessary or proper in the reasonable opinion of the Buyer to carry out more effectually the provisions and purposes of the Transaction Documents.

- (z) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold production.]*
- (aa) Funding Deficit. If any funding deficit is identified in the Capital Expenditure Report, cure such funding deficit within ninety (90) days after its occurrence.
- (bb) Joinder of Guarantors. Promptly upon the incorporation or acquisition of any Subsidiary of any Obligor (and in any event, within thirty (30) days of such incorporation or acquisition), cause such Subsidiary to execute a Guarantor Joinder Agreement.
- (cc) Collection Account.
 - (i) Within one (1) month following the Effective Date, deliver to the Buyer evidence that:
 - (A) the Sellers have opened the Collection Account; and
 - (B) the Sellers have delivered a Collection Account Instruction to each Offtaker; and
 - (ii) thereafter:
 - (A) maintain the Collection Account in the name of Gold Road;
 - (B) deliver to the Buyer, within 15 days after the last day of each Scheduled Delivery Month, the current balance statements relating to the Collection Account; and
 - (C) cause each Offtaker to pay all cash proceeds of Mineral sales into the Collection Account.
- (dd) Compliance with Anti-bribery and Anti-public corruption Laws.
 - (i) Comply with any and all Applicable Laws regarding anti-bribery and anti-public corruption, including, but not limited to, the Canadian Corruption of Foreign Public Officials Act of 1998, the United States Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010, including their further modifications, and, where applicable, the principles described in the ‘Convention on Combating Bribery of Foreign Public Officials in International Business Transactions’;
 - (ii) Maintain adequate and valid compliance systems in strict accordance with Applicable Laws and regulations, and best governance and internal control practices, with regards to anti-bribery and anti-public corruption; and

- (iii) Maintain adequate internal control and auditing systems in order to prevent, control, monitor and detect the perpetration of crimes and/or misconduct and/or any questionable payments or any risks associated with anti-bribery and anti-public corruption.
- (ee) Z79 Stock Certificate. On or prior to August 6, 2018, deliver to the Buyer the stock certificate evidencing 100% of the shares in Z79.
- (ff) Angra Metals. Within thirty (30) days following the Effective Date:
 - (i) deliver to the Buyer a Guarantor Joinder Agreement joining Angra Metals as a Guarantor of the Obligations; and
 - (ii) deliver to the Buyer a share pledge agreement, in form and substance satisfactory to the Buyer in its sole discretion, granting to the Buyer a first-priority security interest in 100% of the shares of Angra Metals and, at the Obligor's expense, take such actions as are necessary to perfect such security interest.
- (2) Negative Covenants. So long as any Gold remains to be Delivered or any amounts remain to be paid by the Sellers under this Agreement, no Seller shall:
 - (a) Debt. Create, incur, assume or suffer to exist, or permit any Guarantor to create, incur, assume or suffer to exist, any Debt other than the Permitted Debt.
 - (b) Liens. Create, incur, assume or suffer to exist, or permit any Guarantor to create, incur, assume or suffer to exist, any Lien on any of their respective properties or assets other than (i) Permitted Liens; (ii) Liens created, incurred, assumed or existing in connection with leases of equipment or property required by any Obligor for the operation of its business in the normal course up to a maximum of US\$150,000 in the aggregate (which Liens, for greater certainty, shall be in addition to Purchase Money Liens); or (iii) in connection with a full prepayment by the Sellers of their obligations under this Agreement as contemplated in Section 5(8) on terms and conditions satisfactory to the Buyer in its commercially reasonable discretion.
 - (c) Forward Commitments. Create, incur or permit to remain outstanding or permit any Guarantor to create, incur, assume or permit to remain outstanding any forward commitments to deliver gold or any other product of the Sites to any Person other than the Buyer for a fixed price or containing an embedded hedge;
 - (d) Offtake Arrangements. Sell, assign, dispose, gift or otherwise transfer (or permit any Guarantor to sell, assign, dispose, gift or otherwise transfer) any gold amounts to any Person, including any Affiliate, in any Scheduled Delivery Month until the Scheduled Monthly Quantity is credited to the Buyer's Unallocated Gold Account and until all amounts outstanding to the Buyer due to a Gold Shortfall have been paid. For the avoidance of doubt, the Obligor shall be entitled to sell the remaining gold amounts, over and above each Scheduled Monthly Quantity, if any; provided that, so long as any amounts outstanding remain unpaid due to a Gold Shortfall, no Obligor shall be permitted to sell any such amounts of gold until such amounts have been paid in full to Buyer.
 - (e) Preferential Arrangements. Sell or dispose of, or permit any Guarantor to sell or dispose of, any of its or their receivables on recourse terms or enter into any arrangement under

which money or the benefit of any bank or other account may be applied or set off or made subject to a combination of accounts or enter into any other preferential agreement having a similar effect to any of the foregoing, other than in connection with a full prepayment by the Sellers of their obligations under this Agreement as contemplated in Section 5(8) on terms and conditions satisfactory to the Buyer in its commercially reasonable discretion.

- (f) Mergers. Permit any of the Guarantors to enter into any reorganization, consolidation, amalgamation, arrangement, winding-up, merger or other similar transaction.
- (g) Disposal of Assets. Generally sell, exchange, lease, release or abandon or otherwise dispose of, or permit any Guarantor to sell, exchange, lease, release or abandon or otherwise dispose of, any assets or properties to any Person, other than bona fide sales, exchanges, leases, abandonments or other dispositions of assets or properties made in the Ordinary Course of Business for the purpose of carrying on its business, and at fair market value, up to a maximum of US\$100,000 in the aggregate for the Obligors taken together during any Financial Year.
- (h) Transactions with Related Parties. Enter into, or allow any Guarantor to enter into, any agreement with, make any financial accommodation for, or otherwise enter into any transaction with, a Related Party, other than intercompany subscriptions, purchases, redemptions, advances, book entries, other transactions by which the Sellers provide working capital to the Guarantors be used for operations in the normal course of business and not for redistribution by such Guarantor to third parties and any dividends or other distributions comprised solely of capital stock.
- (i) Change in Business. Make any change in the nature of its business or permit any Guarantor carrying on business relating to the Sites to make any change in the nature of their respective businesses.
- (j) Issuance of Equity. Permit any of the Guarantors to issue shares, or any options, warrants or securities convertible into shares, unless such securities are held by another Obligor.
- (k) Acquisition of Assets or Property. Permit any Obligor to acquire, directly or indirectly, any assets or property, or make or own any investments in shares, assets or other ownership interests, except in accordance with the Initial Expense Budget (as such Initial Expense Budget may be updated from time to time and approved by the Buyer), other than:
 - (i) any ownership interest held as of the Effective Date;
 - (ii) in an amount less than US\$100,000 in aggregate for the Obligors taken together for the Term of this Agreement;
 - (iii) via the exercise of the Purchase Option Agreements set forth on items 6 through 11 of Schedule D, where such exercise is paid for in full using:
 - (A) equity, or

- (B) Debt which has been fully subordinated to the Obligations pursuant to definitive documentation acceptable in form and substance to the Buyer in its sole discretion; or
- (iv) with the prior written consent of the Buyer.
- (l) Distributions. Declare, make or pay, or permit any Guarantor to declare, make or pay, any Distributions.
- (m) Financial Assistance. Give or permit any Guarantor to give any financial assistance to any Person, other than inter-corporate subscriptions, purchases, redemptions, advances, book entries or other transactions by which Para provides working capital to any of its Subsidiaries.
- (n) Lease-Backs. Enter into, or permit any Guarantors to enter into, any arrangements, directly or indirectly, with any Person other than an Obligor, whereby such Seller or such Guarantor shall sell or transfer any property, whether now owned or hereafter acquired, used or useful in the carrying on of business relating to the Sites, in connection with the rental or lease of the property so sold or transferred or of other property for substantially the same purpose or purposes as the property so sold or transferred.
- (o) Hedging. Except for agreements entered into with the Buyer, enter into or allow any Guarantors to enter into: (i) any prepaid forward arrangements in respect of Minerals or any fixed price forward arrangements in respect of Minerals or any embedded hedge forward arrangements in respect of Minerals; (ii) any hedge arrangements; or (iii) any foreign exchange contracts or swap contracts.
- (p) Affiliates. Incorporate, acquire or have any subsidiaries other than the Guarantors, or enter into or be part of any joint venture.
- (q) Expenditures. Make or commit to make, or permit any Guarantors to make or commit to make expenditures without the Buyer's consent, other than those in accordance with the Initial Expense Budget (as such Initial Expense Budget may be updated from time to time and approved by the Buyer).
- (r) Financial Year. Change its Financial Year other than a change to calendar year end, provided that: (i) the Sellers shall have provided ninety (90) days' prior written notice to the Buyer; and (ii) the Sellers would otherwise be able to make the affirmations and deliver the deliverables required pursuant to this Agreement on the dates provided herein as if such change of Financial Year had not occurred.
- (s) Waivers, Releases, Assignments or Abandonments. Waive, release, grant, transfer, exercise, modify, abandon, terminate or amend, (i) any Material Agreement (except with the prior written consent of the Buyer) or any other existing contractual rights with respect to the Mining Concessions, (ii) any authorization, lease, concession, contract or other document in respect of the Material Agreements or the Mining Concessions, or (iii) any other material legal rights or claims in respect of the Material Agreements and Mining Concessions, except any such waiver, release, assignment or abandonment that does not cause any Obligors to breach, disrupt, delay, alter, or compromise the performance of their obligations under this Agreement or the Security Documents or

create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents.

- (t) Organizational Documents. Change (or permit any Guarantor to change) its organizational or constitutive documents, unless, after such change, each Obligor continues to be bound by this Agreement.
 - (u) Mining Concessions.
 - (i) Engage in any act or sign any document that could cause, without the prior approval of the Buyer: (i) a reduction of the surface area comprised by the Mining Concessions; or (ii) the abandonment of the Mining Concessions.
 - (ii) Encumber, assign or promise to assign the rights derived from the Mining Concessions, except for Permitted Liens.
 - (iii) Enter into any exploration, exploitation, option, royalty, promise to execute an agreement, joint venture, association, joint investment, partnership, co-ownership or other agreement affecting in any manner the ownership, use, operation or transferability of the Mining Concessions.
 - (iv) Grant to any third party, other than any contractors or third-party service providers engaged by any Obligor to enhance or accomplish the provisions of this Agreement or any Authority, existing or prospective investors, joint venture parties or lenders or as may otherwise be required by law, any right of access or entry on the Mining Concessions without the prior written consent of the Buyer, such consent not to be unreasonably withheld or delayed.
 - (v) Fuel Surcharge. Enter into, maintain, or cause or permit any Obligor to enter into or maintain any contract that requires any Obligor to pay for any additions of fuel surcharges without the prior, written consent of the Buyer not to be unreasonably withheld.
 - (w) Agreements with Offtakers. Execute or enter into any agreement entered into by any Obligor with an Offtaker (other than the Mineral Sales Contract/Refining Agreement) that includes (i) the sale of any gold-containing concentrate produced by the Depositors to an Offtaker or (ii) the smelting, refining, or other beneficiation of Produced Gold by an Offtaker, without the Buyer's prior written consent.
- (3) Security Covenants.
- (a) So long as any Gold remains to be Delivered or amounts remain to be paid by the Sellers pursuant to this Agreement, the Sellers shall:
 - (i) (A) maintain books and records pertaining to the Collateral in such detail, form and scope as the Buyer reasonably requires; (B) immediately notify the Buyer if any account in excess of US\$50,000 arises out of contracts with any Authority, and execute any instruments and take any steps required by the Buyer in order that all moneys due or to become due under any such contract are assigned to the Buyer and notice of such assignment be given to the Authority; (C) report immediately to the Buyer any matters materially adversely affecting the value,

enforceability or collectability of the Collateral, taken as a whole; (D) if any amount payable under or in connection with any account in excess of US\$50,000 is evidenced by a promissory note or other instrument, immediately pledge, endorse, assign and deliver to the Buyer the promissory note or instrument, as additional Collateral; and (E) notify the Buyer in writing of any agreement under which any terms of sale or service (written or oral) that are materially different from normal operating procedures may have been or will be granted;

- (ii) at least thirty (30) days prior to any of the following changes becoming effective, notify the Buyer in writing of (A) any proposed change in the location of (w) any place of business of any Obligor, (x) the chief executive office or head office of any Obligor, (y) any account debtors of any Obligor, and (z) any place where any tangible property of any Obligor is stored; and (B) any proposed change in the name of any Obligor; and
- (iii) perform, execute and deliver and cause any Guarantors to perform, execute and deliver all acts, agreements and other documents as may be requested by the Buyer at any time to register, file, signify, publish, perfect, maintain, protect, and enforce the security interests created by the Security Documents including, without limitation, (A) executing, recording and filing of the Security Documents and financing or continuation statements in connection therewith, in form and substance satisfactory to the Buyer; (B) causing any Obligors to file and record a security interest and register such instrument with the appropriate Authorities in favor of, and to the benefit of Buyer, promptly after the such Obligors have executed a valid and binding extraction concession contract, contract-law, or similar administrative concession with the applicable Authority with regard to any future extraction rights to any mineral exploration and/or mining rights concession granted to any Obligors, including any further and future rights, privileges, obligations and interests that any Obligors may acquire in the surface, mineral, and subsurface lands and other property rights of any mineral exploration and/or mining rights concession; (C) delivering to the Buyer the originals of all instruments, documents and chattel property and all other Collateral of which the Buyer determines it should have physical possession in order to perfect and protect the security interests created by the Security Documents, duly endorsed or assigned to the Buyer; (D) delivering to the Buyer warehouse receipts covering any portion of the Collateral located in warehouses and for which warehouse receipts are listed; (E) placing notations on its books of account to disclose the security interests created by the Security Documents; (F) delivering to the Buyer all letters of credit on which any Obligor is named as beneficiary; and (G) taking such other steps as are deemed necessary by the Buyer to maintain the security interests created by the Security Documents.

Section 13 Events of Default

- (1) Events of Default in Relation to the Sellers. Each of the following events shall constitute an “**Event of Default**” in relation to the Sellers for purposes of this Agreement:
 - (a) Any Seller fails to Deliver or cause to be Delivered any amount of Gold as and when required by this Agreement or any other Transaction Document and such failure is not remedied within fifteen (15) Business Days following notification of such failure, provided that notwithstanding the foregoing such Seller shall have the right (i) to convert

the Delivery obligation into a payment obligation under Section 5(5), and (ii) to delay Delivery under Sections 5(6) and 5(7), in which event the failure to Deliver shall not constitute an Event of Default provided that such Seller complies with the provisions of Section 5;

- (b) Any Obligor fails to pay any amount as and when due under this Agreement or any other Transaction Document and such failure is not remedied on or before fifteen (15) Business Days following notification of such failure;
- (c) Subject to Section 12(2)(s), the expropriation, condemnation, annulment, cancellation or abandonment of any Mining Concession or any Site or any part thereof or any restriction or limitation imposed by any Authority on any Seller's legal right to use the Mining Concessions owned by it or any Sites for mining and exploration activities if such imposition resulting in such restriction or limitation has not been discharged, vacated or stayed within thirty (30) days;
- (d) Any representation or warranty or certification made or deemed to be made by any Obligors or any of their respective directors or officers in any other Transaction Document shall prove to have been incorrect when made or deemed to be made and such breach could, in the opinion of the Calculation Agent (in its sole discretion, acting reasonably), have an adverse effect on the ability of the Sellers to perform their obligations hereunder;
- (e) Any one or more of the Transaction Documents is determined by a court of competent jurisdiction not to be a legal, valid and binding obligation of any Obligor that is a party thereto, enforceable by the Buyer against Obligor and such Transaction Document has not been replaced by a legal, valid, binding and enforceable document that is equivalent in effect to such Transaction Document, assuming such Transaction Document had originally been legal, valid, binding and enforceable, in form and substance acceptable to the Buyer, within thirty (30) days of such determination; provided, however, that such grace period shall only be provided if such Obligor actively cooperates with the Buyer;
- (f) Any Obligor fails to perform, observe or comply with any term, covenant or agreement contained in this Agreement or any other Transaction Document to which it is a party and such failure remains unremedied for fifteen (15) Business Days;
- (g) (i) Any Obligor fails to pay the principal of, or premium or interest on any of its Debt (excluding Debt under this Agreement) that is outstanding in an aggregate principal amount exceeding US\$50,000 (or the equivalent amount in any other currency) when such amount becomes due and payable or capable of being due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to the Debt; (ii) any other event occurs or condition exists and continues after the applicable grace period, if any, specified in any agreement or instrument relating to any such Debt if its effect is to accelerate, or permit the acceleration of the Debt; or (iii) any such Debt shall be declared to be due and payable prior to its stated maturity and the declaration, except any noncompliance that does not cause any Obligors to breach, disrupt, delay, alter, or compromise the performance of their obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents;

- (h) (i) Any Obligor fails to perform or observe any term, covenant or agreement contained in any Material Agreement or Permit on its part to be performed or observed; (ii) any Material Agreement is terminated or revoked or permitted to lapse (other than in accordance with its terms and not as a result of default); (iii) any party to any Material Agreement delivers a notice of termination or revocation (other than in accordance with its terms and not as a result of default) in respect of the Material Agreement; (iv) any Permit is terminated or revoked or permitted to lapse; or (v) any Authority gives notice of revocation or termination of any Permit, except any noncompliance that does not cause any Obligors to breach, disrupt, delay, alter, or compromise the performance of their obligations under this Agreement or the Security Documents or create, or become subject to, a superseding intervening Lien, other than a Permitted Lien, to any of the security interests evidenced by the Security Documents;
- (i) Any judgment or order for the payment of money in excess of US\$50,000 (or the equivalent amount in any other currency) is rendered against any Obligor and either (i) enforcement proceedings have been commenced by a creditor upon the judgment or order; or (ii) there is any period of fifteen (15) consecutive days during which a stay of enforcement of the judgment or order, by reason of a pending appeal or otherwise, is not in effect;
- (j) A writ, execution, garnishment, attachment or similar process is issued or levied against all or any portion of the Collateral in connection with any judgment against any Obligor in excess of US\$50,000 and such writ, execution, garnishment, attachment or similar process is not released, bonded, satisfied, discharged, vacated or stayed within thirty (30) days after its entry, commencement or levy;
- (k) Any Obligor incurs or becomes subject to any Environmental Liabilities (i) for any one occurrence in excess of US\$50,000 after application of insurance proceeds; or (ii) aggregating in any Financial Year on a consolidated basis, US\$100,000 after application of insurance proceeds;
- (l) The occurrence of any event prior to the Payoff Date that results in any of Geoff Hampson, as CEO and Chairman of the Board, or Ian Harris, as President, no longer serving in his corporate officer position, except as a result of his death or incapacity, his willful misconduct, negligence, fraud, or malfeasance, or in relation to his performance, provided that such event shall not constitute an Event of Default if that officer position is promptly filled by the appointment of one or more individuals who meet the requirements of Para's governing corporate legislation and all applicable stock exchange requirements and, in the good faith determination of the board of directors of Para, possess appropriate qualifications and experience;
- (m) Any Obligor (i) becomes insolvent or generally not able to pay its debts as they become due; (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors; (iii) institutes or has instituted against it any proceeding seeking (x) to adjudicate it a bankrupt or insolvent, (y) liquidation, winding-up, reorganization, arrangement, adjustment protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or (z) the entry of an order for relief or the appointment of a receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets, and in the case

of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of thirty (30) days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, interim receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or (iv) takes any corporate action to authorize any of the above actions;

- (n) There has occurred, in the opinion of the Buyer, an event or development that would reasonably be expected to have a Material Adverse Effect;
 - (o) The audited consolidated (if applicable) financial statements of Para or Gold Road are qualified in any material respect by Para's or Gold Road's independent auditors;
 - (p) The Buyer ceases to have enforceable first priority Liens on all Collateral, subject to Permitted Liens, as provided in the Transaction Documents;
 - (q) There is a Change of Control in relation to any Obligor;
 - (r) (i) Any Material Agreement shall at any time for any reason cease to be enforceable or cease to be valid and binding or in full force and effect or shall be impaired (in each case, except in connection with its expiration in accordance with its terms in the ordinary course (and not related to any default thereunder)) and (ii) any such Material Agreement has not been replaced by a legal, valid, binding and enforceable document that is equivalent in effect to such Material Agreement assuming such Material Agreement had originally been legal, valid, binding and enforceable, in form and substance acceptable to the Buyer, within fifteen (15) Business Days of such cessation, provided, however, that such grace period shall only be provided if the Sellers actively cooperate with the Buyer to so replace such Material Agreement; or
 - (s) There is (i) a deviation from the Initial Expense Budget (as such Initial Expense Budget may be updated from time to time and approved by the Buyer), or (ii) a change between the Initial Annual Production Forecast and any updated Annual Production Forecast, where such deviation or change has had or would be expected to have a Material Adverse Effect, each determined in the sole and absolute discretion of the Buyer.
- (2) Events of Default in relation to the Buyer. The following shall be Events of Default in relation to the Buyer for purposes of this Agreement:
- (a) The Buyer fails to make, when due, any payment under this Agreement if such failure is not remedied on or before fifteen (15) Business Days following notification of such failure by the Sellers;
 - (b) Any representation or warranty or certification in this Agreement, made or deemed to be made by the Buyer, shall prove to have been incorrect when made or deemed to be made, and such breach would, in the opinion of the Calculation Agent (in its sole and absolute discretion, acting reasonably), have a Material Adverse Effect on the ability of the Buyer to perform its obligations hereunder; or
 - (c) The Buyer (i) becomes insolvent or generally not able to pay its debts as they become due; (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors; (iii) institutes or has instituted against it by a

regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of incorporation or organization or the jurisdiction of its head or home office, any proceeding seeking (x) to adjudicate it a bankrupt or insolvent, (y) liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or (z) the entry of an order for relief or the appointment of a receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of thirty (30) days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, receiver and manager, trustee, monitor, custodian or other similar official for it or for any substantial part of its properties and assets) occurs; or (iv) takes any corporate action to authorize any of the above actions.

Section 14 Remedies

- (1) Following the occurrence of an Event of Default described in Section 13 of this Agreement: the other party (the “**Non-Defaulting Party**”) may, by giving written notice to the defaulting party (the “**Defaulting Party**”), terminate this Agreement with immediate effect (“**Early Termination Date**”); provided that if such Event of Default is the result of force majeure or an act of state, and the Defaulting Party is unable to make any absolute or contingent payment or Delivery under this Agreement, the Defaulting Party and the Non-Defaulting Party shall first use their good faith efforts to reschedule the Delivery obligations for a period of up to sixty (60) calendar days, after which time the Non-Defaulting Party may trigger an Early Termination Date by giving written notice to the Defaulting Party.
- (2) If notice designating an Early Termination Date is given under Section 14(1), the Early Termination Date will occur on the date so designated, whether or not the relevant Event of Default is then continuing.
- (3) Upon the designation of an Early Termination Date, no further payments or Deliveries under Section 5(1) or Section 7 will be required to be made, but without prejudice to the other provisions of this Agreement.
- (4) If the Defaulting Party is any Obligor, (i) the Buyer may demand payment of the Early Termination Amount in accordance with Section 5(8), (ii) the Buyer may enforce against the Collateral, in whole or in part, (iii) the Buyer shall have the right to fully or partially enforce the Security Documents, and (iv) any and all enforcement actions thereof shall be made in accordance with the terms of Applicable Laws.
- (5) Interest on all amounts due and unpaid hereunder shall accrue, from the date due, at the Default Interest Rate.
- (6) Upon the occurrence of a Seller Default or Seller Event of Default, all rights of the Sellers to exercise, or refrain from exercising, voting and economic rights and powers over the pledged equity interests of Gold Road, Z79, and any Guarantors shall cease and all such rights shall thereupon become vested in the Buyer, which shall have the sole and exclusive right and authority to exercise such voting and economic rights and powers, solely as such action directly

impacts the obligations and performance herein. For the avoidance of doubt, the Buyer agrees not to sell or liquidate the assets of the Sellers by use of such voting power.

Section 15 Indemnities and Limitations of Liability

- (1) The Buyer shall have no responsibility or liability whatsoever in relation to the operation or management of the Sites or the production or refining of gold therefrom.
- (2) The Obligors (jointly and severally) shall indemnify the Buyer and each of its Affiliates, and each officer, director, employee or agent of any of them (each such Person being called an “**Indemnified Person**”) against, and hold each Indemnified Person harmless from any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnified Person, incurred by any Indemnified Person or asserted against any Indemnified Person by any Person (other than the Sellers) arising out of, in connection with, or as a result of:
 - (a) the execution or delivery of this Agreement; any other Transaction Document or any agreement or instrument contemplated hereby or thereby, the performance or nonperformance by the Obligors hereto of their respective obligations hereunder or thereunder or the consummation or non-consummation of the transactions contemplated hereby or thereby;
 - (b) the use or the proposed use of the proceeds therefrom by the Sellers hereunder;
 - (c) the operation or management of the Sites or the production or refining of gold or gold bearing ores therefrom;
 - (d) any Environmental Laws, Environmental Liabilities, Permits or any actual or alleged presence or release of Hazardous Substances on, at, in, under or from any property owned, occupied, managed or operated by any Obligors, any of their respective Affiliates or any Related Parties, including the property described in the Security Documents, or any liability under Environmental Laws related in any way to any Obligors, any of their respective Affiliates or any Related Party; or
 - (e) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Obligors, any of their respective Affiliates or any Related Party and regardless of whether any Indemnified Person is a party thereto, provided that such indemnity shall not, as to any Indemnified Person, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person.
- (3) The obligations of the Obligors under this Section 15 shall survive: (a) the payment and performance of the Sellers’ obligations hereunder and under the other Transaction Documents and (b) the termination this Agreement for a period of two (2) years from and after the termination of this Agreement.

Section 16 Confidentiality

- (1) The Parties undertake that during the operation of, and after the expiration, termination or cancellation of, this Agreement for any reason, they will keep confidential:
 - (a) Any information that a Party (“**Disclosing Party**”) communicates to the other Party (“**Recipient**”) and which is stated to be, or by its nature is, or is intended to be, confidential; and
 - (b) All other information of the same confidential nature concerning the business of a Disclosing Party that comes to the knowledge of the Recipient while it is engaged in negotiating the terms of this Agreement or after its conclusion, including:
 - (i) details of the Disclosing Party’s financial structures and operating results; and
 - (ii) details of the Disclosing Party’s strategic objectives and planning.
- (2) Each Party undertakes, subject to Section 16(3) through Section 16(6), inclusive, not to (a) disclose any information that is to be kept confidential in accordance with the terms of this Section 16, or (b) use such information for its own or anyone else’s benefit, except in connection with this Agreement and the other Transaction Documents.
- (3) A Recipient shall be entitled to disclose any information to be kept confidential if and to the extent only that the disclosure is:
 - (a) bona fide and necessary for the purposes of carrying out its duties under this Agreement;
 - (b) required by any Applicable Law;
 - (c) required by the rules of any competent authority or securities exchange on which securities of the Recipient are listed; or
 - (d) required by any court of competent jurisdiction or any competent judicial, governmental, supervisory or regulatory body.
- (4) The obligation of confidentiality placed on the Parties in terms of this Section 16 shall cease to apply to a Recipient in respect of any information which:
 - (a) is or becomes generally available to the public other than by the negligence or default of the Recipient or by the breach of this Agreement by the Recipient;
 - (b) the Disclosing Party confirms in writing is disclosed on a non-confidential basis;
 - (c) has lawfully become known by, or come into the possession of, the Recipient on a non-confidential basis from a source other than the Disclosing Party having the legal right to disclose same; or
 - (d) is disclosed pursuant to a requirement or request by operation of law, regulation or court order, to the extent of compliance with such requirement or request only and not for any other purpose.

- (5) In the event that the Recipient is required to disclose confidential information of the Disclosing Party as contemplated above, the Recipient will to the extent possible and legally permissible:
 - (a) advise the Disclosing Party thereof in writing prior to disclosure;
 - (b) take such steps to limit the disclosure to the minimum extent required to satisfy such requirement;
 - (c) afford the Disclosing Party a reasonable opportunity to intervene in the proceedings;
 - (d) comply with the Disclosing Party's reasonable requests as to the manner and terms of any such disclosure; and
 - (e) notify the Disclosing Party of the receipt of, and the form and extent of, any such disclosure or announcement immediately after it is made.
- (6) Notwithstanding any other provisions of this Section 16, the Buyer may disclose any information about the Obligors, their respective Affiliates, the Sites, this Agreement or any Transaction Document to any potential assignee, participant hedging counterparty or insurer, subject to such Person agreeing to adhere to the same confidentiality undertakings contained in this Section 16.

Section 17 Governing Law and Jurisdiction

- (1) This Agreement and its enforcement, and any controversy arising out of or relating to the making or performance of this Agreement, shall be governed by and construed in accordance with the law of the State of New York, without regard to New York's principles of conflicts of law.
- (2) Each Obligor irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the Federal courts sitting in the County of New York, in any action or proceeding arising out of or relating to this Agreement or any other Transaction Document, or for recognition or enforcement of any judgment and each of the Parties irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each Party hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of inconvenient forum to the maintenance of such action or proceeding. Each of the Parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Transaction Document shall affect any right that the Buyer may otherwise have to bring any action or proceeding relating to this Agreement or any other Transaction Document against the Obligors or their properties in the courts of Canada or any other jurisdiction unless specifically permitted by the terms of such Transaction Document. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 18 Notices

- (1) Any notice or other communication (including, without limitation, any consent or waiver by the Buyer hereunder or in connection herewith) to be given under this Agreement or any other

Transaction Document shall be in writing and shall be sent to the below email addresses designated below, to the Party to be served:

(a) Para:

Para Resources Inc.
450-1090 West Georgia Street
Vancouver, BC V6E 3V7
Attention: Geoffrey Hampson
Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

with a copy to the Sellers' legal counsel (which copy shall not constitute notice) at:

Miller Thomson LLP
400-725 Granville Street
Vancouver, BC V7Y 1G5
Attention: Rory Godinho
Email: rgodinho@millerthomson.com

(b) Gold Road:

Gold Road Mining Corp.
450-1090 West Georgia Street
Vancouver, BC V6E 3V7
Attention: Geoffrey Hampson
Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

with a copy to the Sellers' legal counsel (which copy shall not constitute notice) at:

Miller Thomson LLP
400-725 Granville Street
Vancouver, BC V7Y 1G5
Attention: Rory Godinho
Email: rgodinho@millerthomson.com

and:

Fennemore Craig
600-2394 East Camelback Road
Phoenix, AZ 85016-3429
Attention: Sarah Strunk
Email: sstrunk@fclaw.com

(c) Z79:

Z79 Gold (USA) Corp.
450-1090 West Georgia Street
Vancouver, BC V6E 3V7
Attention: Geoffrey Hampson
Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

with a copy to the Sellers' legal counsel (which copy shall not constitute notice) at:

Miller Thomson LLP
400-725 Granville Street
Vancouver, BC V7Y 1G5
Attention: Rory Godinho Tang
Email: rgodinho@millerthomson.com

and:

Fennemore Craig
600-2394 East Camelback Road
Phoenix, AZ 85016-3429
Attention: Sarah Strunk
Email: sstrunk@fclaw.com

(d) any Guarantor:

[name of Guarantor]
c/o Para Resources Inc.
450-1090 West Georgia Street
Vancouver, BC V6E 3V7
Attention: Geoffrey Hampson
Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

with a copy to the Sellers' legal counsel at:

Miller Thomson LLP
400-725 Granville Street
Vancouver, BC V7Y 1G5
Attention: Rory Godinho Tang
Email: rgodinho@millerthomson.com

and:

Fennemore Craig
600-2394 East Camelback Road
Phoenix, AZ 85016-3429
Attention: Sarah Strunk
Email: sstrunk@fclaw.com

(e) the Buyer:

PPG Arizona Holdings LP

[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted address is confidential]

Attention: Joseph Archibald

Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

or at such other address of which such Party may have notified the other Party in accordance with this Section 18.

- (2) Any notice or other formal communication shall be deemed to have been given and shall be effective:
- (a) if sent by mail, at the time of delivery; or
 - (b) if sent by email, on the date of transmission, if transmitted before 3:00 pm (New York time) on any Business Day, and in any other case on the Business Day following the date of transmission.
- (3) In proving service of a notice or other formal communication it shall be sufficient to prove that delivery was made or that the envelope containing the communication was properly addressed and posted either by prepaid first class airmail (as the case may be) and that the email was properly addressed and transmitted.
- (4) This Section 18 shall not apply in relation to the service of any claim form, notice, order, judgment or other document relating to or in connection with any proceedings, suit or action arising out of or in connection with this Agreement.

Section 19 Costs, Expenses and Indemnity

- (1) The Sellers (jointly and severally) shall pay to the Buyer all reasonable costs and expenses (including all reasonable legal fees and disbursements) incurred by the Buyer for:
- (a) the enforcement of this Agreement or any other Transaction Document or the enforcement or preservation of rights thereunder or the bringing of any action, suit or proceeding with respect to the enforcement of this Agreement or any other Transaction Document or any such right or seeking any remedy that may be available to the Buyer at law or in equity; and
 - (b) any amendments, waivers or Consents requested by the Buyer pursuant to the provisions hereof or any other Transaction Document.
- (2) If, with respect to the Buyer: (i) any change in any law, rule, regulation, judgment or order of general application, or any change in the interpretation or application of such law, rule, regulation, judgment or order, occurring or becoming effective after this date; or (ii) compliance by the Buyer with any direction, request, or requirement (whether or not having the force of law) of any Authority made or becoming effective after the date, has the effect of causing any loss to the Buyer or reducing the Buyer's rate of return by (w) increasing the cost to the Buyer of performing its obligations under this Agreement (including the costs of maintaining any capital,

reserve or special deposit requirements but other than a reduction resulting from a higher rate or from a change in the calculation of income or capital tax relating to the Buyer's income or capital in general), (x) requiring the Buyer to maintain or allocate any capital or additional capital or affecting its allocation of capital in respect of its obligations under this Agreement, (y) reducing any amount payable or required to be Delivered to the Buyer under this Agreement by any material amount, (z) causing the Buyer to make any payment or to forego any return on or calculated by reference to, any amount received or receivable by the Buyer or required to be Delivered under this Agreement, then the Buyer may give notice to the Sellers specifying the nature of the event giving rise to the loss and the Sellers shall pay the amounts, on demand, as the Buyer specifies is necessary to compensate it for any such loss. A certificate as to the amount of any such loss submitted in good faith by the Buyer to the Sellers shall be conclusive and binding for all purposes, absent manifest error.

- (3) The obligations of the Sellers under this Section 19 shall survive the payment and performance of the Sellers' obligations hereunder and under the other Transaction Documents and the termination of this Agreement.

Section 20 Taxes and Other Taxes

- (1) All payments and Deliveries by, or on account of any obligation of, the Obligors under this Agreement or any other Transaction Document shall be made free and clear of and without deduction or withholding for any and all Taxes, unless such Taxes are required by Applicable Laws to be deducted or withheld.

If any Obligor shall be required by Applicable Laws to deduct or withhold any such Taxes from or in respect of any amount payable or Delivered under this Agreement or any other Transaction Document, (i) the amount payable or Delivered shall be increased (and for the avoidance of doubt, in the case of interest, the amount of interest shall be increased) as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to any additional amounts paid under this Section 20(1)), the Buyer receives an amount equal to the amount it would have received if no such deduction or withholding had been made; (ii) the Obligors shall make such deductions or withholdings; and (iii) the Obligors shall immediately pay the full amount deducted or withheld to the relevant Authority in accordance with Applicable Laws.

- (2) Each Seller (and, where applicable, each Guarantor) agrees to immediately pay when due any Other Taxes that arise from any payment or Delivery made by any Obligor under this Agreement or any other Transaction Document or from the execution, delivery or registration of, or otherwise with respect to this Agreement or any other Transaction Document.
- (3) The Obligors (jointly and severally) shall indemnify the Buyer for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable by the Obligors, or any of their respective Affiliates, under this Section 20) paid by the Buyer and any liability (including penalties, interest and expenses) arising from or with respect to such Taxes or Other Taxes, whether or not they were correctly or legally asserted, excluding Taxes imposed on the Buyer's net income, capital taxes or receipts and franchise taxes. Payment under this indemnification shall be made within thirty (30) days from the date the Buyer makes written demand for it. A certificate as to the amount of such Taxes or Other Taxes submitted in good faith by the Buyer to the Sellers shall be conclusive evidence, absent manifest error, of the amount due from the Sellers to Buyer.

- (4) Each Seller (and, where applicable, each Guarantor) shall furnish to the Buyer the original or a certified copy of a receipt evidencing payment of Taxes or Other Taxes made by any Obligor within thirty (30) days after the date of any payment of Taxes or Other Taxes.
- (5) If the Buyer is, in its sole opinion, entitled to claim a refund or able to apply for or otherwise take advantage of any tax credit, tax deduction or similar benefit by reason of any withholding or deduction made by any Obligor in respect of a payment made by it under this Agreement, which payment shall have been increased pursuant to this Section 20, then the Buyer will use its reasonable efforts to obtain the refund, credit, deduction or benefit and upon credit or receipt of it will pay to any Obligor, the amount (if any) not exceeding the increased amount paid by any Obligor, as equals the net after-tax value to the Buyer of that part of the refund, credit, deduction or benefit as it considers is allocable to such withholding or deduction having regard to all of its dealings giving rise to similar credits, deductions or benefits in relation to the same tax period and to the cost of obtaining the same. Nothing contained in this Section 20 shall interfere with the right of the Buyer to arrange its tax affairs in whatever manner it deems fit and, in particular, the Buyer shall be under no obligation to claim relief from its corporate profits or similar tax liability in respect of any deduction or withholding in priority to any other relief, claims, credits or deductions available to it, and the Buyer shall not be obligated to disclose to any Obligor any information regarding its tax affairs, tax computations or otherwise.
- (6) The provisions of this Section 20 shall survive the termination of this Agreement and the payment and performance of all outstanding obligations hereunder and under any other Transaction Document.

Section 21 Rights of Set-Off and Suspension of Delivery Obligations

- (1) Without limiting Buyer's rights set forth in Section 7, upon the occurrence and during the continuance of the Seller Event of Default, the Buyer is authorized at any time and from time to time, to the fullest extent permitted by law (including general principles of common law), to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by it to or for the credit or the account of the Sellers (including any amount owing from the Buyer to the Sellers pursuant to Section 7(3)), against any and all of the obligations of the Sellers under this Agreement or any other Transaction Document, irrespective of whether or not the Buyer has made demand under this Agreement or any other Transaction Document and although such obligations may be unmatured or contingent. If an obligation is unascertained, the Buyer may, in good faith, estimate the obligation and exercise its right of set-off in respect of the estimate, subject to providing the Sellers with an accounting when the obligation is finally determined. The Buyer shall promptly notify the Sellers after any set-off and application is made by it, provided that the failure to give notice shall not affect the validity of the set-off and application. The rights of the Buyer under this Section 21 are in addition to any other rights and remedies (including all other rights of set-off) that the Buyer may have.
- (2) Upon the occurrence and during the continuance of a Buyer Event of Default, the Sellers shall have the right, upon notice to the Buyer, at the Sellers' option to suspend their obligations to Deliver Gold under this Agreement. However, for each such month (a "**Suspension Month**") of suspension:
 - (a) the Scheduled Monthly Quantity for that Suspension Month will be credited against the Contract Quantity as if such Scheduled Monthly Quantity had been Delivered; and

- (b) the Sellers shall deliver to Buyer two (2) Business Days following the Monthly Delivery Pricing Date a cash payment equal to the greater of:
 - (i) Zero; and
 - (ii) The amount calculated as follows:
 - (A) the product of the Scheduled Monthly Quantity for that Suspension Month and the Gold Price Discount;

minus
 - (B) the sum of (i) any unpaid amounts due and owing from the Buyer to the Sellers together with interest accrued thereon, (ii) *[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to gold pricing.]*
 - (c) The Sellers’ obligations to Deliver Gold under this Agreement shall recommence as of the date the Buyer cures the Buyer’s Event of Default in full or the Sellers deliver a payment under Section 21(2)(b).
 - (d) Interest on any amounts owing from the Buyer to the Sellers shall accrue and be payable at the Default Interest Rate from the date of the Buyer Event of Default.
- (3) The payment obligation referred to in (b) above shall apply until the Sellers either recommence Delivery as set forth hereunder or designate an Early Termination Date as provided in Section 14. The rights of the Sellers under this Section 21 are in addition to any other rights and remedies that the Sellers may have. Notwithstanding anything set out herein, the Sellers shall be allowed to sell the Scheduled Monthly Quantity for a Suspension Month with no restriction whatsoever. Only during a Suspension Month the terms of Sections 1 through 7 of Schedule E shall likewise be suspended until the Buyer cures any Event of Default.

Section 22 Judgment Currency

- (1) Payment of any judgment shall be effected in the lawful currency of the United States.
- (2) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder to any party in one currency (the “**Original Currency**”) into another currency (the “**Judgment Currency**”), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Buyer could purchase the Original Currency with the Judgment Currency on the Business Day preceding that on which final judgment is paid or satisfied.
- (3) The obligations of any party (the “**Paying Party**”) in respect of any sum due by the Paying Party in the Original Currency to the other Party (the “**Receiving Party**”) under any Transaction Document, shall, notwithstanding any judgment in any Judgment Currency, be discharged only to the extent that, on the Business Day following receipt by the Receiving Party of any sum adjudged to be so due in such Judgment Currency, the Receiving Party may in accordance with normal banking procedures purchase the Original Currency with the Judgment Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Receiving

Party in the Original Currency, the Paying Party shall agree, as a separate obligation and notwithstanding any such judgment, to indemnify the Receiving Party against such loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Receiving Party in the Original Currency, Receiving Party shall remit such excess to the Receiving Party.

Section 23 Contract Quantity Exchange Option

- (1) Subject to the prior approval of the TSX Venture Exchange, the Buyer may, at its option exercisable by written notice (the “**Exchange Notice**”) to the Sellers, at any time prior to the date following fifty-four (54) months *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to confidential timing and dates.]* after the Effective Date (the “**Exchange Deadline**”), elect to reduce the Contract Quantity by up to 2,000 ounces on a pro rata basis (elect to reduce the Contract Quantity by up to 2,000 ounces on a monthly proportional basis) in minimum increments of 100 Ounces *([redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to number of shares.]*, in exchange for 6,352,683 common shares of Para, each such share issued at a deemed price per share of CA\$*[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to share pricing.]* per common share, which is equal to US\$*[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to share pricing.]* per common share (the “**Contract Quantity Exchange Option**”). (For greater certainty, the Contract Quantity Exchange Option shall be exercisable, in whole or in part, and from time to time prior to the Exchange Deadline, in increments of 100 ounces and in exchange for 317,635 common shares of Para.)
- (2) *[redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to share ownership.]*
- (3) Any shares issued on exercise of the Contract Quantity Exchange Option shall be freely tradable by the Buyer without the need for the Buyer to file a prospectus or any other notification and without being subject to any “hold period” that extends past the date that is four months and one day from the date of such share issuance, unless such trade would constitute a “control block distribution,” within the meaning of Applicable Securities Laws.
- (4) Within sixty (60) days following the Effective Date, the Sellers shall obtain all necessary regulatory consents or approvals required in respect of the Contract Quantity Exchange Option, including final approval of the TSX Venture Exchange, and the Buyer’s exercise of the Contract Quantity Exchange Option shall be subject to the Sellers obtaining all such regulatory consents or approvals.

Section 24 *[Redacted – commercially sensitive information / proprietary structure. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to gold quantities.]*

Section 25 **Miscellaneous**

- (1) The Buyer may at any time or from time to time, assign or transfer (including by way of novation, syndication or participation) any or all of its rights and obligations under this Agreement (including in part).
- (2) No Obligor may, without the prior written consent of the Buyer (which consent may be withheld in the Buyer's sole and absolute discretion), at any time assign or transfer (including by way of novation) any of its rights or obligations under this Agreement.
- (3) Each of the provisions of this Agreement shall be enforceable independently of each other provision and their validity shall not be affected if any of the others are invalid. If any of those provisions is void but would be valid if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid.
- (4) This Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same agreement, and any Party (including any duly authorized representative of a Party) may enter into this Agreement by executing a counterpart. Facsimile signatures shall be valid and binding to the same extent as the original signatures.
- (5) This Agreement and the other Transaction Documents constitute the entire agreement and understanding of the Parties with respect to their subject matter.
- (6) Each of the Parties acknowledges that in entering into this Agreement it has not relied on any oral or written representation, warranty or other assurance (except as provided for or referred to in this Agreement) and waives all rights and remedies that might otherwise be available to it in respect thereof, except that nothing in this Agreement will limit or exclude any liability of a party for fraud.
- (7) The Calculation Agent shall have no responsibility for good faith errors or omissions in respect of any calculations or determinations contemplated herein, and its calculations and determinations shall, in the absence of manifest error, be final, conclusive and binding on the Sellers and the Buyer.
- (8) Each Obligor acknowledges that the execution and performance of this Agreement and each other Transaction Document is a commercial activity and to the extent that the Obligor has or hereafter may acquire any immunity from any legal action, suit or proceedings, from jurisdiction of any court or from set off or any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) with respect to itself or any of its property or assets, whether or not held for its own account, each Obligor hereby irrevocably and unconditionally waives and agrees not to plead or claim such immunity in respect of the Obligations to the extent permitted by the Applicable Laws and, without limiting the generality of the foregoing, the waivers set forth in this paragraph shall have effect to the fullest extent permitted under the Sovereign Immunities Act and are intended to be irrevocable for purposes of such Act.
- (9) Each Obligor irrevocably consents to the appointment of the Process Agent as its agent to receive service of process (with respect to all of the Transaction Documents and all other related

agreements to which it is a party) in New York, New York. Each of the parties hereto further agrees that service of process may be made personally or (with respect to each Obligor) by mailing or delivering a copy of the summons and complaint or other legal process in any such legal suit, action or proceeding to such Obligor in care of the Process Agent and such agent is hereby authorized to accept, receive and acknowledge the same for and on behalf of each Obligor and to admit service with respect thereto. Service upon the Process Agent shall be deemed to be personal service on the applicable Obligor and shall be legal and binding upon such Obligor for all purposes notwithstanding any failure to mail copies of such legal process to such Obligor, or any failure on the part of such Obligor to receive the same.

- (10) A waiver (whether express or implied) by any Party of any of the provisions of this Agreement or of any other Transaction Document or of any breach of or default by the other Party in performing any of those provisions shall not constitute a continuing waiver and that waiver shall not prevent the waiving Party from subsequently enforcing any of the provisions of this Agreement not waived or from acting on any subsequent breach of or default by the other Party under any of the provisions of this Agreement.
- (11) Delay in exercising or non-exercise of any right of a Party under this Agreement is not a waiver of that right.
- (12) Nothing in this Agreement shall be deemed to constitute a partnership or joint venture between the Parties nor constitute any Party to be the agent of any other Party for any purpose.
- (13) The Obligors, and each of their respective Affiliates, shall, upon request, at their own expense, at all times from the date of this Agreement, do or procure the doing of all things as may be required to give full effect to this Agreement, including the execution of all deeds and documents.
- (14) Any variation of this Agreement shall not be binding on the Parties unless set out in writing and signed by authorized representatives of each of the Parties.
- (15) The Parties represent that each is a “forward contract merchant” and that this Agreement is a “forward contract” as such terms are defined in the Bankruptcy Law.
- (16) The Buyer and the Sellers shall jointly plan and coordinate any public notices, press releases, and any other publicity concerning the transactions contemplated by this Agreement or any Transaction Document and, subject to the obligation of the Sellers to comply with the policies of any stock exchange on which the common shares of the Sellers are then listed and Applicable Securities Laws, no Party shall act in this regard without the prior approval of the other, such approval not to be unreasonably withheld or delayed.
- (17) For the purposes of the Interest Act (Canada) and disclosure thereunder, whenever any interest or any payment to be paid hereunder or in connection herewith by is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.

[Signature pages follow]

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

PARA RESOURCES, INC.,

as a Seller

By: (signed) "*C. Geoffrey Hampson*"
Name: C. Geoffrey Hampson
Title: Director

GOLD ROAD MINING CORP.,

as a Seller

By: (signed) "*C. Geoffrey Hampson*"

Name: C. Geoffrey Hampson

Title: President and Chief Executive Officer

Z79 GOLD (USA) CORP.,

as a Seller

By: (signed) "*C. Geoffrey Hampson*"
Name: C. Geoffrey Hampson
Title: Director

PPG ARIZONA HOLDINGS LP,

as the Buyer

By: (signed) "*Joseph Archibald*"
Name: Joseph Archibald
Title: Authorized Signatory

SCHEDULES

Schedule A — Sites

Schedule B — Annual Production Forecast

Schedule C — Past Due Payables

Schedule D — Material Agreements

Schedule E — Required Terms of Mineral Sales Contract/Refining Agreement

Schedule F — Mining Concessions

Schedule G — Form of Capital Expenditure Report

Schedule H — Permits

Schedule I — Ownership Structure and Equity of the Obligors

Schedule J — Insurance Policies

Schedule K — Liens

Schedule L — Litigation and Administrative Proceedings

Schedule M — Security Documents

Schedule N — Initial Expense Budget

Schedule O — Delivery Schedule

Schedule P — [Reserved]

Schedule Q — Bank Instructions

Schedule R — Unpaid Taxes

EXHIBITS

Exhibit A — Form of Guarantor Joinder Agreement

Exhibit B — Form of Compliance Certificate

Schedule A — Site

- a) Name of the Site: Gold Road Mine
- b) Mining concessions relating to the Site, including title number of each concession (See Schedule F)
- c) Description of the type of operation the Obligor has on the specific Site:
 - Underground mining, cyanide leach process, dry stack tailings and milling operation
- d) Description of the type of infrastructure the Obligor has on the Site (mills, equipment, tools, spare parts, roads):
 - Process leach plant and mill.
- e) Description of the type of real property and lands on the Site (See Schedule F)

Schedule B — Annual Production Forecast

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to production forecasts.]

Schedule C — Past Due Payables

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information relates to payables.]

Schedule D — Material Agreements

- (1) The Agreement Regarding the Promissory Note, dated as of August 3, 2018, by and between Para, Gold Road, and Mojave Desert to cancel or assign to the Buyer the Mojave Desert Note in exchange for an amount not to exceed [*redacted – commercially sensitive information*].
- (2) Assignment and Assumption of Loan Agreement, dated as of August 2, 2018, by and between Para and Colombia Milling, pursuant to which Para assumes the obligations under that certain loan agreement, dated as of December 9, 2016, by and between Colombia Milling and Conex, as amended by the amending agreement dated as of September 14, 2017, by and between Colombia Milling and Conex.
- (3) Assignment and Assumption of Loan Agreement, dated as of August 2, 2018, by and between Para and Gold Road, pursuant to which Para assumes the obligations under that certain loan agreement, dated as of August 22, 2017, by and between Gold Road and Conterra.
- (4) The Conex Note.
- (5) The Conterra Note.
- (6) Subordination Agreement, dated as of August 3, 2018, by and between Para, Conex, Conterra, and the Buyer, subordinating the obligations evidenced by the Conex Note and the Conterra Note to the Obligations hereunder.
- (7) Purchase Option and Sale Agreement (United Western to Telluride) by and between United Eastern, L.C., an Arizona limited liability company, Blue Ridge Capital L.C., an Arizona limited liability company, Black Eagle Investments, Inc., an Arizona corporation and Oatman American, LLC, an Arizona limited liability company, collectively as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.
- (8) Purchase Option and Sale Agreement (Blue Ridge) by and between Blue Ridge Capital L.C., an Arizona limited liability company, as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.
- (9) Purchase Option and Sale Agreement (United Western Extension) by and between Oatman Crown City, LLC, an Arizona limited liability company, as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.
- (10) Purchase Option and Sale Agreement (Gold Ore) by and between Oatman Red Creek Group, LLC, an Arizona limited liability company, as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.
- (11) Purchase Option and Sale Agreement (Gold Road) by and between Oatman Ella Mitchell Group, LLC, an Arizona limited liability company, as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.
- (12) Purchase Option and Sale Agreement (Silver Creek) by and between Oatman Neglected Group, LLC, an Arizona limited liability company, as Optionor, and Gold Road Mining Corp., a Nevada corporation as Optionee, dated April 4, 2018.

- (13) Mining Lease by and between Cruskie Mines, L.L.C., an Arizona limited liability company, as Owner, and Gold Road Mining Corp., a Nevada corporation, as lessee, dated August 22, 2017.
- (14) Mining Lease with Option to Purchase by and between La Cuesta International, Inc., an Arizona corporation, as lessor/optionor, and Gold Road Mining Corp., a Nevada corporation, as the lessee/optionee, dated August 22, 2017.

Schedule E — Required Terms of Mineral Sales Contract/Refining Agreement

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to mineral sales contract terms.]

Schedule F — Mining Concessions

I. Patented Lode Mining and Millsite Claims

PARCEL NO. 1:

BILLY BRYAN, CLIMAX, GOLD ROAD, GOLD DOLLAR, GOLD DOLLAR EXTENSION, GAMBLER, HOUGHTON, LINE ROAD, ROBBIE, SILVER DOLLAR, and TIP TOP, lode mining claims in the San Francisco Mining District, being shown as Mineral Survey No. 1699A, and BILLY BRYAN, GOLD ROAD, and LINE ROAD, millsites in the San Francisco Mining District, being shown as Mineral Survey No. 1699B, as filed in the Bureau of Land Management, and as granted by Patent recorded in Book 21 of Deeds, page 426; and COMET, ECLIPSE, FRACTION, IRON ROD, LAST CHANCE, RAILROAD and TOM TIT, lode mining claims in the San Francisco Mining District, being shown as Mineral Survey No. 2240A; and TOM TIT, millsite in the San Francisco Mining District, being shown as Mineral Survey No. 2240B, situate in Sections 2, 10, 11, 13 and 14, Township 19 North, Range 20 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona, and in Sections 7, 17 and 18, Township 19 North, Range 19 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona.

PARCEL NO. 2:

UNITED WESTERN, UNITED WESTERN #1 AND UNITED WESTERN #2 lode mining claims in the San Francisco Mining District, being shown as Mineral Survey No. 3288, situate in Sections 10 and 15, Township 19 North, Range 20 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona.

II. Unpatented Lode Mining and Millsite Claims

The following unpatented lode mining and millsite claims situated in the San Francisco (Oatman, Gold Road, Boundary Cone) Mining District in the described townships, ranges and sections, G&SRB&M, Mohave County, Arizona. The Location Notices and any amendments thereto, are of record in the office of the County Recorder of Mohave County, Arizona, and on file with the Bureau of Land Management in Phoenix, Arizona.

No.	Name of Claim	Location	Book/Page or Fee#	BLM Serial No.
1	Bull Run Mill-Site	20N/20W/35	1/347	AMC35909
2	Climax Mill-Site	19N/19W/16	1/487	AMC35910
3	Gold Brook Mill-Site	19N/20W/2	1/348	AMC35911
4	Railroad Mill-Site	19N/19W/18	1/66	AMC35912
5	Surprise Mill-Site	19N/20W/11	1/343	AMC35913
6	Tip Top Mill-Site	20N/20W/34	1/409	AMC35914
7	G. R. 1	19N/20W/13	36/576	AMC35916
8	G. R.2	19N/20W/13	36/578	AMC35917
9	G. R. 3	19N/19W/18	36/580	AMC35918
10	G. R. 6	19N/19W/18	36/586	AMC35921
11	G. R. 8	19N/20W/13	109/411	AMC35923
12	G, R. 9	19N/20W/13	109/413	AMC35924
13	G.R. 13	19N/20W/11	416/181	AMC35928
14	Houghton Annex	19N/20W/11	3T/274; 3T/489	AMC35929
15	Houghton Annex No.1	19N/20W/11	3T/504	AMC35930
16	Latite No.4	19N/20W/11	3-U/452	AMC35931
17	Latite No. 5	19N/20W/13	3-U/453	AMC35932

No.	Name of Claim	Location	Book/Page or Fee#	BLM Serial No.
18	Latite No.6	19N/20W/13	3-U/454	AMC35933
19	Latite Frac. No. 1	19N/20W/11	3-U/449	AMC35934
20	Latite Frac. No. 2	19N/20W/11	3-U/450	AMC35935
21	Mabel Fraction	19N/20W/11	QQ242	AMC35936
22	Red Top — Red Top Amended	19N/20W/13	Q/8; 2203/38	AMC35951
23	Red Top Extension	19N/20W/13	AA/292	AMC35952
24	Red Top Extension No. 1	19N/20W/13	3C/407	AMC35953
25	Red Top Extension No. 2	19N/20W/13	EE/186	AMC35954
26	Ruth 1	19N/20W/11	2059/878	AMC322538
27	Ruth 2	19N/20W/11	2059/880	AMC322539
28	Ruth 3	19N/20W/11	2059/882	AMC322540
29	Ruth 4	19N/20W/11	2059/884	AMC322541
30	Ruth 5	19N/20W/11	2059/886	AMC322542
31	Ruth 6	19N/20W/11	2059/888	AMC322543
32	Ruth 7	19N/20W/11	2059/890	AMC322544
33	Ruth 8	19N/20W/11	2059/892	AMC322545
34	Ruth 9	19N/20W/11	2059/894	AMC322546
35	Ruth 11	19N/20W/12	2059/898	AMC322548
36	Ruth 43	19N/20W/11	2059/962	AMC322580
37	Ruth 45	19N/20W/11	2059/966	AMC322582
38	Loot 4	19N/20W/12	6551/953	AMC375601
39	Loot 15	19N/20W/11	6645/646	AMC377644
40	Loot 18	19N/20W/2	6645/652	AMC377647
41	Loot 20	19N/20W/2 & 3	6645/656	AMC377649
42	Loot 21	19N/20W/2 & 3	6645/658	AMC377650
43	Loot 22	19N/20W/10 & 11	6645/660	AMC377651
44	GRMC 1	19N/20W/2	2017062187	AMC448199
45	GRMC 2	19N/20W/2	2017062188	AMC448200
46	GRMC 3	19N/20W/2 & 11	2017062189	AMC448201
47	GRMC 4	19N/20W/2 & 11	2017062190	AMC448202
48	GRMC 5	19N/20W/11	2017062191	AMC448203
49	GRMC 6	19N/20W/11	2017062192	AMC448204
50	GRMC 7	19N/20W/11	2017062193	AMC448205
51	GRMC 11	19N/20W/12	2017062194	AMC448206
52	GRMC 12	19N/20W/12	2017062195	AMC448207
53	GRMC 13	19N/20W/3 & 10	2017062196	AMC448208
54	GRMC 14	19N/20W/3 & 10	2017062197	AMC448209
55	GRMC 15	19N/20W/10	2017062198	AMC448210
56	GRMC 16	19N/20W/10	2017062199	AMC448211
57	GRMC 17	19N/20W/10 & 11	2017062200	AMC448212
58	GRMC 18	19N/20W/11	2017062201	AMC448213
59	GRMC 19	19N/20W/11 & 14	2017062202	AMC448214
60	GRMC 20	19N/20W/11 & 14	2017062203	AMC448215
61	GRMC 21	19N/20W/14	2017062204	AMC448216
62	GRMC 22	19N/20W/14	2017062205	AMC448217
63	GRMC 23	19N/20W/14	2017062206	AMC448218
64	GRMC 24	19N/20W/13 & 14	2017062207	AMC448219
65	GRMC 25	19N/20W/14	2017062208	AMC448220
66	GRMC 26	19N/20W/14	2017062209	AMC448221
67	GRMC 27	19N/20W/14	2017062210	AMC448222
68	GRMC 28	19N/20W/13	2017062211	AMC448223
69	GRMC 29	19N/20W/13 & 14	2017062212	AMC448224
70	GRMC 30	19N/20W/13 & 14	2017062213	AMC448225
71	GRMC 31	19N/20W/13 & 14	2017062214	AMC448226
72	GRMC 32	19N/20W/13	2017062215	AMC448227
73	GRMC 33	19N/20W/13	2017062216	AMC448228
74	GRMC 34	19N/20W/13	2017062217	AMC448229

No.	Name of Claim	Location	Book/Page or Fee#	BLM Serial No.
75	GRMC 35	19N/20W/13	2017062218	AMC448230
76	GRMC 36	19N/19W/18	2017062219	AMC448231
77	GRMC 37	19N/19W/18	2017062220	AMC448232
78	GRMC 42	19N/20W/12	2017062221	AMC448233
79	GRMC 43	19N/20W/12 & 13	2017062222	AMC448234
80	GRMC 44	19N/20W/12 & 13	2017062223	AMC448235
81	GRMC 45	19N/20W/12 & 13	2017062224	AMC448236
82	GRMC 46	19N/20W/13	2017062225	AMC448237
83	GRMC 47	19N/20W/13 & 19N/19W/18	2017062226	AMC448238
84	GRMC 48	19N/20W/13	2017062227	AMC448239
85	GRMC 49	19N/20W/13	2017062228	AMC448240
86	GRMC 50	19N/20W/13 & 19N/19W/18	2017062229	AMC448241
87	GRMC 51	19N/20W/13 & 19N/19W/18	2017062230	AMC448242
88	GRMC 52	19N/19W/18	2017062231	AMC448243
89	GRMC 53	19N/19W/18	2017062232	AMC448244
90	GRMC 54	19N/19W/18	2017062233	AMC448245
91	GRMC 55	19N/19W/18	2017062234	AMC448246
92	GRMC 56	19N/20W/4 & 9	2017062235	AMC448247
93	GRMC 57	19N/20W/4 & 9	2017062236	AMC448248
94	GRMC 58	19N/20W/3 & 10	2017062237	AMC448249
95	GRMC 59	19N/20W/3 & 10	2017062238	AMC448250
96	GRMC 60	19N/20W/3 & 10	2017062239	AMC448251
97	GRMC 61	19N/20W/3	2017062240	AMC448252
98	GRMC 62	19N/20W/3	2017062241	AMC448253
99	GRMC 63	19N/20W/9	2017062242	AMC448254
100	GRMC 64	19N/20W/9 & 10	2017062243	AMC448255
101	GRMC 65	19N/20W/10	2017062244	AMC448256
102	GRMC 66	19N/20W/10	2017062245	AMC448257
103	GRMC 67	19N/20W/3 & 10	2017062246	AMC448258
104	GRMC 68	19N/20W/9 & 10	2017062247	AMC448259
105	GRMC 69	19N/20W/9 & 10	2017062248	AMC448260
106	GRMC 70	19N/20W/10	2017062249	AMC448261
107	GRMC 71	19N/20W/10	2017062250	AMC448262
108	GRMC 72	19N/20W/10	2017062251	AMC448263
109	GRMC 73	19N/20W/10	2017062252	AMC448264
110	GRMC 74	19N/20W/9, 10, 15 & 16	2017062253	AMC448265
111	GRMC 75	19N/20W/10 & 15	2017062254	AMC448266
112	GRMC 76	19N/20W/10	2017062255	AMC448267
113	GRMC 77	19N/20W/10	2017062256	AMC448268
114	GRMC 78	19N/20W/10	2017062257	AMC448269
115	GRMC 79	19N/20W/15 & 16	2017062258	AMC448270
116	GRMC 80	19N/20W/15	2017062259	AMC448271
117	GRMC 81	19N/20W/10 & 15	2017062260	AMC448272
118	GRMC 82	19N/20W/10 & 15	2017062261	AMC448273
119	GRMC 83	19N/20W/10 & 15	2017062262	AMC448274
120	GRMC 84	19N/20W/15	2017062263	AMC448275
121	GRMC 85	19N/20W/15	2017062264	AMC448276
122	GRMC 86	19N/20W/15	2017062265	AMC448277
123	GRMC 87	19N/20W/15	2017062266	AMC448278
124	GRMC 88	19N/20W/11 & 14	2017062267	AMC448279
125	GRMC 89	19N/20W/15	2017062268	AMC448280
126	GRMC 90	19N/20W/15	2017062269	AMC448281

No.	Name of Claim	Location	Book/Page or Fee#	BLM Serial No.
127	GRMC 91	19N/20W/14	2017062270	AMC448282
128	GRMC 92	19N/20W/11 & 14	2017062271	AMC448283
129	GRMC 93	19N/20W/11 & 14	2017062272	AMC448284
130	GRMC 94	19N/20W/15 & 22	2017062273	AMC448285
131	GRMC 95	19N/20W/15 & 22	2017062274	AMC448286
132	GRMC 96	19N/20W/14	2017062275	AMC448287
133	GRMC 97	19N/20W/14	2017062276	AMC448288
134	GRMC 98	19N/20W/14	2017062277	AMC448289
135	GRMC 99	19N/20W/14	2017062278	AMC448290
136	GRMC 100	19N/20W/14	2017062279	AMC448291
137	GRMC 101	19N/20W/14	2017062280	AMC448292
138	GRMC 102	19N/20W/15 & 22	2017062281	AMC448293
139	GRMC 103	19N/20W/15 & 22	2017062282	AMC448294
140	GRMC 104	19N/20W/15 & 22	2017062283	AMC448295
141	GRMC 105	19N/20W/22 & 23	2017062284	AMC448296
142	GRMC 106	19N/20W/22 & 23	2017062285	AMC448297
143	GRMC 107	19N/20W/14, 15, 22 & 23	2017062286	AMC448298
144	GRMC 108	19N/20W/23	2017062287	AMC448299
145	GRMC 109	19N/20W/23	2017062288	AMC448300
146	GRMC 110	19N/20W/23	2017062289	AMC448301
147	GRMC 111	19N/20W/23	2017062290	AMC448302
148	GRMC 112	19N/20W/23	2017062291	AMC448303
149	GRMC 113	19N/20W/23	2017062292	AMC448304
150	GRMC 114	19N/20W/23	2017062293	AMC448305
151	GRMC 115	19N/20W/23	2017062294	AMC448306
152	GRMC 116	19N/20W/23	2017062295	AMC448307
153	GRMC 117	19N/20W/23	2017062296	AMC448308
154	GRMC 118	19N/20W/23 & 26	2017062297	AMC448309
155	GRMC 119	19N/20W/23, 24 & 26	2017062298	AMC448310
156	GRMC 120	19N/20W/24	2017062299	AMC448311
157	GRMC 121	19N/20W/24	2017062300	AMC448312
158	GRMC 122	19N/20W/25 & 26	2017062301	AMC448313
159	GRMC 123	19N/20W/24, 25 & 26	2017062302	AMC448314
160	GRMC 124	19N/20W/24 & 25	2017062303	AMC448315
161	GRMC 125	19N/20W/24 & 25	2017062304	AMC448316
162	GRMC 126	19N/20W/24	2017062305	AMC448317
163	GRMC 127	19N/20W/25	2017062306	AMC448318

Schedule G — Form of Capital Expenditure Report

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to confidential expenditure reports.]

Schedule H — Permits

From	Date	Document	File Name
Gold Road Mining Corporation	09/14/2017	Letter to ADEQ re Application for a Permit Transfer, Class I Air Quality Permit #65238	Signed air quality request for transfer 2017
ADEQ	08/24/2017	Letter to Mohave Desert Minerals re Air Quality Control Permit No. 65238, Gold Road Mine – Place ID:519	Air Quality 2017 permit
Jim Cooley	07/02/2018	Email to Charlie Williams re LTF # 67704 SMRF for 01-Jan-2018 to 31-Mar-2018: Results Report	1rst quarter APP results
Gold Road Mining Corp.		Confirmation that MSHA has received filing of Quarterly Mine Employment and Coal Production Report	MSHA Q2-2018 - 7000-2 Report submitted
ADEQ		Notification that Stormwater 2013 Construction General Permit expired on June 2, 2018	2018 Stormwater ext
ADEQ		Letter enclosing a signed copy of the APP and Fact Sheet for Gold Road Mine	Final letter
ADEQ	05/31/2018	Annual Emissions Inventory Facility Status	annual emmision Inventory 2017
ADEQ		Fact Sheet for Gold Road Mine, APP #102805, Place ID#519, LTF #67704	Factsheet
ADEQ	09/21/2017	Air Quality Control Permit Number 65238	2017 air quality permit.
ADEQ		Notice of Intent Certificate LTF: 68776 ID#: AZCN68776	68776_NEWPERMIT_NOI_CERTIFICATE
ADEQ		Aquifer Protection Permit No. P-12805, Place ID 519, LTF 67704	Permit

Schedule I — Ownership Structure and Equity of the Obligors



Schedule J — Insurance Policies

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to confidential insurance policies.]

Schedule K — Liens

1. Net Smelter Returns Royalty Agreement dated August 22, 2017, made by Gold Road Mining Corp. as Royalty Payor, to Mojave Desert Minerals, LLC, as Royalty Holder, as evidenced by a Memorandum of Net Smelter Returns Royalty Agreement date as of August 22, 2017, recorded in the Official Records of Mohave County Arizona on August 22, 2017, as Fee# 2017040187.
2. Liens set forth on Schedule B to the title commitment issued for the Title Policy.

Schedule L — Litigation and Administrative Proceedings

None.

Schedule M — Security Documents

- (i) Guarantee and Indemnity, dated as of August 3, 2018, by Para in favor of the Buyer;
- (ii) General Security Agreement, dated as of August 3, 2018, by Para in favor of the Buyer;
- (iii) Stock Pledge Agreement, dated as of August 3, 2018, between Para and the Buyer, in relation to the shares of Z79;
- (iv) Stock Pledge Agreement, dated as of August 3, 2018, between Z79 and the Buyer, in relation to the shares of Gold Road;
- (v) Assignment of Deed of Trust, dated as of August 2, 2018, by Mojave Desert to the Buyer;
- (vi) First Amendment of Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing Statement and Spreader Agreement, dated as of August 3, 2018, between Gold Road and the Buyer;
- (vii) PPSA British Columbia Financing Statement against Para;
- (viii) PPSA British Columbia Financing Statement against Z79;
- (ix) PPSA British Columbia Financing Statement against Gold Road;
- (x) PPSA Ontario Financing Statement against Para;
- (xi) UCC-3 Assignment of Financing Statement (Mohave County, Arizona);
- (xii) UCC-1 Financing Statement (Mohave County, Arizona); and
- (xiii) UCC-3 Assignment of Financing Statement (Secretary of State of Nevada).

Schedule N — Initial Expense Budget

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to confidential expense forecasts.]

Schedule O — Delivery Schedule

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is related to gold quantities.]

Schedule P — [Reserved]

Schedule Q — Bank Information

[redacted – commercially sensitive information. Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential banking information.]

Schedule R — Unpaid Taxes

The tax returns for both Z79 and Gold Road were not timely filed, but are being filed on August 3, 2018.

Exhibit A — Form of Guarantor Joinder Agreement

GUARANTOR JOINDER AGREEMENT

[insert entity name]

This JOINDER AGREEMENT, dated as of [insert date] (this “**Joinder Agreement**”), is by and between [insert entity name], a [insert jurisdiction and company type] (hereinafter called the “**New Guarantor**”) and PPG Arizona Holdings LP, a limited partnership organized under the laws of Ontario as the buyer under the Pre-Paid Forward Agreement (as defined below) (the “**Buyer**”).

WHEREAS, Para Resources, Inc. (“**Para**”), Gold Road Mining Corp. (“**Gold Road**”), and Z79 Gold (USA) Corp. (“**Z79**”) and the Buyer have entered into a Pre-Paid Forward Agreement, dated as of August 3, 2018 (as the same may be amended, supplemented, restated or otherwise modified from time to time, the “**Pre-Paid Forward Agreement**”);

WHEREAS, the New Guarantor, a Subsidiary of [Para][Gold Road][Z79], is required to join in the Pre-Paid Forward Agreement as a Guarantor thereunder pursuant to Section 12(1)(bb) of the Pre-Paid Forward Agreement;

WHEREAS, the New Guarantor under the laws relating thereto is duly authorized to enter into the Pre-Paid Forward Agreement and all things necessary, including any necessary consents of shareholders of the New Guarantor, have been done and performed to make the Pre-Paid Forward Agreement a valid and binding agreement of the New Guarantor;

WHEREAS, the foregoing recital is made as representations and statements of fact by the New Guarantor;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the New Guarantor covenants and agrees with the Buyer as follows:

ARTICLE I

INTERPRETATION

SECTION 1.1. Definitions. In this Joinder Agreement:

(a) any defined term used herein and not defined herein shall have the meaning given to such term in the Pre-Paid Forward Agreement; and

(b) the rules of interpretation set forth in Section 2 of the Pre-Paid Forward Agreement apply to this Joinder Agreement.

SECTION 1.2. Headings, Etc. The division of this Joinder Agreement into Articles, Sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Joinder Agreement.

ARTICLE II

JOINDER AGREEMENT

SECTION 2.1. Warranties. The New Guarantor hereby makes to the Buyer the representations set forth in Section 11 of the Pre-Paid Forward Agreement with itself as a Guarantor as of the date hereof.

SECTION 2.2. Undertaking. Effective as of the date hereof, the New Guarantor undertakes all obligations of a Guarantor (including, without limitation, to execute and deliver Collateral Documents) under the Pre-Paid Forward Agreement.

ARTICLE III

MISCELLANEOUS

SECTION 3.1. Notice. All communications and notices provided for under the Pre-Paid Forward Agreement to the New Guarantor shall be addressed as follows:

[insert address]

Attention: [●]
Email: [●]
Telephone: [●]
Facsimile: [●]

or at such other address as the New Guarantor may designate in accordance with Section 18 of the Pre-Paid Forward Agreement.

SECTION 3.2. Applicable Law. THIS JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[Signatures pages follow]

IN WITNESS WHEREOF, the New Guarantor has duly executed this Joinder Agreement as of the date first set forth above.

[insert entity name]

By: _____

Name:

Title:

PPG ARIZONA HOLDINGS LP, as Buyer

By: _____

Name:

Title:

Exhibit B — Form of Compliance Certificate

[Date]

PPG ARIZONA HOLDINGS LP

[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted address is confidential]

Attention: *[redacted – confidential information]*

Email: *[Pursuant to Section 12.2(5) of National Instrument 51-102, the redacted information is confidential]*

Re: Compliance Certificate

Reference is made to that certain Pre-Paid Forward Gold Purchase Agreement, dated as of August 3, 2018, among Para Resources, Inc., Gold Road Mining Corp., and Z79 Gold (USA) Corp., as Sellers, and PPG Arizona Holdings LP, as Buyer (the “**Agreement**”). All defined terms used herein shall have meanings ascribed thereto in the Agreement.

The undersigned, the *[TITLE]* of *[Para Resources, Inc.][Gold Road Mining Corp.][Z79 Gold (USA) Corp.][name of the applicable Guarantor]*, hereby certifies as of the date hereof, on behalf of the *[Para Resources, Inc.][Gold Road Mining Corp.][Z79 Gold (USA) Corp.][name of the applicable Guarantor]* but without any personal liability for any of the confirmations, certifications or statements made herein, as follows:

1. *[Except as agreed in writing by the Buyer, all of the representations and warranties of the Sellers contained therein are correct as of such date (except for representations and warranties which are stated as of a specific date, in which case such representations and warranties are correct as of such date).*
2. No Seller Default or Seller Event of Default has occurred hereunder and is then continuing.¹
3. *[Para Resources, Inc.][Gold Road Mining Corp.][Z79 Gold (USA) Corp.][name of the applicable Guarantor]* is in full compliance with all Applicable Laws.
4. *[Para Resources, Inc.][Gold Road Mining Corp.][Z79 Gold (USA) Corp.][name of the applicable Guarantor]* is not subject to any governmental or regulatory order that would have a Material Adverse Effect on the ability of *[Para Resources, Inc.][Gold Road Mining Corp.][Z79 Gold (USA) Corp.][name of the applicable Guarantor]* to perform its duties and obligations pursuant to the Agreement.

¹To be included in Para’s Compliance Certificate only.

IN WITNESS WHEREOF, I have hereunto set my hand as of the date first written above.

**[PARA RESOURCES, INC.][GOLD ROAD
MINING CORP.][Z79 GOLD (USA) CORP.][NAME
OF GUARANTOR]**

By: _____
Name:
Title: