
GOLD AND SILVER LOAN AGREEMENT

Between

VANGOLD MINING CORP.

as Borrower

- and -

OBRAS MINERAS EL PINGUICO, S.A. DE C.V.

as Guarantor

- and -

OCIM PRECIOUS METALS S.A.

as Lender

Dated as of May 31, 2021

GOLD AND SILVER LOAN AGREEMENT

This Agreement is dated as of May 31, 2021.

BETWEEN:

VANGOLD MINING CORP., a corporation incorporated and organized under the laws of British Columbia, of Suite 578 – 999 Canada Place, Vancouver, BC V6C 3E1, Canada (the “**Borrower**”);

AND

OBRAS MINERAS EL PINGUICO, S.A. DE C.V., a *Sociedad Anónima de Capital Variable* formed and organized under the laws of Mexico, of Carr. Libre Guanajuato Silao Km. 5.5 interior 2, Col. Marfil, C.P 36250, Mexico (the “**Guarantor**”);

AND

OCIM PRECIOUS METALS S.A., a *société anonyme* formed and organized under the laws of Switzerland, of rue du Rhône, 65, Genève, 1204 CH Switzerland (“**Lender**”),

Background

This Gold and Silver Loan Agreement (as may be amended from time to time, this “**Agreement**”) is being entered into by the Obligors and the Lender in connection with an advance to be provided to the Borrower by the Lender in an amount not to exceed the Facility Amount (the “**Loan**”). The Loan and the other obligations of the Borrower under this Agreement are secured or guaranteed or otherwise supported by, as the case may be, (i) the guarantee provided by the Guarantor pursuant to section 6 of this Agreement; (ii) the Canadian General Security Agreement; (iii) the Share Pledge Agreement; and (iv) the Mexican General Security Agreement. This Agreement, the Share Pledge Agreement and the Mexican General Security Agreement, as well as each and every other document or instrument executed in connection therewith by the Obligors, are hereinafter referred to as the “**Loan Documents**”.

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree as follows. In addition to terms defined elsewhere in this Agreement, in this Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

“**Accounting Standards**” means the accounting standards to which the Borrower adheres to at the time of Closing.

“**Additional Property**” has the meaning specified thereto in subparagraph (g) of the definition of Permitted Financial Indebtedness herein.

“**Advance Date**” has the meaning specified thereto in Section 1.

“Borrower Accounts” means the accounts numbers and details in the name of the Borrower at the Bank of Montreal, the details of which are set out in Appendix VII, as such accounts may be redenominated or redesignated in writing by the Borrower from time to time.

“Business Day” means any day that is not a Saturday, Sunday or other day on which banks in Vancouver, British Columbia or Geneva, Switzerland are authorized or required to close.

“Canadian General Security Agreement” means the general security agreement (subject to certain carveouts) to be granted by the Borrower in favour of the Lender on or before the Advance Date.

“Change of Control” means (i) any change in the ownership, directly or indirectly, beneficially or of record, by any Person or group of Persons acting jointly or otherwise in concert, of equity securities representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding equity securities of the Borrower, (ii) the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (A) nominated by the board of directors of the Borrower nor (B) appointed by directors so nominated, (iii) the acquisition of direct or indirect control of the Borrower by any Person or group of Persons acting jointly or otherwise in concert, or (iv) the Borrower ceasing to directly or indirectly hold at least 75% of the issued and outstanding share capital in the Guarantor.

“Closing” means the completion of the advance of the Facility Amount by the Lender to the Borrower and the exchange of all of the documents contemplated to be exchanged in this Agreement and the completion of all other steps contemplated to be taken in this Agreement on or before the Advance Date.

“Commitment Fee” has the meaning specified thereto in Section 8.

“Default” has the meaning specified thereto in Section 5.

“Delivery” means a Gold Delivery or a Silver Delivery.

“Delivery Date” means each date on which Gold and Silver are delivered under this Agreement to the Lender Accounts and on which title and risk to such Gold and Silver delivered by the Borrower to the Lender shall be transferred to the Lender.

“Delivery Obligations” means, as the context requires, Delivery of Gold or Silver made, or to be made, under this Agreement or the amount of Gold or Silver remaining to be delivered under this Agreement.

“Direction” means the payment direction, the form of which is set out in Appendix VI, providing, among other details, the net amount of the Loan, the account details of the Borrower to which the Lender will advance the Loan, the Advance Date, and the dates on which repayment of the Loan by way of Gold and Silver Delivery shall be made, and which the Borrower and the Lender shall agree to and execute prior to the Advance Date.

“**Direction Date**” means the date specified in the Direction as the date in reference to which amounts of Gold and Silver to be delivered pursuant to the terms of this Agreement shall be determined.

“**Effective Date**” means the date of the execution of this Agreement.

“**El Cubo Project**” means the El Cubo mine and mill complex encompassing approximately 6,994.73 hectares located in central Mexico, in Guanajuato State near the village of El Cubo acquired by the Guarantor from Compañía Minera del Cubo, S.A. de C.V. (“**CMDC**”), an indirect wholly-owned subsidiary of Endeavour Silver Corp. (“**Endeavour Silver**”), pursuant to an asset purchase agreement dated March 16, 2021 among the Guarantor, CMDC, the Borrower and Endeavour Silver.

“**El Pinguico Project**” means the El Pinguico silver and gold project comprising two mining concessions held by the Guarantor and located approximately 7 kilometers south of Guanajuato, Mexico and 8 kilometers by road from the El Cubo Project as more particularly described below:

Name of Concession	Property Identifier	Hectares	Expiry Date
El Pinguico	T-166665	48	July 10, 2030
2da ampliacion de el Pinguico	T-165491	23.708	October 29, 2029
Total		71.708	

“**Eligible Purpose**” means the upgrading, refurbishment and re-starting of the existing floatation plant, mill and mine complex at the El Cubo Project, the exploration for and delineation and development of resources at the El Cubo Project and corporate matters in the ordinary course of the Borrower’s business.

“**Expense Deposit**” has the meaning specified thereto in Section 8.

“**Expenses**” means the Lender’s reasonably documented legal fees or other costs associated with the preparation and execution of this Agreement or any of the other Loan Documents and preparations for Closing, including, without limitation, any expense incurred in connection with conducting any due diligence, up to a maximum of US\$[redacted – commercially sensitive information].

“**Facility Amount**” means US\$7,500,000.00.

“**Facility Obligations**” means the Loan and all other obligations (including all Delivery Obligations and all indemnity obligations) of the Obligor owing to the Lender under, pursuant to or otherwise in connection with this Agreement or any other Loan Documents, whether now or hereafter existing or arising, and whether due or to become due, absolute or contingent, liquidated or unliquidated, determined or undetermined.

“**Gold**” means gold of minimum .995 fineness in gold bars, conforming in all respects with the specification for “Good Delivery Gold Bars” under the “Good Delivery Rules”, as published by the LBMA from time to time.

“**Gold Delivery**” has the meaning specified thereto in Section 2.

“**Gold Loan Ounces**” has the meaning specified thereto in Section 2.

“**Gold Price**” means the LBMA AM (10:30am UTC) closing gold price on a date.

“**Governmental Authority**” means any national or federal government, any province, state, regional, local or other political subdivision thereof with jurisdiction and any person with jurisdiction exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“**Guaranteed Obligations**” has the meaning specified thereto in Section 6(a).

“**Indebtedness**” means, with respect to any Obligor, without limitation: (i) debt arising from the lending of money by any Person to any Obligor; (ii) debt, whether or not in any such case arising from the lending by any Person of money to any Obligor: (a) which is represented by notes payable or drafts accepted that evidence extensions of credit; (b) which constitutes obligations evidenced by bonds, debentures, notes or similar instruments; (c) upon which interest charges are customarily paid (other than accounts payable) or that was issued or assumed as full or partial payment for Property; or (d) to the extent not covered by the foregoing clauses (a) through (c), incurred pursuant to any amalgamation, consolidation or acquisition by any Obligor; (iii) debt that constitutes a capitalized lease obligation; (iv) reimbursement obligations with respect to letters of credit or guaranties of letters of credit; and (v) any guaranty of obligations that would constitute Indebtedness under clauses (i) through (iv) hereof if owed directly by a Person.

“**Intercreditor Agreement**” has the meaning specified thereto in Section 13(a).

“**LBMA**” means the London Bullion Market Association.

“**Lender Accounts**” means the accounts numbers and details in the name of the Lender at Julius Baer, Geneva, the details of which are set out in Appendix VII, as such accounts may be redenominated or redesignated from time to time in writing by the Lender from time to time.

“**Lien**” means any lien, encumbrance, mortgage, pledge, charge, restriction or other security interest of any kind upon any of the Property, or upon the income or profits therefrom.

“**Loan Documents**” has the meaning ascribed to it in the recitals to this Agreement.

“**Material Adverse Effect**” means an adverse effect on (i) the ability of any Obligor to perform and comply, in all material respects, with its obligations under this Agreement or any of the Loan Documents, (ii) the business, operations, Property or financial condition of any of the Obligors, taken as a whole, excluding accepted industry-wide fluctuations or risks affecting the

industry and acts of war, terrorism, natural disasters, epidemics and pandemics, or (iii) the validity or enforceability of any material term of this Agreement or any of the Loan Documents.

“**Material Contracts**” means the contracts listed in Appendix III which are all of the agreements, contracts, arrangements or commitments material to the Obligors’ business as it is now carried on.

“**Maturity Date**” means the date that is the last Business Day in the 18th month after the Advance Date.

“**Mexican General Security Agreement**” means the all asset security agreement (subject to certain carve-outs) to be granted by the Guarantor in favour of the Lender on or before the Advance Date.

“**Non-Guarantor Subsidiary**” has the meaning specified thereto in Section 13(a).

“**Obligors**” means, collectively, the Borrower and the Guarantor, and each an “**Obligor**”.

“**Permitted Encumbrances**” means, in respect of any Obligor, any one or more of the following:

- (a) security for taxes, labour matters, worker’s compensation, unemployment insurance and other types of social security, assessments or other governmental charges or levies if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings and where adequate reserves (segregated to the extent required by Accounting Standards) satisfactory to the Lender, acting reasonably, have been established in accordance with Accounting Standards and so long as such contested security could not reasonably be expected to have a Material Adverse Effect;
- (b) security imposed by law, such as landlords, carriers, warehousemen and mechanics’ liens and other similar liens arising in the ordinary course of business associated with amounts not yet due and payable, provided that (i) such security is not registered against title to any assets of the Obligors comprising part of the El Cubo Project and in respect of which adequate holdbacks are being maintained as required by law, (ii) such security does not, in the aggregate, materially detract from the value of the assets of the Obligors comprising part of the El Cubo Project or materially impair the use thereof in the Obligors’ operation of the El Cubo Project, in each case, taken as a whole, or (iii) such security is being contested in good faith by appropriate proceedings and in respect of which there has been set aside a reserve (segregated to the extent required by Accounting Standards) in an amount satisfactory to the Lender, acting reasonably;
- (c) security created or arising under any conditional sale, hire purchase or other title retention agreement with respect to Property acquired by the Obligors in the ordinary course of business, provided the security is limited to such Property and

the amount secured is not past due for more than 91 days after the date on which such security was created;

- (d) security created or arising under any capital or operating lease which is a Permitted Financial Indebtedness, provided that such security is limited to the relevant operating equipment or Property;
- (e) any netting or set-off arrangement entered into in the ordinary course of banking arrangements for the purpose of netting debit and credit balances of any bank accounts;
- (f) security arising under this Agreement and the other Loan Documents;
- (g) security permitted with the written consent of the Lender;
- (h) in the case of real property, any matters, restrictions, covenants, conditions, limitations, rights, rights of way, encumbrances, encroachments, defects, irregularities, reservations, easements, agreements and other matters of record, such state of facts of which an accurate survey of the property would reveal, which in the aggregate, are not material in amount, and which do not, in the aggregate, materially detract from the value of any such real property or materially interfere with the ordinary conduct of any Obligor's business;
- (i) attachments, appeal bonds, judgments and other similar Liens for sums not exceeding US\$1,500,000 arising in connection with court proceedings; provided that the execution of such Liens is effectively stayed;
- (j) Liens incurred or deposits made to secure the performance of or otherwise in connection with statutory obligations, environmental reclamation obligations, bids, leases, customer or supplier contracts, government contracts, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;
- (k) Liens given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the Property or assets of any Obligor;
- (l) Liens arising under customary contracts for the sale, purchase, exchange, transportation, gathering or processing of precious metals or other minerals incurred in the ordinary course of business and that do not secure Indebtedness;
- (m) Liens in favour of mining authorities arising by operation of law;
- (n) Liens on any Additional Property existing at the time of acquisition of such Additional Property by any Obligor, provided that such Liens do not extend to the El Cubo Project; and

- (o) security granted in connection with subparagraphs (c), (d), (e), (f), (g) and (h) of the definition of Permitted Financial Indebtedness herein;

“**Permitted Financial Indebtedness**” means, in respect of any Obligor, any one or more of the following:

- (a) Indebtedness under any of the Loan Documents;
- (b) capital or operating lease obligations with respect to operating equipment or Property up to a maximum aggregate amount of US\$5,000,000;
- (c) existing Indebtedness of the Obligors as disclosed to the Lender in Appendix IV;
- (d) Indebtedness owed in connection with accounts payable to trade creditors and current operating expenses, in each case, incurred in the ordinary course of business;
- (e) Indebtedness consented to in writing by the Lender, in its sole discretion;
- (f) Indebtedness incurred under any operating line of credit or similar loan facility or arrangement with a bank, financial institution and/or gold and silver refiner or similar entity for the purpose of producing gold and/or silver up to a maximum aggregate amount of US\$5,000,000, provided that any such Indebtedness shall rank subordinate to the Facility Obligations and the Loan Documents with respect to the El Cubo Project;
- (g) Indebtedness incurred to acquire additional mineral properties, interests or projects located, in whole or in part, within the State of Guanajuato, Mexico (each an “**Additional Property**”), whether by way of asset or share purchase, amalgamation, merger, arrangement or similar business combination, provided that (i) such Indebtedness does not exceed (A) in respect of any Additional Property, 35% of the purchase price paid or payable by the Obligor for such Additional Property, or (B) a maximum aggregate amount of US\$15,000,000 for all Additional Properties; and (ii) any Liens securing Indebtedness incurred to acquire an Additional Property do not directly include the El Cubo Project;
- (h) Indebtedness provided by the Borrower to the Guarantor; and
- (i) unsecured Indebtedness incurred in the ordinary course of business.

“**Person**” shall mean any individual, corporation, partnership, limited liability company, trust, unincorporated association, business, or other legal entity, and any government or any Governmental Authority.

“**Property**” means all of the real and personal property of each of the Obligors, as applicable.

“**Required Tax Deduction or Withholding**” has the meaning specified thereto in Section 7.

“**Share Pledge Agreement**” means the share pledge agreement to be granted by the Borrower in favour of the Lender over the Shares of the Guarantor on or before the Advance Date.

“**Shares**” means all of the issued and outstanding shares in the capital of each of the Obligors.

“**Silver**” means silver of minimum .999 fineness in silver bars, conforming in all respects with the specification for “Good Delivery Silver Bars” under the “Good Delivery Rules”, as published by the LBMA from time to time.

“**Silver Delivery**” has the meaning specified thereto in Section 2.

“**Silver Loan Ounces**” has the meaning specified thereto in Section 2.

“**Silver Price**” means the LBMA closing silver price on the applicable date.

“**Specified Time**” has the meaning specified thereto in Section 3.

“**Third Party Lender**” has the meaning specified thereto in Section 13(a).

“**Time of Delivery**” has the meaning specified thereto in Section 3.

“**US\$**” means United States dollars.

1. **Advance of the Facility Amount.** Subject to the terms of this Agreement, the Lender agrees to make the Facility Amount available to the Borrower. The Loan will be made available in a single advance on the date set forth in the Direction (the “**Advance Date**”), payable by the Lender to the Borrower to such accounts as agreed between the Lender and the Borrower prior to the Direction Date; provided however that there shall be no unreasonable delay between the Effective Date and the Advance Date and in no case will this delay exceed 90 days. The proceeds of the Loan may only be used by the Borrower for the Eligible Purpose.

2. **Repayment.**

(a) Subject to Section 7, the Borrower shall repay such portion of the Loan which is payable by delivering Gold (the “**Gold Deliveries**” and each a “**Gold Delivery**”) from the applicable Borrower Account to the applicable Lender Account, that certain number of ounces of fine gold set forth in the Direction (the “**Gold Loan Ounces**”) finalized in the form attached as Appendix VI, based on the Gold Price on the Direction Date rounded up to the nearest whole ounce, on the dates set forth in the Direction in accordance with the following schedule:

- (i) the Borrower will make a Gold Delivery of 1/12 of the Gold Loan Ounces before the Specified Time on the last Business Day of the seventh (7th) month following the Advance Date; and
- (ii) the Borrower will make 11 Gold Deliveries of 1/12 of the Gold Loan Ounces each before the Specified Time on the last Business Day of each of the following 11 months with the last such Gold Delivery due and payable on the Maturity Date.

For the avoidance of doubt, subject to Section 7, the number of Gold Loan Ounces will be calculated using a [redacted – commercially sensitive information]% (percent) annualized discount to the Gold Price and applying it over the term of the Loan in accordance with the following formula:

Gold Loan Ounces = [redacted – commercially sensitive formula].

- (b) Subject to Section 7, the Borrower shall repay such portion of the Loan which is payable by delivering Silver (the “**Silver Deliveries**” and each a “**Silver Delivery**”) from the applicable Borrower Account to the applicable Lender Account, that certain number of ounces of fine silver set forth in the Direction (the “**Silver Loan Ounces**”) finalized in the form attached as Appendix VI, based on the Silver Price on the Direction Date rounded up to the nearest whole ounce, on the dates set forth in the Direction in accordance with the following schedule:
 - (i) the Borrower will make a Silver Delivery of 1/12 of the Silver Loan Ounces before the Specified Time on the last Business Day of the seventh (7th) month following the Advance Date; and
 - (ii) the Borrower will make 11 Silver Deliveries of 1/12 of the Silver Loan Ounces each before the Specified Time on the last Business Day of each of the following 11 months with the last such Silver Delivery due and payable on the Maturity Date.

For the avoidance of doubt, subject to Section 7, the number of Silver Loan Ounces will be calculated using a [redacted – commercially sensitive information]% (percent) annualized discount to the Silver Price and applying it over the term of the Loan in accordance with the following formula:

Silver Loan Ounces = [redacted – commercially sensitive formula].

- (c) The Borrower may, at any time and from time to time, in its sole discretion, prepay the Loan, in whole or in part, without premium, penalty or discount, on any Delivery Date by written notice to the Lender at least five Business Days prior to such Delivery Date specifying the number of Gold Loan Ounces and/or Silver Loan Ounces to be prepaid and delivered from the Borrower Accounts to the Lender Accounts. Partial prepayments of the Loan shall be made only in increments of 1/12 of the Gold Loan Ounces and/or 1/12 of the Silver Loan Ounces, or integral multiples thereof, provided that any prepayment of Gold Loan

Ounces and/or Silver Loan Ounces shall not relieve the Borrower of its obligation to make the Gold Deliveries and Silver Deliveries set out in subsections 2(a) and 2(b), respectively, on the due dates thereof until the total number of Gold Loan Ounces and Silver Gold Ounces have been repaid by the Borrower to the Lender.

3. **Delivery of Gold and Silver.** Each Delivery to be made by the Borrower to the Lender under this Agreement must be delivered by credit to the Lender Accounts no later than 3:00pm UTC (London time) or such other time as agreed between the Lender and the Borrower (“**Specified Time**”) on each Gold Delivery Date or Silver Delivery Date. A Delivery by the Borrower, as set out in the Direction finalized in accordance with Appendix VI, to the Lender will be deemed to have occurred on the day and at the time on which the relevant Gold or Silver is credited to the Lender Accounts (“**Time of Delivery**”), provided that if such time is later than the Specified Time, then the Time of Delivery shall be deemed to be 10:00am UTC (London time) on the next Business Day thereafter. The number of ounces of Gold or Silver credited to the Lender Accounts on each Delivery Date shall be final and conclusive, absent any manifest error. The Borrower shall be responsible for all costs and expenses relating to any Gold or Silver delivered or to be delivered to the Lender under this Agreement prior to the Time of Delivery, including but not limited to transportation, refining and insurance. All taxes (excluding income taxes payable by the Lender), tariffs and duties arising or incurred in relation to any Gold or Silver delivered or to be delivered by the Borrower to the Lender under this Agreement prior to the Time of Delivery shall be borne by the Borrower.

4. **Delivery by Borrower of Gold and Silver.** The Borrower agrees to: (i) deposit sufficient Gold and Silver into the Lender Accounts to satisfy the Borrower’s Delivery Obligations under this Agreement; (ii) purchase sufficient Gold and Silver, in each case, to deliver to the Lender by credit to the Lender Accounts to satisfy the Borrower’s Delivery Obligations under this Agreement; and (iii) solely at the discretion of the Lender, pay to the Lender the US\$ equivalent of the Delivery Obligations on each Delivery Date in the manner set out in this Agreement.

5. **Default.**

(a) The occurrence of any of the following events shall be a default hereunder (each a “**Default**”) but only after the expiration of any cure or remedy periods (unless, for greater certainty, by its nature such Default cannot be remedied by a cure or remedy period):

- (1) the Borrower shall fail to make any payment or Delivery of any kind under this Agreement or any other Loan Document including, but not limited to, any Delivery Obligations, on any date such payment or delivery is due (provided that the Borrower shall have a period of 10 Business Days from the date the Borrower receives written notice of such failure from the Lender, within which to cure such Default(s));
- (2) any representation or warranty made by any Obligor to the Lender in this Agreement or any other Loan Document shall fail to be true and correct in any material respect (provided that such Obligor shall have a period of 20

Business Days from the date such Obligor receives written notice thereof from the Lender, within which to cure such Default(s));

- (3) any Obligor shall fail to observe or perform any of the covenants, agreements or obligations (excluding the Borrower's obligation to make any payment or Delivery and the obligation to comply with the conditions precedent) contained in this Agreement, any other Loan Document, or any other agreement with the Lender in any material respect (provided that such Obligor shall have a period of 20 Business Days from the date such Obligor receives written notice thereof from the Lender within which to cure such Default(s));
- (4) any Obligor shall institute proceedings to be adjudicated bankrupt or insolvent (*concurso mercantil*), or the consent by any Obligor to the institution of bankruptcy or insolvency proceedings against it under any applicable federal, provincial or state insolvency, bankruptcy or reorganization law, including under the Mexican Insolvency Law (*Ley de Concursos Mercantiles*), or acquiescence in, the filing of any such petition or in the appointment of a receiver, liquidator, assignee, trustee, or other similar official of any Obligor, or of any substantial part or its Property, or the making by such Obligor of an assignment for the benefit of creditors, or the admission by such Obligor in writing of its inability to pay its debts generally as they become due;
- (5) within 90 days after the commencement of proceedings against any Obligor seeking any bankruptcy, insolvency, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such action shall not have been dismissed or all orders or proceedings thereunder affecting the operations or the business of such Obligor stayed, or the stay of any such order or proceedings shall thereafter be set aside, or, within 90 days after the appointment without the consent or acquiescence of such Obligor of any trustee, receiver or liquidator of such Obligor over of all or any substantial part of the Property of such Obligor, such appointment shall have not been vacated;
- (6) breach of any Material Contract which results in an event of default being called against any Obligor under such Material Contract provided however, the Obligors shall have a period of 30 Business Days within which to cure such breach;
- (7) any Obligor shall dissolve or take corporate action toward dissolution;
- (8) final judgments which exceed an aggregate of US\$1,500,000 shall be rendered against the Borrower and shall not have been paid, discharged or vacated within 60 days after entry or filing of such judgments, but excluding any final judgments covered by insurance, which coverage has been acknowledged by the relevant insurance company;

- (9) any “event of default” (as such term is defined under any applicable underlying agreement) of the Borrower’s Indebtedness in excess of US\$1,500,000 in the aggregate shall occur or any failure of the Borrower to pay any such Indebtedness when due shall occur and all cure periods, extensions, waivers and forbearances thereunder have expired and the applicable lender(s) thereunder is taking steps to realize such Indebtedness;
 - (10) any Obligor ceases carrying on business, or a substantial part thereof;
 - (11) a Change of Control of any of the Obligors shall have occurred, and the Lender’s consent has not been obtained, such consent not to be unreasonably withheld, delayed or conditioned;
 - (12) an order being made, a petition being filed or a resolution being passed for the winding up, dissolution or liquidation of an Obligor, as applicable, or for the suspension of the operations of an Obligor; and
 - (13) any Loan Document shall cease to be legal, valid or enforceable or any Obligor alleges any Loan Document is not legal, valid or enforceable.
- (b) Remedies upon Default. Upon the occurrence (and at any time during the continuance) of any Default, the Lender, by notice in writing to the Borrower, may (i) declare all outstanding Delivery Obligations and any other outstanding Facility Obligations to be immediately deliverable or otherwise due and payable and the same shall become immediately deliverable or otherwise due and payable upon such declaration, (ii) exercise or pursue any remedy available to the Lender under any of the Loan Documents, and (iii) pursue any remedy available to the Lender at law or in equity; provided, however, that in the event of any Default under Subsection 5(a)(4), 5(a)(5) or 5(a)(12) above, all outstanding Delivery Obligations and any other outstanding Facility Obligations shall automatically become immediately deliverable or otherwise due and payable, without the need for declaration, presentment, demand, protest, or other notice of any kind.
- (c) Default Interest. Upon the occurrence and during the continuance of a Default, the unpaid amount of the Facility Obligations outstanding (calculated by multiplying the portion of Delivery Obligations not yet satisfied by the Facility Amount, and then adding any other amounts then owing to the Lender under this Agreement) will accrue interest at 12% per annum. Any such interest shall be calculated daily on the basis of a year of 360 days and shall be payable by the Obligors to the Lender on the last day of each calendar month such amounts are owed and outstanding to the account specified by the Lender to the Borrower in writing. For greater certainty, this section does not relieve the Borrower of any obligation to make Gold or Silver Deliveries then outstanding, but does confirm that any default interest accruing on such Delivery Obligations and other amounts, if any, in default accrues as a cash payment obligation and not as additional Gold Deliveries or Silver Deliveries.

- (d) Criminal Interest. If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to the Lender in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Lender of “interest” at a “criminal rate” (as such terms are construed under the *Criminal Code* (Canada)), 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 law or so result in a receipt by the Lender of “interest” at a “criminal rate”, such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:
- (i) first, by reducing the amount or rate of interest required to be paid to the Lender under the terms of this Agreement; and
 - (ii) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Lender which would constitute interest for purposes of section 347 of the *Criminal Code* (Canada).
- (e) Remedies Cumulative. No remedy conferred herein on the Lender is intended to be exclusive. Each and every remedy will be cumulative and will be in addition to every other remedy given hereunder or thereunder or now or hereafter existing at law or in equity or by statute or otherwise. The exercise or commencement of exercise by the Lender of any one or more of such remedies will not preclude the simultaneous or later exercise by the Lender of any or all other such remedies.

6. **Guarantee.**

- (a) Guarantee of Facility Obligations. The Guarantor hereby agrees that the Guarantor is liable for, and, as a primary obligor and not merely as surety, absolutely, unconditionally and irrevocably guarantees to the Lender, the prompt payment and performance when due, owing, and so obliged, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Facility Obligations and all costs and expenses including, without limitation, all court costs and reasonable attorneys’ and paralegals’ fees and expenses paid or incurred by the Lender in endeavoring to collect or secure performance of all or any part of the Facility Obligations from, or in prosecuting any action against, the Borrower, the Guarantor or any other guarantor of all or any part of the Facility Obligations (such costs and expenses, together with the Facility Obligations, collectively the “**Guaranteed Obligations**”).
- (b) Guarantee of Payment, Performance and Collection. This Guarantee is a guarantee of payment, performance, and collection. The Guarantor hereby waives any right to require the Lender to sue the Borrower or any other Person obligated for all or any part of the Guaranteed Obligations, or otherwise to enforce its payment against any collateral securing all or any part of the Guaranteed Obligations.

- (c) No Discharge or Diminishment of Loan Guarantee.
- (i) The obligations of the Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason, other than the payment in full of the Guaranteed Obligations, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Borrower or any other obligated party liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any obligated party, or their assets or any resulting release or discharge of any obligation of any obligated party; or (iv) the existence of any claim, setoff or other rights which the Guarantor may have at any time against any other obligated party, the Lender, or any other Person, whether in connection herewith or in any unrelated transactions.
 - (ii) The obligations of the Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any obligated party, of the Guaranteed Obligations or any part thereof.
 - (iii) Further, the obligations of the Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrower for all or any part of the Guaranteed Obligations or any obligations of any other obligated party liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the Guarantor or that would otherwise operate as a discharge of the Guarantor as a matter of law or equity, other than the payment in full of the Guaranteed Obligations.
- (d) Defenses Waived. To the fullest extent permitted by applicable law, the Guarantor hereby waives any defense based on or arising out of any defense of the Borrower or the Guarantor or the unenforceability of all or any part of the Guaranteed Obligations from any cause, or the cessation from any cause of the liability of the Borrower or the Guarantor, other than the payment in full of the Guaranteed Obligations. Without limiting the generality of the foregoing, the Guarantor

hereby irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against the Guarantor. The Guarantor hereby confirms that it is not a surety under any applicable law and shall not raise any such law as a defense to its obligations hereunder. The Lender may, at its election, foreclose on any security held by it by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, compromise or adjust any part of the Guaranteed Obligations, without affecting or impairing in any way the liability of the Guarantor, except to the extent the Guaranteed Obligations have been paid in full. To the fullest extent permitted by applicable law, the Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of the Guarantor against any obligated party or any security.

Without limiting the generality of the foregoing, the Guarantor hereby expressly waives the rights that are granted by articles 2812, 2813, 2814, 2815, 2816, 2817, 2818, 2819, 2820, 2821, 2826, 2827, 2836, 2845, 2846, 2847, 2848 and 2849 of the Federal Civil Code of Mexico and its correlatives in any other civil code or law that may result applicable.

- (e) Rights of Subrogation. The Guarantor will not assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any other obligated party with respect to the Guaranteed Obligations, or any collateral, until the Borrower and the Guarantor have fully performed all their obligations to the Lender.
- (f) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations, including a payment effected through exercise of a right of setoff, is rescinded, or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, including pursuant to any settlement entered into by the Lender in its discretion, the Guarantor's obligations under this guarantee with respect to that payment shall be reinstated at such time as though the payment had not been made and irrespective of whether the Lender is in possession of this guarantee. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of the Borrower or Guarantor, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the Guarantor forthwith on demand by the Lender.
- (g) Taxes. Each payment of the Guaranteed Obligations will be made by the Guarantor without withholding for any taxes, unless such withholding is required by law. If any Guarantor determines, in its sole discretion exercised in good faith, that it is so required to withhold taxes, then the Guarantor may so withhold and

shall promptly pay the full amount of withheld taxes to the relevant Governmental Authority when due in accordance with applicable law. The Guarantor shall indemnify the Lender for such amount of taxes payable, such that the amount payable by the Guarantor to the Lender shall be increased as necessary so that, net of such withholding, including such withholding applicable to additional amounts payable under this section, the Lender receives the amount it would have received had no such withholding been made.

- (h) Carve-Out of El Pinguico Project. Notwithstanding any other provision of this Agreement, the Lender acknowledges and agrees that the El Pinguico Project is not intended to and does not form part of the collateral of the Guarantor or the Borrower securing all or any part of the Guaranteed Obligations or the Facility Obligations, respectively, and that the Guarantor and Borrower may, at any time in their sole discretion, upon five Business Days notice to the Lender, transfer and assign or cause to be transferred and assigned the El Pinguico Project to another subsidiary of the Borrower for any purpose whatsoever including, but not limited to, granting security over the El Pinguico Project pursuant to or in connection with the incurrence of a Permitted Financial Indebtedness by the Borrower or such other subsidiary, free and clear of any and all Liens in favour of the Lender hereunder.

7. **Gross Up.** All payments under this Agreement by the Borrower will be made without any deduction or withholding for or on account of any tax or other withholding or deduction unless such tax, deduction or withholding is required by any applicable law then in effect (a “**Required Tax Deduction or Withholding**”). If the Borrower is so required to deduct or withhold any Required Tax Deduction or Withholding, then the Borrower will promptly notify the Lender of such requirement and:

- (a) pay to the relevant authorities the full amount of the Required Tax Deduction or Withholding (including the full amount required to be deducted or withheld from any additional amount paid by the Borrower to the Lender under this Section 7) promptly upon the earlier of determining that the Required Tax Deduction or Withholding is required or receiving notice that such amount has been assessed against the Borrower and such payment will be made within the time limits prescribed by the applicable law;
- (b) promptly forward to the Lender an official receipt (or a certified copy), or other documentation reasonably acceptable to the Lender, evidencing such payment to such authorities; and
- (c) pay to the Lender, in addition to the payment to which the Lender is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by the Lender will equal the full amount the Lender would have received had no such Required Tax Deduction or Withholding been required.

8. **Commitment Fee and Expenses.** The Borrower agrees to pay (a) an Expense deposit in the amount of US\$[redacted – commercially sensitive information] (the “Expense Deposit”) and (b) a commitment fee in the amount of US\$[redacted – commercially sensitive information] (the “Commitment Fee”) to the Lender on the second Business Day immediately following the date this Agreement is accepted for filing by the TSX Venture Exchange (the “TSXV”) and in any case, at least two Business Days before the Advance Date. The Expense Deposit shall be applied to reimburse the Lender for all Expenses up to a maximum of US\$[redacted – commercially sensitive information], provided that any amount of the Expense Deposit remaining once all Expenses of the Lender are reimbursed shall be credited to the Borrower’s account with the Lender and remitted to the Borrower simultaneously with the first advance of the Loan. The Commitment Fee shall be credited to the Borrower’s account with the Lender and remitted to the Borrower simultaneously with the first advance of the Loan, provided that if the Direction is not issued by the Borrower to the Lender within 90 days of the Effective Date, this Agreement shall terminate and be of no further force or effect, the Commitment Fee will be retained by the Lender in full to cover its opportunity cost and the Lender and Obligors shall be relieved from any further obligations or liabilities whatsoever hereunder. In addition to the Expenses, the Borrower agrees to pay all duty and registration fees or other similar duties, fees and taxes which may be payable or determined to be payable on or in connection with this Agreement or any other Loan Document. The Borrower will indemnify the Lender on demand against liability for all such duty, registration fees or other similar duties, fees and taxes payable or determined to be payable.

9. **Representations and Warranties.** Each of the Obligors hereby makes each of the representations and warranties set forth on Appendix I hereto, as of the date of this Agreement and as of the Advance Date.

10. **Covenants.** Each of the Obligors hereby agrees to observe and fully perform each of the covenants set forth on Appendix II hereto.

11. **Conditions Precedent.** The Lender shall not be required to advance the Facility Amount until such time as each of the Obligors, as applicable, shall have duly executed and delivered, or caused to be duly executed and delivered to the Lender the following documents, in form and substance satisfactory to the Lender, acting reasonably, and performed the following undertakings to the satisfaction of the Lender, unless waived in writing by the Lender:

- (a) this Agreement;
- (b) the Canadian General Security Agreement;
- (c) the Share Pledge Agreement and the perfection and registration requirements set forth in the Share Pledge Agreement;
- (d) the Mexican General Security Agreement and the perfection and registration requirements set forth in the Mexican General Security Agreement;
- (e) an officer’s certificate of each Obligor with respect to incumbency and resolutions authorizing the execution of this Agreement and the other Loan Documents to which it is a party;

- (f) confirmation that the parties shall have received all authorizations required by the TSXV in connection with the transactions contemplated by this Agreement;
- (g) confirmation that no default under this Agreement or under any other Loan Document or any Default shall have occurred and be continuing, nor shall the advance of the Loan result in the occurrence of any Default; and
- (h) such other documents or certificates, and completion of such matters, as the Lender may deem reasonably necessary or appropriate, which shall include, amongst other things, evidence of insurance of the Obligors' businesses satisfactory to the Lender in its sole discretion.

12. **Confidentiality.** If either the Borrower or the Lender is required to file this Agreement in any public registry, filing system or depository, including SEDAR in order to comply with applicable law, such party shall notify the other party of such requirement promptly and the Lender and Borrower shall consult with each other with respect to any proposed redactions to the Agreement in compliance with applicable law before it is filed in any such registry, filing system or depository.

13. **Miscellaneous.**

- (a) **Inter-Creditor Agreement.** If the Borrower wishes to grant, directly or indirectly, a Permitted Encumbrance in, to or over all or any part of its present or after-acquired property or assets including, but not limited to, the El Pinguico Project as security for or in connection with an operating line of credit or similar loan facility or arrangement and/or the acquisition of an Additional Property as contemplated in subparagraphs (f) and (g), respectively, of the definition of Permitted Financial Indebtedness herein, then the Lender agrees, if requested, to enter into an intercreditor agreement (an “**Intercreditor Agreement**”) with the Borrower, the applicable third party lender (the “**Third Party Lender**”), the Guarantor and/or any other applicable subsidiary of the Borrower (a “**Non-Guarantor Subsidiary**”), such agreement to be negotiated in good faith and using all reasonable efforts at the cost and expense of the Borrower, to, inter alia, establish the respective rights, restrictions and priorities between the Lender and the Third Party Lender with respect to the property and assets of the Borrower, the Guarantor and/or the Non-Guarantor Subsidiary, as applicable, subject to the following core principles:
 - (i) the Lender shall have a first ranking claim in and to the El Cubo Project and any proceeds thereof;
 - (ii) the Third Party Lender shall have a first ranking claim in and to the El Pinguico Project and/or the Additional Property(s), as the case may be, and any proceeds thereof; and
 - (iii) the Lender and the Third Party Lender shall rank *pari passu* over all other property and assets of the Borrower, the Guarantor and/or the Non-Guarantor Subsidiary, as applicable, over which both the Lender and the

Third Party Lender have a security interest, irrespective of order of registration or perfection.

- (b) TSXV Acceptance. This Agreement and the Borrower's obligations hereunder are subject to the acceptance of the TSXV. The Borrower covenants and agrees to use its reasonable commercial efforts to apply for and obtain the acceptance of this Agreement by the TSXV as soon as possible following the Effective Date.
- (c) Waiver and Amendment. Any provision of this Agreement may be waived, amended or modified only upon the written consent of the Borrower and the Lender.
- (d) Interpretation. In this Agreement words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa. The division of this Agreement into Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.
- (e) Restriction on Transfer. The rights and obligations of the parties under this Agreement may only be transferred in compliance with applicable laws, including Canadian securities laws. All rights and obligations of the Borrower and the Lender under this Agreement shall be binding upon and benefit the successors, assigns, heirs, and administrators of the parties.
- (f) Payments and deliveries generally. Whenever any payment or delivery under this Agreement shall be stated to be due for payment or delivery on a day which is not a Business Day then such payment or delivery shall be made on the following Business Day.
- (g) Assignment; Participations. The Lender shall have the right to assign all or a part of its rights and obligations under this Agreement and any other Loan Document without the consent of the Borrower. The Borrower shall not assign its rights or obligations under this Agreement or any other Loan Document without the prior written consent of the Lender.
- (h) Governing Law. This Agreement shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each of the parties submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia.
- (i) Time of the Essence. Time shall be of the essence in connection with this Agreement and no extension, indulgence or variation granted by the Lender shall operate as a waiver of this provision.
- (j) Severability. If any of the provisions of this Agreement is held invalid, such invalidity shall not affect the other provisions hereof that can be given effect without the invalid provision, and to this end the provisions of this Agreement are intended to be and shall be deemed severable.

- (k) Entire Agreement. This Agreement and the Loan Documents constitute the entire agreement between the Lender, the Borrower and the Guarantor with respect to the subject matter hereof and cancel and supersede any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, expressed, implied or statutory, between such parties other than as expressly set forth herein or therein.
- (l) Force Majeure. In the event the Borrower is prevented, hindered or delayed in satisfying the Borrower's Delivery Obligations by reason of acts of God, riots, terrorism, acts of war, epidemics, pandemics (including, but not limited to, a mandatory, government imposed business interruption due to COVID-19), governmental actions or judicial orders, earthquakes, natural disasters, flooding, fires, labor unrest, strikes or slowdowns or any other similar causes, the Borrower's Delivery Obligations will be suspended and extended for a period of time equivalent to the time lost because of any delay that is excusable under this subsection 13(l).
- (m) Indemnification. The Borrower agrees to hold harmless, defend and indemnify the Lender and its officers, employees, agents and representatives from and against any liability, loss (excluding indirect, consequential or special losses or loss of profits), cost, expense, damage claim or cause of action due to or arising from, related to or incurred in connection with any Loan Document, the entry into and performance of the obligations under this Agreement and the use of the proceeds provided for herein, or the consummation of any other transaction contemplated herein, including without limitation as to environmental and tax matters. The indemnification provided for in the immediately preceding sentence shall not apply to liabilities, losses, costs, expenses, damage, claims or causes of action which may arise as the result of the willful misconduct or gross negligence of the Lender or any of its officers, employees, agents or representatives as determined by a court of competent jurisdiction by final and non-appealable judgment.
- (n) Discharge. This Agreement (other than the provisions relating to indemnification of the Lender in subsection 13(m) which shall survive termination) shall terminate on the date that the Loan and all Delivery Obligations, together with all other amounts (including interest on amounts in default, if any) due to the Lender hereunder or under any other Loan Document, have been repaid in full to the Lender. Upon termination of this Agreement, the Borrower and the Guarantor shall be entitled to discharges of all security then held by the Lender hereunder including, but not limited to, the Canadian General Security Agreement, the Share Pledge Agreement and the Mexican General Security Agreement, provided that the cost of preparing, executing, delivering and, if necessary, registering such discharges shall be paid by the Borrower.

- (o) Notices. All notices and other communications given to or made upon any party hereto in connection with this Agreement shall, except as otherwise expressly herein provided, be in writing and mailed via certified or electronic mail, facsimile or delivered to the respective parties, as follows:

To the Lender:

OCIM Precious Metals SA
rue du Rhône, 65, Genève, 1204 CH Switzerland
Attention: Laurent Mathiot
Email: **[redacted – confidential personal information]**

To the Borrower:

VanGold Mining Corp.
Suite 578 – 999 Canada Place, Vancouver, BC V6C 3E1, Canada
Attention: James Anderson
Email: **[redacted – confidential personal information]**

To the Guarantor:

Obras Mineras El Pinguico S.A. de C.V.
Carr. Libre Guanajuato Silao Km. 5.5 interior 2
Col. Marfil, C.P 36250, United Mexican States
Attention: Gerardo Sergio Dorado Cantu and James Anderson
Email: **[redacted – confidential personal information]**

or in accordance with any subsequent written direction from the recipient party to the sending party delivered in accordance with this Section 13(o). All such notices and other communications shall, except as otherwise expressly herein provided, be effective upon (i) if delivered by hand, the date of delivery if delivered during normal business hours on a Business Day and, if not, then on the next Business Day following delivery; (ii) if by certified mail, the third (3rd) Business Day after the date sent; (iii) if by facsimile, on receipt by the sender of an acknowledgement or transmission report generated by the machine from which the facsimile was sent but if the delivery or receipt is on a day which is not a Business Day or is after 5:00pm on a Business Day (addressee's time), it is deemed to be received at 9:00 am on the following Business Day; or (iv) if by email, upon receipt by the sender of an automated message confirming delivery or 5 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the e-mail has not been delivered, but if the delivery or receipt is on a day which is not a Business Day or is after 5:00pm on a Business Day (addressee's time), it is deemed to be received at 9:00 am on the following Business Day.

[SIGNATURES ON THE NEXT PAGE]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed by its officers, thereunto duly authorized as of the first date written above.

VANGOLD MINING CORP.

(signed) “James Anderson”

By: _____

Name: James Anderson

Title: President and Chief Executive Officer

OBRAS MINERAS EL PINGUICO, S.A. DE C.V.

(signed) “James Anderson”

By: _____

Name: James Anderson

Title: Chairman

OCIM PRECIOUS METALS SA

(signed) “Lauren Mathiot”

By: _____

Name: Lauren Mathiot

Title: CEO

APPENDIX I

Each Obligor, as applicable, hereby represents and warrants to the Lender, as of the date of this Agreement, the following:

- (a) Organization. Each Obligor is a corporation duly organized, validly existing, and in good standing under the laws of the applicable jurisdiction, with full power and authority and, other than as disclosed in Appendix V, all necessary consents, authorizations, approvals, orders, licenses, certificates, and permits of and from, and declarations and filings with all federal, provincial, state, local, foreign, and other governmental authorities and all courts and other tribunals, to own, lease, license and use its Properties and assets, and to carry on its business as presently conducted except where the failure to have such consents, authorizations, approvals, orders, licenses, certifications and permits could not reasonably be expected to have a Material Adverse Effect on such Obligor's business or operations. Each Obligor is duly licensed and qualified to do business and be in good standing in every jurisdiction in which the ownership, leasing, licensing or use of property and assets or the conduct of its business makes such qualification necessary except where the failure to have such licenses and qualifications could not reasonably be expected to have a Material Adverse Effect on its businesses or operations.
- (b) Financial Statements. The audited financial statements of the Borrower, prepared on a consolidated basis, for the fiscal year ended December 31, 2020 (the "**Annual Statements**") and the unaudited condensed consolidated financial statements of the Borrower as at and for the three month period ended March 31, 2021 (together with the Annual Statements, the "**Financial Statements**"), present fairly in all material respects the financial position and cash flows of the Borrower (on a consolidated basis) at the indicated dates and for the indicated periods. Except as set forth in the Financial Statements and Permitted Financial Indebtedness, no Obligor has any outstanding claims, liabilities, obligations or Indebtedness, contingent or otherwise, whether asserted or unasserted, other than obligations under contracts and other commitments and obligations incurred in the ordinary course of business which are not, individually or in the aggregate, material to the business, proposed business, financial condition or operating results of such Obligor. No Obligor is a guarantor or indemnitor of any Indebtedness of any other person, firm or corporation other than under Permitted Financial Indebtedness.
- (c) Title to Properties; Encumbrances; Priority. Each Obligor has good, valid and marketable title to all of its Property clear of all encumbrances, liens, claims, charges or other restrictions of whatever kind or character, except for Permitted Encumbrances.
- (d) Material Agreements. Other than as disclosed in Appendix V, each Obligor, is not in material violation or breach of, or in material default with respect to, complying with any material provision of any Material Contract, and each

Material Contract is in full force and effect and is the legal, valid and binding obligation of such Obligor enforceable as to the Obligor in accordance with its terms (subject to applicable bankruptcy, insolvency and other laws affecting the enforceability of creditors' rights generally and to general equitable principles), excluding any violation, breach or default that has not had, and would not reasonably be expected to have, a Material Adverse Effect on the business or operations of the Obligor. Each Obligor has performed in all material respects all obligations to have been performed on such Material Contracts through the date hereof. No Obligor is in violation or breach of, or in default with respect to, any term of its constituent documents. To the knowledge of each Obligor, no third party is in default under any agreement, contract or other instrument, document or agreement to which an Obligor is a party, which default would or could have a Material Adverse Effect on such Obligor's Property or assets or businesses as presently conducted or proposed to be conducted.

- (e) Litigation. Other than as disclosed in Appendix V, there is no material action, suit, investigation, customer complaint, claim or proceeding at law or in equity by or before any arbitrator, governmental instrumentality or other agency now pending or threatened against or affecting any Obligor that has had or would reasonably be expected to have a Material Adverse Effect on such Obligor's business or operations, nor, to the knowledge of the Obligors, does there exist any basis therefor. No Obligor is subject to any judgment, order, writ, injunction or decree of any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign. None of the Obligor's officers or directors is a party to, or subject to the provisions of, any order, writ, injunction, judgment or decree of any court or governmental agency or instrumentality that has had or would reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations.
- (f) Non-Defaults. No Obligor is in material default in the performance or observance of any obligation with respect to any order, writ, injunction or decree of any court or any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign and, to the Obligors' knowledge, there exists no condition, event or act which constitutes, nor which after notice, the lapse of time or both, would constitute, a material default under any of the foregoing, in each case that would reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations. No Obligor is in material breach of any term of any of the Loan Documents nor is any Default presently occurring, which, in either event, if not cured pursuant to the terms of this Agreement, would materially and adversely impair such Obligor's ability to perform the Facility Obligations.
- (g) Taxes. Other than as disclosed in Appendix V, each Obligor has filed all federal, state, local and foreign tax returns which are required to be filed by it and all such returns are true and correct in all material respects. Each Obligor has paid all taxes pursuant to such returns or pursuant to any assessments received by it (other

than any amounts which such Obligor is disputing in good faith) and has withheld all amounts which it is obligated to withhold from amounts owing to any employee, creditor or third party. No deficiency assessment with respect to or proposed adjustment of any Obligor's federal, provincial, state, county or local taxes is pending or, to such Obligor's knowledge, threatened. There is no tax lien, whether imposed by any federal, provincial, state, county or local taxing authority, outstanding against the assets, Properties or business of any Obligor.

- (h) Compliance with Laws; Environmental Matters, Licenses, Etc. Other than as disclosed in Appendix V, no Obligor has received any notice of any violation of, or noncompliance with, any federal, provincial, state, local or foreign laws, ordinances, regulations or orders (including, without limitation, those relating to all applicable federal, provincial, state and local insurance laws, rules and regulations, environmental protection, occupational safety and health and other labor laws, drug laws, securities laws, equal employment opportunity, consumer protection, credit reporting, "truth-in-lending," and warranties and trade practices) applicable to its businesses or operations, the violation of, or noncompliance with which, would have a Material Adverse Effect on such businesses or operations, and no Obligor knows of any facts or set of circumstances which, to its knowledge, would give rise to such a notice. Other than as disclosed in Appendix V, each Obligor has all licenses and permits and other governmental certificates, authorizations and permits and approvals (collectively, "**Governmental Licenses**") required by every federal, provincial, state and local government or regulatory body for the operation of its businesses and use of its Properties as currently conducted, save and except where the failure to obtain or possess such Governmental Licenses would not have a Material Adverse Effect on such businesses or use of Properties. The Governmental Licenses are in full force and effect and no violations are or have been recorded in respect of any Governmental License and no proceeding is pending or, to its knowledge, threatened to revoke or limit any Governmental License, in each case that would reasonably be expected to have a Material Adverse Effect on the any Obligor's businesses or operations. No Obligor has received any written opinion or memorandum from legal counsel indicating that it has taken any action which has resulted in, or is reasonably likely to result in, such Obligor incurring any liability which may be material to its business, financial condition, operations or assets. Each Obligor is in compliance, in all material respects, with all applicable laws, rules, regulations and orders, except for laws, rules, regulations and orders noncompliance with which has not had or would not reasonably be expected to have a Material Adverse Effect on any Obligor's businesses or operations.
- (i) Authorization. The execution and delivery of this Agreement and the other Loan Documents to which each Obligor is a party have been duly authorized by all requisite corporate action of the Obligor, as applicable, and when so executed and delivered, this Agreement and the other Loan Documents constitute the valid and binding obligations of such Obligor, enforceable against it in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance,

reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and general principles of equity.

- (j) Non-Contravention Etc. The execution, delivery and performance of this Agreement and the other Loan Documents will not: (i) violate any provision of law or statute or any order of any court or other agency of government binding on any Obligor; or (ii) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time or both) a default under, or result in the creation of any Lien under its constituent documents or any indenture, mortgage, deed of trust, note, credit or lease agreement or other material agreement or instrument to which it is a party or by which it or any of its Property is bound or affected, except for such conflict, breach or default as to which requisite waivers or consents shall have been obtained and in all instances excluding any violation, conflict, breach, default, Lien, security interest, charge or encumbrance that has not had or would not reasonably be expected to have a Material Adverse Effect on such Obligor's businesses or operations.
- (k) Insurance. On the Direction Date, the assets and Properties of each Obligor will be insured against all risks usually insured against by persons owning or operating similar Properties and assets in the localities where such Properties or assets are located, through insurance policies all of which are in full force and effect. On the Direction Date, each Obligor will be insured against all claims relating to its activities to the same extent that the risks of such claims are usually insured against by persons or entities involved in similar activities. Each of the insurance policies referred to in this section will be issued by an insurer of recognized responsibility, and no Obligor has received any notice or threat of the cancellation or nonrenewal of any such policy.
- (l) No Consent. No permit, consent, approval, authorization, order or filing with any court or governmental authority is required in connection with the issuance of this Agreement or the other Loan Documents, except for (i) consents, recordations or filings necessary to perfect any security interests granted pursuant to the Loan Documents; and (ii) the acceptance of the TSXV.
- (m) Employee Relations. Each Obligor is in material compliance with all applicable federal, provincial, state, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours and there are no pending investigations involving any domestic or foreign governmental agency responsible for the enforcement of such federal, provincial, state, local, or foreign laws and regulations. There is no unfair labor practice charge or complaint against any Obligor pending or any strike, picketing, boycott, dispute, slowdown or stoppage pending or threatened against or involving any Obligor. Other than as disclosed in Appendix V, no collective bargaining agreement or modification thereof is currently being negotiated by any Obligor and no labor dispute with any employees of any Obligor exists or is imminent.

- (n) Transactions with Affiliates. Other than as disclosed in Appendix V, no stockholder, officer or director of any Obligor (herein, a “**Related Party**”) is a party to any agreement with any Obligor including, without limitation, any contract, agreement or other arrangement providing for the rental of real or personal property from, or otherwise requiring payments not in the ordinary course of business to, any Related Party.
- (o) Financial Statements. The Financial Statements of the Borrower delivered by the Obligors to the Lender hereunder fairly and accurately present in all material respects the financial position of the Borrower, on a consolidated basis, as at the respective dates thereof, and have been prepared by the Borrower and, as applicable, its auditors in accordance with Accounting Standards.
- (p) Financial Information. All information, materials and documents, including all cash flow projections, economic models, capital and operating budgets and other information and data prepared and provided to the Lender as required by the terms of this Agreement, were, in the case of financial projections, models, budgets and other forward looking information prepared in good faith based upon reasonable assumptions at the date of preparation, and, in the case of historical information, materials and documents, true, complete and accurate in all material respects as of the respective dates thereof.
- (q) Solvency. No Obligor is an “insolvent person” or is in *concurso mercantil* under any applicable federal, provincial or state insolvency, bankruptcy or reorganization law.

The representations and warranties set out in this Appendix I shall survive the execution and delivery of this Agreement and shall be repeated and made as of the Advance Date, notwithstanding any investigations or examinations which may be made by the Lender or its counsel.

APPENDIX II

Each Obligor, as applicable, covenants and agrees that, for so long as any Facility Obligations (other than only indemnity obligations of the Obligors to the Lender hereunder) remain outstanding, it shall observe and abide by each of the covenants and agreements contained in this Appendix II, unless consented to in writing in advance by the Lender or otherwise permitted under this Agreement.

1.1 Indebtedness. Without the prior written consent of the Lender, which consent may not be unreasonably withheld, conditioned or delayed, the Obligors will not create, incur, assume, or suffer to exist, any Indebtedness, except Permitted Financial Indebtedness.

1.2 Liens. Without the prior written consent of the Lender, which consent may not to be unreasonably withheld, conditioned or delayed, other than Permitted Encumbrances, each of the Obligors will not: (i) create or incur or suffer to be created or incurred any Lien, except as otherwise permitted herein, or transfer any Property or the income or profits therefrom for the performance of any other obligation in priority to payment of its general creditors; or (ii) acquire, or agree or have an option to acquire, any Property upon conditional sale or other title retention or purchase money security agreement, device or arrangement.

1.3 Amalgamations. Without the prior written consent of the Lender, which consent may not be unreasonably withheld, conditioned or delayed, the Obligors will not affect any amalgamation or consolidation.

1.4 Disposition of Property. Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, the Obligors will not sell, lease or otherwise dispose of any of the Property, including any disposition of the Property as part of a sale and leaseback transaction, to or in favor of any Person, except for: (i) sales of inventory made in the ordinary course (including, without limitation, pursuant to any installment, output requirement, offtake or similar agreement with respect to the sale of future production in the ordinary course); (ii) dispositions of equipment for cash and fair value that are worn out, obsolete or no longer used or useful in the business of the Obligors to the extent that all net proceeds of any such sale, lease or disposition do not exceed, in the aggregate, US\$500,000; and (iii) dispositions of mining claims, concessions or other mineral interests for cash, shares, property or other consideration at fair value, provided that such claims, concessions or other interests are not used in or otherwise required for the production of Gold or Silver at the El Cubo Project and such disposition would not be reasonably likely to have a Material Adverse Effect on any of the Obligors' business or operations.

1.5 Compliance with Environmental Laws. The Obligors will not: (i) use any of the Property or any portion thereof for the handling, processing, storage, generation, manufacture, treatment, production, refining or disposal of hazardous substances, other than in compliance with environmental laws, except where the failure of such compliance would not be reasonably likely to have a Material Adverse Effect on any of the Obligors'

business or operations; (ii) cause or permit to be located on any of the Property any underground tank, surface impoundment, lagoons, pits, sumps, or underground storage receptacle for hazardous substances in any manner that would violate any environmental law in any material respects or bring such Property in violation of any environmental law in any material respects; (iii) generate any hazardous substances on any of the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law, except where the violation would not be reasonably expected to have a Material Adverse Effect on any Obligor's business or operations; (iv) conduct any activity at any of the Property or use any of the Property in any manner so as to cause a release of hazardous substances on, upon or into the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law, except where the violation would not be reasonably expected to have a Material Adverse Effect on any Obligor's business or operations; or (v) otherwise conduct any activity at any of the Property or use any of the Property in any manner that would violate any environmental law or bring such Property in violation of any environmental law in any material respects, in each case except where such violation would not be reasonably likely to have a Material Adverse Effect on any of the Obligor's business or operations.

1.6 Business Activities. Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, no Obligor will engage directly or indirectly (whether through subsidiaries or otherwise) in any type of business other than the businesses presently or currently planned to be conducted by it and in related lines of businesses.

1.7 Conflicting Agreements. Without the prior written consent of the Lender, which consent may be given or denied at the Lender's sole discretion, the Obligors will not enter into any amendment or other modification to any currently existing contractual obligation, which by its terms materially impairs the ability of the Obligors to fully satisfy all of the Facility Obligations hereunder.

1.8 Operating Reports. As soon as practicable following the end of each calendar month during the term of this Agreement commencing with the calendar month in which the Borrower is required to make its first Gold Delivery and first Silver Delivery to the Lender pursuant to subsections 2(a)(i) and 2(b)(i) of this Agreement, the Obligors shall deliver to the Lender management prepared, unaudited monthly operating and budgeting reports for the Obligors, monthly accounts receivable and accounts payable listings for the Obligors, and such other reports and financial information in respect of the Obligors and their respective businesses as the Lender may reasonably request, in all cases in form and content reasonably acceptable to Lender.

1.9 Notification as to Certain Events. Each of the Obligors shall notify the Lender if such Obligor becomes aware of any event that has or would reasonably be expected to have a Material Adverse Effect on any Obligor's business or operations with respect to the Property or any Obligors' ability to perform its obligations under this Agreement or the occurrence of any Default or any event which, with the giving of notice or lapse of time or otherwise, might constitute an Default.

1.10 Maintenance of Required Approvals and Consents; Compliance with Laws. The Obligors will take all action necessary to maintain all material approvals and consents necessary with respect to the operation of their respective businesses and the maintenance of the Property, except where the failure to maintain such approvals and consents would not be expected to have a Material Adverse Effect on any Obligor's business or operations. Each Obligor shall comply in all material respects with all applicable laws with respect to the operation of its business and the maintenance of the Property.

1.11 Taxes. Each Obligor will pay and discharge promptly all taxes, assessments and other governmental charges imposed upon it, upon its Property or any part thereof, or upon its income or profits or any part thereof, except that the Obligors shall not be required to pay or cause to be paid any tax, assessment or other governmental charge not yet past due or that is being contested in good faith by appropriate proceedings and in respect of which (i) an amount in cash sufficient to pay such taxes, assessments, charges or other statutory Liens or security interests shall have been deposited with a court, a taxing or assessing authority or the Lender or (ii) a surety bond, satisfactory to the Lender, for such amount shall have been deposited with the Lender, or where the failure to pay or discharge the same would not reasonably be expected to have a Material Adverse Effect.

1.12 Licenses. Each of the Obligors will preserve and maintain its existence, licenses, rights, franchises, and privileges in the jurisdiction of its incorporation and all authorizations, consents, approvals, orders, licenses, exemptions from or registrations with, any court or governmental department, public body, authority, commission, board, bureau, agency or instrumentality that is necessary for the transaction of its business, and qualify and remain qualified to do business in each jurisdiction in which such qualification is necessary in view of its business or the ownership or leasing of its Properties, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect.

1.13 Maintenance of Property. Each of the Obligors will maintain, preserve and protect all of its Property in good order and condition, subject to wear and tear in the ordinary course of business, except for any failure to do so that would not reasonably be expected to have a Material Adverse Effect.

1.14 Inspection. Each of the Obligors will allow the Lender reasonable access to visit and inspect its assets, Property and premises during regular working hours upon reasonable notice.

1.15 Insurance. As of the Direction Date, each of the Obligors will maintain adequate and appropriate insurance on its assets and provide the Lender with copies of such policies.

1.16 Litigation. The Obligors will notify the Lender of any material litigation commenced or threatened against any Obligors and furnish the Lender with copies of details of any such material litigation or proceedings at the Lender's reasonable request.

1.17 Name Change. Each of the Obligors will notify the Lender at least 30 days in advance of any name changes or any change in operational locations or locations of Property and assets. The Lender acknowledges the Borrower's intention to change its name to "Guanajuato Silver Company Ltd." or such similar name as may be acceptable to the TSXV prior to the Advance Date.

1.18 Use of Proceeds. The Obligors will only use the proceeds of the Loan solely for the Eligible Purpose.

1.19 Further Assurances. Each of the Obligors shall forthwith at any time and from time to time upon request by the Lender do, execute, acknowledge and deliver each and every further act, deed, document, instrument or assurance as the Lender may reasonably require for the better accomplishing or effectuating the intention of this Agreement or any other Loan Document.

1.20 Permit Transfers. The Guarantor agrees to use its reasonable best efforts to cause the transfer referred to in Appendix V, Section 1 to be completed by the corresponding government authority within 60 days.

Appendix III - Material Contracts

[redacted – commercially sensitive information]

Appendix IV – Indebtedness

[redacted – commercially sensitive information]

Appendix V – Disclosures

[redacted – commercially sensitive information]

Appendix VI – Direction (Loan Proceeds to Borrower)

From: VanGold Mining Corp. (the “**Borrower**”)

OBRAS MINERAS EL PINGUICO, S.A. DE C.V. (the “**Guarantor**”)

To: OCIM Precious Metals SA (the “**Lender**”)

Dated: [●], 2021

Dear Sirs:

Direction regarding advance under the Gold and Silver Loan Agreement dated [●], 2021 as amended from time to time (the “Agreement”)

Reference is hereby made to the Agreement. Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms under the Agreement. This is a Direction under the Agreement.

We wish to borrow the Loan on the following terms:

Borrower:	VanGold Mining Corp.
Advance Date:	[●] (or, if that is not a Business Day, the next Business Day)
Currency of Loan:	USD
Expense Deposit:	US\$[redacted – commercially sensitive information]
Commitment Fee	US\$[redacted – commercially sensitive information]
Amount of advance (Expense Deposit and Commitment Fee paid separately):	US\$7,500,000
Direction Date:	[●]
LBMA (10:30am UTC) Closing Gold Price:	US\$[●]
Gold Loan Ounces:	[●]
LBMA Closing Silver Price:	US\$[●]
Silver Loan Ounces:	[●]

The Gold Loan Ounces and the Silver Loan Ounces shall be delivered or caused to be delivered by the Borrower to the Lender in 12 equal Deliveries of (i) 1/12 of the total Gold Loan Ounces, being [●] Gold Loan Ounces, and (ii) 1/12 of the total Silver Loan Ounces, being [●] Silver Loan Ounces, on each of the following delivery dates:

- (a) before the Specified Time on [●], 2021, being the last Business Day of the seventh (7th) month following the Advance Date;
- (b) before the Specified Time on [●], 2021, being the last Business Day of the eighth (8th) month following the Advance Date;
- (c) before the Specified Time on [●], 2021, being the last Business Day of the ninth (9th) month following the Advance Date;
- (d) before the Specified Time on [●], 2021, being the last Business Day of the tenth (10th) month following the Advance Date;
- (e) before the Specified Time on [●], 2021, being the last Business Day of the eleventh (11th) month following the Advance Date;
- (f) before the Specified Time on [●], 2021, being the last Business Day of the twelfth (12th) month following the Advance Date;
- (g) before the Specified Time on [●], 2021, being the last Business Day of the thirteenth (13th) month following the Advance Date;
- (h) before the Specified Time on [●], 2021, being the last Business Day of the fourteenth (14th) month following the Advance Date;
- (i) before the Specified Time on [●], 2021, being the last Business Day of the fifteenth (15th) month following the Advance Date;
- (j) before the Specified Time on [●], 2021, being the last Business Day of the sixteenth (16th) month following the Advance Date;
- (k) before the Specified Time on [●], 2021, being the last Business Day of the seventeenth (17th) month following the Advance Date; and
- (l) before the Specified Time on [●], 2021, being the Maturity Date.

The undersigned hereby confirms that the Borrower will only use the funds advanced for an Eligible Purpose.

The net proceeds of the advance, together with reimbursement of the Commitment Fee, net of Expenses, should be credited to the following account:

[INSERT BORROWER ACCOUNT DETAILS]

[Remainder of page intentionally left blank. Signature page follows.]

This Direction is hereby irrevocably made by the Borrower.

Yours faithfully,

VANGOLD MINING CORP.

.....
authorised signatory for Borrower

Yours faithfully,

**OBRAS MINERAS EL PINGUICO, S.A. DE
C.V.**

.....
authorised signatory for Guarantor

This Direction is hereby accepted and agreed to by the Lender:

OCIM PRECIOUS METALS SA

.....
authorised signatory for the Lender

Appendix VII – Accounts

Gold Account of Lender

[redacted – confidential personal information]

Silver Account of Lender

[redacted – confidential person information]

Gold Account of Borrower

[redacted – confidential personal information]

Silver Account of Borrower

[redacted – confidential personal information]